Commission Chairman Josh Slotnick Commissioner David Strohmaier Commissioner Juanita Vero

Missoula County Board of Commissioners 199 W. Pine St. Missoula, MT 59802

February 21st, 2020

Dear Commissioners Slotnick, Strohmaier and Vero,

We write to request that you formally consider placing a 2-cent per gallon–gasoline-only—motor fuel tax on the June 2020 primary ballot.

We, the undersigned citizens of Missoula County, are concerned that Missoula City and County have not been able to keep up with the demand for road maintenance and the need for road construction in our community. We know that infrastructure funding is a critical need for our community and supports business growth and quality of life. Potholes and long-neglected road maintenance deficiencies often result in increased cost to consumers in terms of vehicle maintenance and repair costs.

As you may know, Montana Law Title 7, Chapter 14 Part 3 <u>Local Option Motor Fuel Excise Tax</u> provides a potential remedy to help address these problems.

Montana Code Annotated 2019

TITLE 7. LOCAL GOVERNMENT CHAPTER 14. TRANSPORTATION

Part 3. Local Option Motor Fuel Excise Tax

7-14-301 Local option motor fuel excise tax authorized -- definitions

7-14-302 Use of local motor fuel excise tax revenue

7-14-303 Allocation of revenue and disposition of funds from county-imposed motor fuel excise tax

7-14-304 Collection of delinquent tax—interest and penalty—statute of limitations.

Specifically, 7-14-302 address how the funds generated are to be used.

7-14-302. Use of local motor fuel excise tax revenue. (1) A county or municipality receiving revenue from the tax authorized by <u>7-14-301</u> may use the revenue derived only for the construction, reconstruction, maintenance, and repair of public streets and roads.

(2) One percent of the motor fuel excise tax revenue collected in a county is to be reimbursed to the retail seller for the cost of compliance with this part.

We write now to request that you hold a public hearing and a public comment period for purposes of gathering public input to put such a proposal on the June 2020 ballot.

The benefits of a local gasoline-only tax are many:

First, tourists and visitors would help pay for their use of roads in Missoula and Missoula County. It is estimated that visitors would add about \$400,000 in yearly revenue. It is only fair that all users help pay for these expenses.

Second, a local gas tax would allow for the County to bring in more state and federal matching funds for road repairs and maintenance within the City and County. Estimates indicate that, for some projects, every dollar generated locally could result in up to seven matching dollars.

Third, the revenue would go to a dedicated account that can be used for road repairs and road maintenance in Missoula City and County. Decision-making authority to determine how funds will be spent will exist at the local level and will address local needs and priorities.

As you know, there are limited sources of revenue for roads—almost all road maintenance funding comes from property taxes. The gas tax would be a new source of revenue that brings in money from outside of the City and County.

Therefore, we the undersigned citizens of Missoula City and County ask that you move forward with a public process to consider placing this request to voters on the June 2020 ballot. If successful, the tax could be implemented after 90 days. This means these revenues could be in place later in 2020 and for the full year beginning in 2021.

Sincerely,

Marion Alley	Shannon K. Hilliard
Christopher Anderson – President/CEO, DJ&A, P.C.	Deborah Johnston – Vice President, Morrison-Maierle
Jim Bachand – CEO, Missoula Organization of Realtors	Jeanne Loftus
Melanie Brock	Brendan McCray
Dallin Carey	Melissa Mooney
Katie Carlson	C.B. Pearson
Dessa Dale	Jonathan Pederson
Travis Dye	Shannon Pederson
Dwight Easton	Donny Pfeifer
Matthew Gehr	Mandy Snook
Michael Gibson Hartwell	Carroll Anne Sowerby
Annelise Hedahl	Jolene Tatum