

MISSOULA LOBBYING REPORT
Week of Jan. 30, 2017
John MacDonald, Registered Lobbyist

We are gearing up for a rough week on TIF bills next week, with two significant pieces of legislation hitting the House on Wednesday. Both, HB359 and HB30, would place significant hardships on local governments, essentially gutting the programs and leaving TIF revenues devastated. Ellen Buchanan will be coming over from Missoula, as part of a contingent of local government folks, bankers and bonding experts to help out – specifically with HB359. Although these bills, along with HB134 are terrible, we have so far held our own on other TIF bills that have come up, most of them having to do with membership and reporting requirements. We've had success in either amending them or see them go away.

The city also remains very active in the Infrastructure Coalition and its efforts to secure more funding for infrastructure at the state and local level. A full report of developments on that issue is at the bottom of this week's report.

NEW:

HB359: Limit tax increment financing revenue to local mills.

Position: Oppose.

Terrible bill that would limit TIF revenue to local mills only, removing mills collected on behalf of school districts, mills supporting elementary and high school retirement obligations, public school equalization mills, u-system mills and permissive levies.

Status: Hearing Scheduled for Feb. 7.

HB30: Remove voted levies approved after creation of TIF from tax increment provision

Position: Oppose

Status: Hearing set for February 7.

UPDATES:

HB94: Generally revise public safety officer standards/training council laws.

Position: Oppose without amendments. Support with.

MacDonald and other interested parties continue to work on details of this bill, specifically concerning the need to ensure private companies can contract with local governments to provide pretrial and misdemeanor parole and probation services. A meeting of all the parties is planned for Tuesday, Feb. 14 for additional discussion and review.

Status: Hearing held. Awaiting amendments

HB134: Revise school funding related to facilities

Position: Oppose.

Hearing Set for Feb. 8. MacDonald continues to work closely with the League and other municipalities to oppose this bill. This has included outreach to allies such as MACO.

Status: Pending

SB34: Amend laws related to an urban renewal agency board of commissioners

Position: Oppose without amendments. Support with.

After passing out of committee without the amendment we wanted, this was scheduled for a second reading on the Senate floor, but the sponsor pulled it. He has indicated he intends to return the bill to Senate Local Government and table it.

Status: Passed Senate Local Government. Floor action canceled. Sitting in committee

SB27: Amend TIF laws related to public hearings and reporting.

Position: (Changed) Support Amended Version

Kelly Lynch and Tim Burton with the league met with the sponsor and got agreement on amendments approved by the City of Missoula and others that address our concerns as well as the sponsor's concerns about reporting requirements.

Status: Passed Senate. Referred to House Tax.

HB250: Require county and school district approval for adoption of TIF provision

Position: Oppose. (Amendments may be offered)

The league was working on amendments, but the bill was tabled in committee on Feb. 2

Status: House Local Government TABLED

HB181: Establish requirements for police dogs.

Position: Oppose without amendments.

MacDonald testified on behalf of the Missoula police in opposition to this bill. Committee tabled it on a voice vote Jan. 24th.

Status: Tabled in House Judiciary Committee.

HB194: Prohibit local restrictions on electronic devices while driving.

Position: Oppose

MacDonald testified against, along with representatives from other communities, law enforcement and the League. Bill made it out committee Jan. 20 on a narrow vote, but died on the floor.

Status: DIED on House floor.

SB130: Revise tax increment finance laws

Position: Support

MacDonald testified along with the league and MACO at Jan. 24 hearing on this bill that add to the definition of costs that can be paid with TIF money. Would include for energy efficiency expenditures.

Status: TABLED in Senate Local Government.

SB106: Revise laws related to use of certain chemical de-icers on Montana highways.

Position: Oppose.

Status: PASSED Senate Transportation. Headed to the full Senate.

SB98: Property ownership fairness act.

Position: Oppose.

MacDonald unable to attend the Jan. 27th hearing, but we are on record opposing this bill and will be directly lobbying legislators to oppose it. The bill has a substantial fiscal note and is unlikely to pass.

Status: Hearing held Jan. 27 in Senate Judiciary. Awaiting executive action.

SB155: Prohibit local government regulation of agricultural seed

Position: Oppose.

Status: Referred to Senate Ag and Livestock

LC2325: Local option infrastructure investment and property tax relief act

Position: Support

This bill is still in draft, but we are already in talks with supporters as well as known opponents to lay the ground work for this to hopefully move forward. This included direct lobbying by MacDonald of several legislators.

Status: Bill not yet introduced.

LC1152: Generally revise laws related to non-discrimination

Position: Support/Monitor

Status: Bill not yet introduced.

LC1769: Limit TIF revenue to local mills

Position: Oppose

Language just came out. We will be opposing and need to get comments

Status: Bill drafted. Expect it to be scheduled for hearing soon.

LC1152:

ADDITIONAL DIRECT LOBBYING:

Along with the league and others, we are active participants in the Montana Infrastructure Coalition, helping raise awareness of infrastructure needs and building support among legislative members. Efforts include direct contact with more than a dozen lawmakers in the House and Senate. We have been actively seeking support from legislators on HB14, the long-range bonding bill for infrastructure projects.

COALITION UPDATE:

Fuel Tax: Sponsor is Rep. Frank Garner, R, with a growing list of co-sponsors. The bill is currently called the Bridge and Road Safety and Accountability Act. We expect a bill draft by Tuesday Feb. 7 and the coalition believes – and is planning for – a hearing before House Transportation on Wednesday, Feb. 15 at 3 p.m. We are going to want to help pack the room if we can.

Details of the bill: Right now the fuel tax stands at 8 cents a gallon. The revenue raised would be divided as follows:

\$35 million to MDT annually

\$5.5 million biennial to DOJ for vehicle-related issues

\$25 million to cities and counties.

There continue to be suggestions that local governments should be required to make a local match. The bill is currently expected to have some kind of a match requirement in place – a 10-12 percent. This will be difficult since there aren't a lot of options at the local level and the local-option idea doesn't seem to be moving forward. (see below). If a local government couldn't make a match in the first year, the money would be banked. If they can come up with money in the second year, they can get the first year back.

A permissive levy is also still being considered as an option.

Outreach efforts are underway, including one-pagers on the bill, social media outreach and targeted radio ads.

Local Option: Not much good news to report on this. Although Sens. Barrett and Phillips are still pushing and haven't given up, we aren't getting much traction. The coalition, however, is going to push forward to try to at least get a hearing this year. There is a coalition on the House side – in addition to the efforts on the Senate side – to push a bill there as well.