

CITY OF BOZEMAN

Legislative Recap

2023 Montana Legislative Session

MAYOR CYNDY ANDRUS
DEPUTY MAYOR TERRY CUNNINGHAM
COMMISSIONER CHRISTOPHER COBURN
COMMISSIONER JENNIFER MADGIC
COMMISSIONER I-HO POMEROY

BOZEMAN^{MT}

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SUMMARY REPORT

On May 2, 2023, the Montana Legislature moved to adjourn drawing the 68th session of the State Legislature to a close. In fact, Bozeman's very own Senator Pat Flowers made the motion, which received 26 votes in his Chamber. The House quickly followed suit later that day. It was the 87th legislative day; an abrupt end to a very busy session of the State Legislature.

In total, the legislature considered 1,697 pieces of legislation - the most since the adoption of the current Montana State Constitution. Legislators requested more than 4,600 drafts of legislation. While not all of these bills applied to local government, 229 were labeled with the local government subject area tag. Local government was the third most introduced subject area after State Finance and Government Structure and Administration. However, to assume the legislature limits legislation affecting the City to the Local Government subject area tag is to assume incorrectly. Many more bills introduced at the legislature impacted City of Bozeman interests.

City staff tracked more than 790 pieces of legislation. Staff provided formal comments on 235 pieces of legislation through our bill-tracking software. City staff from Police, Fire, Community Development, Legal, Transportation and Engineering, Communications and Engagement, Human Resources, Finance, and Economic Development all reviewed legislation to determine how it would impact city operations and residents. Staff or elected officials testified more than twenty times in addition to the many, many times our lobbyists from Central House Strategies appeared on behalf of the City before Committees.

The City supported and helped advance meaningful policy to support childcare, improve the land use approval process, and assist in the construction of more workforce housing. We joined with cities from around the state to vociferously oppose efforts to usurp local authority by the State. In fact, on one bill (S. 511), 37 people from 25 local governments testified in opposition to the state trying to exert more control over city finances. The City partnered with groups ranging from the Montana League of Cities and Towns to the Montana Chamber of Commerce to childcare advocates and the Montana Association of REALTORS to achieve meaningful outcomes for the residents of Bozeman during the 68th session of the Montana State Legislature.

The work did not stop when the legislature adjourned sine die. Staff and our lobbyists have already begun the effort to prepare for the 2025 session. We will assess what could improve from the 2023 to the 2025 session, engage with the interim committees to ensure Bozeman's interests are represented, and prepare new legislation for consideration during the 69th session of the Montana State Legislature.

BOZEMAN'S TOP PRIORITIES



Workforce
Housing



Clean Energy



Make Cents for
Montana



Local Control

WORKFORCE HOUSING



Housing remained a central topic this legislative session. Routinely, legislators lamented the rising costs of housing in communities across the state. More than once, it was pointed out that this problem affects communities far outside of Bozeman or Missoula. While many legislators chose to focus on slashing regulations including those to protect life safety, the City chose to support efforts that streamlined land use approval process, dedicated resources to constructing housing, and incentivized the conversion of short-term rentals favoring tourists to long-term rentals preferred by residents of a community. Not every idea was successful, but we did make substantial progress to improve the climate for constructing workforce housing.

Additionally, cities were able to protect the number one tool for incentivizing the construction of workforce housing—Tax Increment Financing. The City currently has eight affordable housing projects in the pipeline. We are leveraging \$16.5M in TIF to create workforce housing. With those projects, the City will gain a total of 1,479 new residential units total, 725 of which will be income restricted for families earning between 60% and 120% AMI. Defending Tax Increment Financing is critical to ensure the construction of more homes for more Montanans in Bozeman.

Legislation Related to Workforce Housing:

HB 819 Community Reinvestment Act; Awaiting Governor Signature
SB 382 Montana Land Use Planning Act; Passed into law and signed by Governor
HB 430 Establish a Rent Local Program; Died in House Committee
SB 523 Tax Increment Financing Law Revisions; Died in House Committee
HB 925 Bonding and Tax Increment; Died on Senate Floor

CLEAN ENERGY



Advancing clean energy policy remains critical to supporting the City's Climate Goals. Further, these policy changes are important to create a clean, healthful environment for future generations of Montanans as our State Constitution requires.

The 68th session of the Montana Legislature was a difficult one for clean energy initiatives. Staff worked hard to defend the City's ability to create building codes requiring new construction to be EV and Solar Ready. We are still waiting for clear guidance from state officials on the legislative intent of the provisions regarding building codes. We also did work on two bills regarding the taxation of electric vehicles and a bill to repeal law that undermines local authority to regulate the usage of plastic bags and other auxiliary containers in city limits. We plan to spend time during the interim legislative session to clean up legislation around the taxation of electric vehicles by the state.

Legislation Related to Clean Energy

HB 55 and HB 60 Taxing Structure for EV Charging; Passed into Law and Signed by Governor

HB 241 Prohibit Solar and EV Ready Buildings: Passed into Law and Signed by Governor

HB 413 Removing Prohibition on Cities regulating Plastic Bags and Other Auxiliary Containers: Died in House Committee

MAKE CENTS FOR MONTANA



Residents continue to expect exemplary services from their local governments especially in the areas of police, fire, and management of city facilities. As each year goes by, it becomes more and more difficult for property owners and residents alone to bear the burden of providing these services. Therefore, the City again drafted legislation to allow any local government to propose a sales tax to voters. The legislation would have required cities to use a portion of the sales tax revenue to reduce local property taxes, invest in infrastructure or other services, and assess the tax on goods and services commonly consumed by tourists.

The City was able to assemble a coalition including the Montana League of Cities and Towns and the Infrastructure Coalition. The Legislature did not adopt the legislation. However, staff is already working with key stakeholders to develop a new revenue proposal for the 2025 session of the Montana legislature. We will continue to push for policy that asks tourists who visit the Last Best Place to contribute a few cents to create and preserve our thriving communities.

Legislation Related to Make Cents for Montana

SB 551 Make Cents Montana: Died in Senate Committee

LOCAL CONTROL



Another legislature, another slate of efforts to govern cities and towns from Helena. Staff saw a slew of bills attempting to tell local elected officials how to run their communities. The Mayor, Deputy, and other Commissioners alongside staff and our lobbyists testified on many bills impacting local control. Bills ranged from rewriting land use and zoning laws to dictating how cities can run mill levy elections. These bills were gross overreaches of state authority. The City of Bozeman stood arm-in-arm with communities across our state to say enough is enough. We were able to defeat many bad pieces of legislation that target the power of local governments to govern themselves. We will continue to steadfastly defend and assert our belief that the government closest to the people is best suited to govern the people.

Legislation Related to Local Control

HB 186 Dates for Special Purpose District Election: Passed into law and signed by Governor

HB 337 Regulating Lot Sizes: Died in House Committee

HB 413 Removing Prohibition on Cities regulating Plastic Bags and Other Auxiliary

Containers: Died in House Committee

HB 414 Red Light Traffic Camera: Died in House Committee

HB 865 Local Government Expenditure Limits: Died in House Committee

SB 292 Mill Levy Election Law: Died in Senate Committee

SB 511 Expenditure Limits Local Government: Died in Senate Committee

SB 379 Revise Zoning Laws: Died in House Committee

BOZEMAN PRIORITIES: SUPPORT

Priority	Legislation	Final Action
Administrative Preliminary Plat	SB 382—Montana Land Use Planning Act	Passed into law and signed by Governor
Acceptance of Easements	SB 382—Montana Land Use Planning Act	Passed into law and signed by Governor
Allowable Units by Right	SB 382—Montana Land Use Planning Act	Passed into law and signed by Governor
Surtax on Vacant Properties	No Meaningful Legislation	None
Municipal Control of Signaling Systems	No Meaningful Legislation	None
Statewide Model Covenants	No Meaningful Legislation	None
Zombie Covenants	SB 376 Covenant Laws	Died in House Judiciary Committee
Affordable, Quality Child Care	HB 648 Best Beginning Scholarship	Passed into law and signed by Governor
	HB 187 Childcare as a Residential Use	Passed into law and signed by Governor
	SB 376 Disallowing the prohibition of child care in HOA covenants	Died in committee
Growth Policy Statute Revisions	SB 382 Montana Land Use Planning Act	Passed into law and signed by Governor
Planning and Zoning Board Consolidation	SB 382 Montana Land Use Planning Act	Passed into law and signed by Governor
Cash-in-Lie of Parkland Increase	No Meaningful Legislation	None
State Aid to Libraries	HB 91 Public Library State Aid	Passed into law and signed by Governor
Big Sky Trust Fund	HB 881 Generally Revise Economic Development Laws	Passed into law and signed by Governor
Film Tax Credit	SB 14 MEDIA Act	Died on House Floor
Public Safety	HB 414 Red Light Camera Bill	Died in House Judiciary
Gallatin College Funding	HB 5 Long Term Appropriations Planning—funding and fundraising Authority	Passed into law and signed by Governor
High-Speed Broadband Expansion	No Meaningful Legislation for the City of Bozeman	None
Regional Fire Authority	HB 813 Fire Protection Authority	Died in House Committee
Municipal Court Security	HB 624 Officers of Court	Died in Senate Committee
Angel Investing	No Meaningful Legislation	None

CITY OF BOZEMAN PRIORITIES: DEFEND

Priority	Legislation	Final Action
Inclusive City Values	SB 99 Gender Affirming Care for Minors	Passed into law and signed by Governor
	HB 359 Drag Shows	Passed into law and signed by Governor
	SB 458 Definition of Sex	Passed into Law and Signed by Governor
Tax Increment Financing	SB 523 Generally Revise Tax Increment Financing Laws	Died in House Taxation
	HB 925 Tax Increment Pledged to Payment of Bonds	Dies on Senate Floor
Municipal Fire Code	SB404 Remove Authority for Fire Department Plan Review, Permitting, and Inspection Process	Missed Transmittal
Public Defender Funding	SB 12 Revising Laws on Public Defender Representation Related to Local Ordinances	Died in Committee

CITY OF BOZEMAN PRIORITIES: WATCH

Priority	Legislation	Final Action
Bills Related to Water Rights, Quality and Management	HB 435 Exempt Wells	Passed into law and signed by Governor
	HB 642 Exempt Wells	Died in House Committee
	SB 215 Proposed Subdivision Connection	Passed into law and signed by Governor
	SB 327 Water Wells	Passed into law and signed by Governor
	SB 462 Renewable Resources Grants and Loan Programs	Died in Process
Proposed Changes to Montana Flood Plain Management Act	No Meaningful Legislation	None
Reduction in Municipal Authority over Building Codes	SB 195 Fire Sprinklers for places of Worship	Passed into law and signed by Governor
	SB 406 Local Building Code cannot exceed State Building code	Passed into law and signed by Governor
Library Board to determine materials purchased in Library	HB 234 Obscene Material to Minors Law	Passed into law and signed by Governor
Special District Sunsets	SB 125 Limit Property Tax Levies to 5 years	Died in Senate Taxation

UNIQUE ISSUES AFFECTING THE CITY

Priority	Legislation	Final Action
Tobacco and Marijuana Use for Firefighters	No Meaningful Legislation	None
Paid Sick Leave for City Employees	No Meaningful Legislation	None
Remove Newspaper Noticing Requirements	HB 724 Generally Revise Public Notice Requirements	Passed into law and signed by Governor
Remote Participation in City Processes	No Meaningful Legislation	None
Special Election Date Change	HB 186 Revise Dates for Special Purpose Election	Passed into law and signed by Governor
Intimidation of Public Servants	No Meaningful Legislation	None
Authorization of the Destruction of Records	SB 374 Revise Local Government Public Document Retention	Passed into law and signed by Governor
Digital Notarization	SB330 Require County Clerks to Accept Electronic Notarizations	Passed into law and signed by Governor

LEGISLATIVE CORE TEAM

THE PEOPLE TO KNOW

Mayor Cyndy Andrus
candrus@bozeman.net

Deputy Mayor Terry Cunningham
tcunningham@bozeman.net

Commissioner Christopher Coburn
ccoburn@bozeman.net

Commissioner Jennifer Madgic
jmadgic@bozeman.net

Commissioner I-Ho Pomeroy
ipomeroy@bozeman.net

Jeff Mihelich, City Manager
406-582-2306, jmihelich@bozeman.net

Chuck Winn, Assistant City Manager
406-582-2327, cwinn@bozeman.net

Greg Sullivan, City Attorney
406-582-2309, gsullivan@bozeman.net

Brit Fontenot, Economic Development Director
406-582-2258, bfontenot@bozeman.net

Takami Clark, Communications & Engagement Manager
406-582-2322, tclark@bozeman.net

Anna Saverud, Assistant City Attorney
406-582-2309, asaverud@bozeman.net

Mike Veselik, Economic Development Manager
406-582-2919, mveselik@bozeman.net



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