

Other Items

City of Billings
Legislative Report to City Council
Fifth Week of the Montana Legislature
February 6, 2015

All Joint Appropriation Sub-Committees continued hearings this week on HB 2, the general budget bill, and HB 5, the “Build Montana Act”. HB 5 was also separated into 7 independent bills combining infrastructure projects of similar kinds in single bills.

As of today, 721 bills have been introduced, of the 2422 filed bill draft requests. For this Report, in addition to HB 5, the following topics and bill draft requests are highlighted (LC’s don’t have substantive information beyond the bill draft request until a few days prior to bill introduction):

- The local impact option authority bill (LC 0599) remains in the final drafting stage and the expected sponsors continue discussions with the League of Cities & Towns. It appears there is agreement on the substantive provisions of the bill draft. However, the parties have not yet reached agreement on steps or commitments required by the parties before bill introduction.
- The Governor’s “Healthy Montana Plan”, which includes Medicaid expansion, has been introduced by Rep. Pat Noonan as HB 249. A Republican Legislative proposal to increase access to health care in a limited manner has not yet been introduced, nor has HB 249 been scheduled for hearing.
- Marijuana will once again be a topic of the Legislature, from legalizing marijuana to banning medical marijuana, there are almost a dozen bill draft requests under consideration.
- Several bills to reduce or revise income taxes were heard this week. Reductions if approved would be in the range of \$100 to \$120 million in the 2016-2017 general budget.
- SB 103, sponsored by Sen. Mary Caferro, would provide a presumption for certain illnesses under workers compensation in favor of paid firefighters. The first hearing is scheduled for Feb. 11th. There would be significant increased costs to cities with professional firefighters should this Bill pass.
- SB 157, sponsored by Sen. Bruce Tutvedt, would revise property reappraisals to a two year cycle and adjust tax rates in reappraised classes. The first hearing on this Bill was held Feb. 4th. If passed as introduced the Bill would be about revenue neutral to the City of Billings.
- SB 214, sponsored by Sen. Elsie Arntzen, is the first bill to be introduced by the Senator of the several bill draft requests filed (also LCs 1476, 1477 and 1478) to revise laws regarding county islands within city boundaries. SB 214 would, upon petition, require a local governing body to conduct a hearing and determine whether a public nuisance exists, and if so, recommend an action. This Bill was tabled on Feb. 4th.
- HB 213, sponsored by Rep. Mike Miller, would increase the exemption amounts under the business equipment tax laws. The Bill as introduced does not contain backfill

provisions to protect losses to local governments should the Bill pass. Such amendments were requested in the Hearing on January 28th.

- HB 224, requested by Rep. Zac Perry, would revise building code programs to increase the enforcement reserve authority from 12 to 24 months. The City of Billings supports this Bill. It passed the House on Feb. 4th.
- HB 297, introduced by Rep. Virginia Court, would prohibit the use of cell phones while driving anywhere in the State. The first Hearing has been scheduled for Feb. 9th.
- HB 275, introduced by Rep. Nancy Wilson, would raise the gas tax by 5 cents per gallon and use the proceeds to fund road maintenance and public transportation. The Bill was tabled on Feb. 2nd.
- HB 344 (LC 0710), has been introduced by Rep. Daniel Zolnikov. The Bill would prohibit the use of license plate scanners, except in certain circumstances, and would limit access to information obtained from scanners. The first hearing is scheduled for Feb. 9th.
- LC 1129 & LC 1164, requested by Rep. Kelly McCarthy, would revise civil asset forfeiture laws.
- LC 1355, requested by Sen. Doug Kary, would prohibit public intoxication. The bill draft is being prepared.
- LC 1475, requested by Sen. Elsie Arntzen, would “clarify use of tax increment finance laws”.
- LC 1966, requested by Sen. Cary Smith, would revise laws on the PSC regulation of municipal utilities (this request is in response to the latest tiered water costs based upon consumption adopted by the City of Billings in 2014). The Bill draft is ready for introduction.
- LC 2098, requested by Rep. Kelly McCarthy, and LC 2258, requested by Rep. Dale Mortensen, are draft bill requests which would establish a crime lab in Yellowstone County (although MSU-B in Billings was the preferred location, other locations are also being considered).

I look forward to discussing these and other legislative matters with City Administrator Volek and City Council. Please contact me if you have any questions or would like information on any particular topic or bill.

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Public Safety Levy

02/07/15

Revised Community Growth

- Police
 - FY17-3 officers and equipment
 - FY18-3 officers and equipment
 - FY19-1 administrative support, 1 animal control officer and equipment
 - Totals-6 officers, 1 administrative support and 1 ACO
- Fire
 - FY17-3 firefighters and equipment, 3-911 dispatchers
 - FY18-3 firefighters and equipment, 2-911 dispatchers, 1 administrative manager
 - Totals-6 fire fighters, 5-911 dispatchers and 1 manager

Revised Community Growth

<u>Revised Community Growth</u>	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Levied Dollars	\$2,200,000	\$3,600,000	\$6,000,000	\$10,000,000	\$12,700,000	\$14,900,000	\$17,200,000
Estimated Mills	13.00	21.00	35.00	58.00	73.00	84.00	96.00
Estimated Annual Tax on \$200k house	\$ 34.00	\$ 54.00	\$ 91.00	\$ 150.00	\$ 189.00	\$ 218.00	\$ 249.00
Estimated Annual Tax on \$100k house	\$ 17.00	\$ 27.00	\$ 45.50	\$ 75.00	\$ 94.50	\$ 109.00	\$ 124.50

<u>Original Community Growth</u>	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Community Growth							
Levied Dollars	\$2,500,000	\$4,000,000	\$7,900,000	\$11,200,000	\$13,400,000	\$15,600,000	\$18,000,000
Estimated Mills	15.00	24.00	46.00	65.00	77.00	88.00	101.00
Estimated Annual Tax on \$200k house	\$ 39.00	\$ 62.00	\$ 119.00	\$ 168.00	\$ 199.00	\$ 228.00	\$ 262.00
Estimated Annual Tax on \$100k house	\$ 19.50	\$ 31.00	\$ 59.50	\$ 84.00	\$ 99.50	\$ 114.00	\$ 131.00

Revised Status Quo Adding No Personnel

<u>Revised Status Quo</u>	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Levied Dollars	\$1,500,000	\$2,300,000	\$4,600,000	\$ 8,600,000	\$11,300,000	\$13,200,000	\$15,700,000
Estimated Mills	9.00	14.00	27.00	50.00	65.00	75.00	88.00
Estimated Annual Tax on \$200k house	\$ 23.00	\$ 36.00	\$ 70.00	\$ 130.00	\$ 168.00	\$ 194.00	\$ 228.00
Estimated Annual Tax on \$100k house	\$ 11.50	\$ 18.00	\$ 35.00	\$ 65.00	\$ 84.00	\$ 97.00	\$ 114.00

<u>Revised Community Growth</u>	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Levied Dollars	\$2,200,000	\$3,600,000	\$6,000,000	\$10,000,000	\$12,700,000	\$14,900,000	\$17,200,000
Estimated Mills	13.00	21.00	35.00	58.00	73.00	84.00	96.00
Estimated Annual Tax on \$200k house	\$ 34.00	\$ 54.00	\$ 91.00	\$ 150.00	\$ 189.00	\$ 218.00	\$ 249.00
Estimated Annual Tax on \$100k house	\$ 17.00	\$ 27.00	\$ 45.50	\$ 75.00	\$ 94.50	\$ 109.00	\$ 124.50

Use GF Reserves to Hire in July 2015

- Police
 - FY16-6 officers and equipment
 - FY19-1 administrative support, 1 animal control officer and equipment
 - Totals-6 officers, 1 administrative support and 1 ACO
- Fire
 - FY16-6 firefighters and equipment, 5-911 dispatchers
 - FY18-1 administrative manager
 - Totals-6 fire fighters, 5-911 dispatchers and 1 manager

Use GF Reserves to Hire in July 2015

Use Reserves to Hire in July 2015

	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Levied Dollars	\$2,700,000	\$3,600,000	\$7,350,000	\$10,100,000	\$12,800,000	\$14,900,000	\$17,200,000
Estimated Mills	16.00	21.00	43.00	58.00	73.00	84.00	96.00
Estimated Annual Tax on \$200k house	\$ 41.00	\$ 54.00	\$ 111.00	\$ 150.00	\$ 189.00	\$ 218.00	\$ 249.00
Estimated Annual Tax on \$100k house	\$ 20.50	\$ 27.00	\$ 55.50	\$ 75.00	\$ 94.50	\$ 109.00	\$ 124.50

Revised Community Growth

	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Levied Dollars	\$2,200,000	\$3,600,000	\$6,000,000	\$10,000,000	\$12,700,000	\$14,900,000	\$17,200,000
Estimated Mills	13.00	21.00	35.00	58.00	73.00	84.00	96.00
Estimated Annual Tax on \$200k house	\$ 34.00	\$ 54.00	\$ 91.00	\$ 150.00	\$ 189.00	\$ 218.00	\$ 249.00
Estimated Annual Tax on \$100k house	\$ 17.00	\$ 27.00	\$ 45.50	\$ 75.00	\$ 94.50	\$ 109.00	\$ 124.50

Use GF Reserves to Hire in July 2015

- Levy does not pass
 - Would have to layoff 17 employees in June 2016 hired in July 2015
 - Layoffs of additional police and fire staff in June 2016

Decision Points

- Levy number of years-5, 6 or 7?
- Blue Ribbon Committee?
- 6 or 13 police officers, some other number or Status Quo?

<u>Revised Community Growth-6 Police Officers</u>	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Levied Dollars	\$2,200,000	\$3,600,000	\$6,000,000	\$10,000,000	\$12,700,000	\$14,900,000	\$17,200,000
Estimated Mills	13.00	21.00	35.00	58.00	73.00	84.00	96.00
Estimated Annual Tax on \$200k house	\$ 34.00	\$ 54.00	\$ 91.00	\$ 150.00	\$ 189.00	\$ 218.00	\$ 249.00
Estimated Annual Tax on \$100k house	\$ 17.00	\$ 27.00	\$ 45.50	\$ 75.00	\$ 94.50	\$ 109.00	\$ 124.50

<u>Revised Community Growth-13 Police Officers</u>	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Levied Dollars	\$2,400,000	\$4,400,000	\$6,400,000	\$10,600,000	\$13,300,000	\$15,500,000	\$17,700,000
Estimated Mills	14.00	26.00	37.00	61.00	76.00	88.00	99.00
Estimated Annual Tax on \$200k house	\$ 36.00	\$ 67.00	\$ 96.00	\$ 158.00	\$ 197.00	\$ 228.00	\$ 256.00
Estimated Annual Tax on \$100k house	\$ 18.00	\$ 33.50	\$ 48.00	\$ 79.00	\$ 98.50	\$ 114.00	\$ 128.00

<u>Original Community Growth</u>	Estimate FY 17	Estimate FY 18	Estimate FY 19	Estimate FY 20	Estimate FY 21	Estimate FY 22	Estimate FY 23
Community Growth							
Levied Dollars	\$2,500,000	\$4,000,000	\$7,900,000	\$11,200,000	\$13,400,000	\$15,600,000	\$18,000,000
Estimated Mills	15.00	24.00	46.00	65.00	77.00	88.00	101.00
Estimated Annual Tax on \$200k house	\$ 39.00	\$ 62.00	\$ 119.00	\$ 168.00	\$ 199.00	\$ 228.00	\$ 262.00
Estimated Annual Tax on \$100k house	\$ 19.50	\$ 31.00	\$ 59.50	\$ 84.00	\$ 99.50	\$ 114.00	\$ 131.00

Decision Points (Cont.)

Levy Date?

- 2015
- School 5/5
- City Primary (Tent.) 9/15
- City General 11/3

- 2016
- School 5/3
- Federal primary 6/7
- Federal General/State Referendum 11/8

- Estimated mail ballot cost - \$70,000

- County Election Office needs 70 days' notice for a ballot; State needs public notice resolution 60 days before election.

Questions?