

From HTF mtg on 02/14/24

Local Government

Identified issues

Geographic Discrepancy/Unique and Diverse Localities

Need for increased voter education on ballots

Out of state homeowners lessor demand on local services

There is an increased demand for local services commensurate with population growth
Predictability (of revenues for local gov't?)

Public relations improvement. Disconnect between taxbill & services. Need transparency

Reform the cap design. Doesn't allow flexibility
Need for smoothing. The ½ rate of inflation cap drives increases in fees, voted levies
Review 15-10-420, MCA

Special District reform. No limit on fees
Spending limitation is important. Ie - fees and assessments
Temptation to create districts w/ "fees and/or assessments" rather than taxes

Review HB 587

Levy fatigue. No sunset. Should there be a 2 year cycle

Voted levies are a significant issue. Timing and turnout of bond elections.

Analyze "leaks" in system creates shifts. Ie - ag classification, TIF's
Need for TIF reform

Review property tax assistance programs

PTAP, Veterans, Land value, natural disaster reduction and elderly renter credit

Possible solutions

Look at non levy revenues and revenues from high value properties

Other ways to evaluate total tax bill - ie- taxes per population

Eliminate 15-10-420 and move to a new cap or no cap
See SB 511 from 2023

Incorporate fees into cap

changes to 95 mill growth % going back to local gov's

Limit levies to a dollar amount plus inflation growth

Require bond/levy elections to general election date
Look at increasing voter turnout requirements for passage

Review ag classification - in process by DOR work group
Cap on TIFs, reset TIF base periodically, redefine blight