

Flathead County
Board of Commissioners

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Brad W. Abell
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February 6, 2025

Montana State Legislators
Montana State Capitol
1301 East 6th Avenue
Helena, MT 59620

Dear Esteemed Members of the Montana State Legislature,

We, the Flathead County Board of Commissioners, respectfully urge caution and thoughtfulness as you consider changes to property tax requirements that affect local governments throughout our state. Remember that approximately 85% of property tax revenue directly supports schools, fire districts, water districts, and many other vital local government services. These organizations depend on stable and predictable funding to fulfill their day-to-day responsibilities, protect public safety, and maintain fundamental community infrastructure.

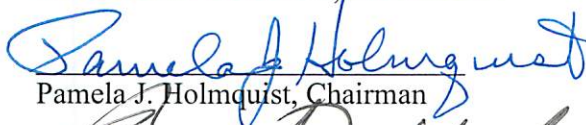
Also, as you deliberate potential reforms, keep in mind that a one-size-fits-all approach is unlikely to serve Montana. Rural communities may have priorities that differ significantly from those of suburban or urban areas. Likewise, a Montana county with strong tourism or small business industry will face different tax challenges than those primarily relying on agriculture or resource-based industries.

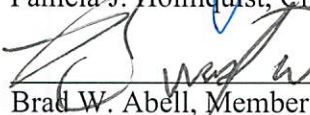
Well-intended reductions to property taxes can have unintended consequences. Unanticipated cuts in revenue would likely force more county departments to seek government grants simply to provide the same level of service, resulting in more dependence on Helena and Washington, D.C. – and less independence overall.

Consider focusing on state-level performance before meddling in our county affairs. The State is currently limiting revenue to counties by failing to capture nearly \$300 million per year in new construction value. According to a November 2024 Montana Legislative Audit Division report, this shortfall equates to an estimated 14% in lost revenue, or nearly \$1.2 billion over the past five years. This gap, driven by state-level inattentiveness alone, reduces total county tax revenue and creates inequities among your constituents.

We encourage you to engage in active dialogue with local and state officials to strike a balance between fair taxation and adequate funding for essential services. If all else fails, fix the state government - not the local. We don't need a more "federalized" system of government in Montana. Preserve local control and let We the People remain sovereign.

Sincerely,
BOARD OF COMMISSIONERS
FLATHEAD COUNTY, MONTANA


Pamela J. Holmquist, Chairman


Brad W. Abell, Member


Randy L. Brodehl, Member

