

2017-18 Draft Revenue and Transportation Interim Committee Work Plan Decision Matrix						
Topic	Why is this a topic?	Option A	Option B	Option C	Option D	Resources Allocated
The following studies were assigned to the RTIC by Legislative Council.						
Study Agricultural Property Valuation	HJ 22	<p><b>0.3 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Option B</li> <li>◦ Review agricultural valuation procedures of all states</li> <li>◦ Develop framework for determining whether property is part of a bona fide agricultural operation</li> <li>◦ Review and consider changes to gross income requirements for parcels of less than 160 acres</li> <li>◦ Consider how to classify and value land previously qualifying as agricultural if changes are considered</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ Interim report</li> <li>◦ Decision matrix</li> <li>◦ White paper</li> <li>◦ Legislation</li> </ul>	<p><b>0.07 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Option C</li> <li>◦ Review agricultural valuation procedures of Western states</li> <li>◦ Detailed review of different types of property that qualify for agricultural classification and how the property is valued</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ White paper</li> <li>◦ Legislation</li> </ul>	<p><b>0.025 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Overview of agricultural property classification and valuation</li> <li>◦ Panel of agricultural property owners</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ Legislation</li> </ul>	<b>No Action</b>	
Study Tax Increment Financing	HJ 18	<p><b>0.25 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Option B</li> <li>◦ Follow-up analysis of topics raised in panel discussions</li> <li>◦ Review incremental taxable values and percentage of the tax base and consider whether to set maximums</li> <li>◦ Expanded analysis of impacts on other taxing jurisdictions and taxation of centrally assessed property</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ Interim report</li> <li>◦ White paper</li> <li>◦ Legislation</li> </ul>	<p><b>0.15 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Option C</li> <li>◦ Panel discussions on administrative costs, determination of blight, public-private investment ratios, façade program, and remittances</li> <li>◦ Limited analysis of impacts on other taxing jurisdictions and taxation of centrally assessed property</li> <li>◦ Analysis of other Western states' experiences</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ White paper</li> <li>◦ Legislation</li> </ul>	<p><b>0.005 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Presentation by LAD staff of audit of districts that use TIF</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ Legislation</li> </ul>	<b>No Action</b>	
Study Property Taxation of Utility Property	SJ 23	<p><b>0.175 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Option B</li> <li>◦ Compare classification and taxation of centrally assessed and industrial property with other property types</li> <li>◦ Compare total tax burdens on utility customers in Montana and other states (subject to availability of data)</li> <li>◦ Review intangible personal property exemption</li> <li>◦ Consider impacts on schools, local governments, and other taxpayers if changes are proposed</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ Interim report</li> <li>◦ White paper</li> <li>◦ Legislation</li> </ul>	<p><b>0.09 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Option C</li> <li>◦ Update materials provided to 2011-2012 RTIC and 2015-2016 RTIC</li> <li>◦ Compare total tax burdens on utility customers in Montana and other Western states (subject to availability of data)</li> <li>◦ Overview of dispute review procedures</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ White paper</li> <li>◦ Legislation</li> </ul>	<p><b>0.02 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Review materials provided to 2011-2012 RTIC and 2015-2016 RTIC</li> <li>◦ Panel of centrally assessed and industrial taxpayers</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>◦ Legislation</li> </ul>	<b>No Action</b>	
The following are the RTIC's statutory duties						
Review administrative rules	Statute		<p><b>0.09 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Legal staff provides RTIC a brief written description of each proposed or adopted rule prior to each meeting with issues of concern noted (Members to inform staff or Chair if they want more information)</li> <li>◦ Committee receives copies of rules from agencies for personal review</li> </ul>	<p><b>0.085 FTE</b></p> <ul style="list-style-type: none"> <li>◦ Legal staff provides RTIC a brief written description of each proposed or adopted rule prior to each meeting with issues of concern noted (Members to inform staff or Chair if they want more information)</li> </ul>		

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<b>Topic</b>	<b>Why is this a topic?</b>	<b>Option A</b>	<b>Option B</b>	<b>Option C</b>	<b>Option D</b>	<b>Resources Allocated</b>
Revenue estimating and monitoring	Statute		<p><b>0.03 FTE</b></p> <ul style="list-style-type: none"> <li>° Option C</li> <li>° Review SB 261 to understand interaction with revenue estimating process</li> <li>° Receive report to LFC analyzing the effectiveness of the Budget Stabilization Reserve Fund parameters</li> <li>° Track increased gas and diesel taxes and new motor vehicle fees in quarterly Budget Status Reports</li> <li>° Receive presentations from economists and forecasters in September 2018 in preparation for November adoption of revenue estimate</li> </ul>	<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° FYE 2017 General Fund Revenue (9/17)</li> <li>° Updated Revenue Trends (12/17)</li> <li>° Monthly Year-to-Date Revenue Collections Reports (1/18 – 6/18)</li> <li>° 2021 Biennium Revenue Outlook (6/18)</li> <li>° FYE 2018 General Fund Revenue (9/18)</li> <li>° 2021 Biennium Revenue Estimate (11/18)</li> </ul>		
Review statutorily established advisory councils and required reports	Statute		<p><b>0.001 FTE per advisory council/report</b></p> <ul style="list-style-type: none"> <li>° Review advisory council/report and make recommendations on retention or elimination</li> <li>° Advisory councils: Multistate Tax Compact advisory council, Agricultural Advisory Committee, Forest Lands Taxation Advisory Committee, Scenic-Historic Byways Advisory Council</li> <li>° Reports listed under “Statutory Duties and Obligations” (below)</li> </ul>			
Review agency legislation	Statute		<p><b>0.005 FTE</b></p> <ul style="list-style-type: none"> <li>° Committee reviews proposals from the DOR, MDT, and MTAB and decides if staff should draft legislation for preintroduction</li> </ul>			
Qualified endowment tax credit	Statute		<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° Committee reviews DOR qualified endowment tax credit report</li> </ul>			
Update of review and determination of exempt property	Statute		<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° Committee reviews update on DOR’s review and determination of tax exempt property</li> </ul>			
Tax rates for upcoming reappraisal cycle	Statute		<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° Committee reviews DOR report on tax rates for the upcoming reappraisal cycle that will result in taxable value neutrality for each class</li> </ul>			
Use of property tax abatements for gray water systems	Statute		<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° Committee reviews report from DOR on use of property tax abatements for gray water systems</li> </ul>			
Update of countries that may be considered tax havens	Statute		<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° Committee reviews DOR update of countries that may be considered tax havens</li> </ul>			
Taxpayers claiming biodiesel storing or blending tax credit	Statute		<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° Committee reviews DOR report on taxpayers claiming biodiesel storing/blending tax credit</li> </ul>			
Taxpayers claiming biodiesel refund	Statute		<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° Committee reviews MDT report on taxpayers claiming the refund for biodiesel sold</li> </ul>			

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Enforcement of special fuels use tax	Statute		<b>0.001 FTE</b> ° Committee reviews MDT report on inspection of diesel-powered vehicles for enforcement of special fuels use tax and impact on state special revenue fund			
Analysis of alternative project delivery contracting	Statute		<b>0.001 FTE</b> ° Committee reviews annually MDT benefit analysis of alternative project delivery contracting in comparison to other contracting processes			
Performance audit of MDT	Statute		<b>0.001 FTE</b> ° Committee reviews LAD audit of MDT			
Status of motor fuel tax cooperative agreements with Indian tribes	Statute		<b>As needed/0.001 FTE</b> ° Committee reviews motor fuel tax cooperative agreement negotiations before final agreement is submitted to Attorney General			
Estimated amount of receipts less than projected in revenue estimate	Statute		<b>As needed/0.002 FTE</b> ° Committee receives report of receipts less than projected revenue and, within 20 days, provides budget director with recommendations on amount of receipts.			
The following topics are <u>optional</u> and it is up to RTIC committee members whether to pursue them as studies or as potential agenda items.						
Consider revising pass-through entity laws as provided in SB 253	Sen. Blasdel		<b>0.015 FTE</b> ° Stakeholder panel discussion ° Committee consideration of options for legislation		<b>No Action</b>	
Follow-up on HB 511 – market sourcing of sales for income tax purposes	Sen. Blasdel		<b>0.02 FTE</b> ° Option C ° Review of laws on pass-through entities and consideration of separating pass-through laws into separate chapter	<b>0.001 FTE</b> ° DOR update on implementation	<b>No Action</b>	
Examination of 15-10-420 as it relates to statewide mills	Sen. Blasdel		<b>0.035 FTE</b> ° Staff review and analysis of DOA mill levy calculation worksheet ° Committee consideration of changes to statute		<b>No Action</b>	
Overview of eligibility for energy tax credits	Sen. Blasdel		<b>0.02 FTE</b> ° Summary of energy tax credits, eligibility for credits, and whether credits can be claimed if loan is received from state alternative energy revolving loan account or other loan/grant program		<b>No Action</b>	
Property tax information for legislators	Staff		<b>0.025 FTE</b> ° Option C ° Committee provides input during development process <b>Deliverables:</b> ° Draft publications for input ° Property tax basics publication	<b>0.02 FTE</b> ° Direct staff to work with LFD on publication ° Receive presentation of final product <b>Deliverables:</b> ° Property tax basics publication	<b>No Action</b>	
Stability and sustainability of General Fund Revenue Structure	Staff	<b>0.05 – 0.1 FTE</b> ° Option B ° Consider changes to state's tax structure <b>Deliverables:</b> ° Decision matrix ° Legislation ° LFC reports	<b>0.003 FTE</b> ° Option C ° Panel discussion on tax implications <b>Deliverables:</b> ° LFC reports	<b>0.001 FTE</b> ° Receive reports provided to LFC <b>Deliverables:</b> ° LFC reports	<b>No Action</b>	

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Agency Programmatic Review	Expanded duties	<p><b>0.06 – 0.2 FTE</b></p> <ul style="list-style-type: none"> <li>° Option B</li> <li>° History and overview of applicable statutes</li> <li>° Staff interviews with program personnel</li> <li>° Staff summaries of related audit and fiscal work and any court decisions</li> <li>° Additional staff research</li> <li>° Legal review of specific subjects</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Staff report</li> <li>° Legislation</li> </ul>	<p><b>0.02 – 0.06 FTE</b></p> <ul style="list-style-type: none"> <li>° Option C</li> <li>° Staff summary of program</li> <li>° Bibliography of related materials including audits or fiscal analysis, including court cases</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Summary with potential recommendations</li> <li>° Legislation</li> </ul>	<p><b>0.001 FTE</b></p> <ul style="list-style-type: none"> <li>° Agency presentation on program</li> </ul>	<b>No Action</b>	
Monitor MDT implementation of HB 473	Legislative Council	<p><b>0.05 FTE</b></p> <ul style="list-style-type: none"> <li>° Option B</li> <li>° Staff interviews with program personnel</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Staff report</li> <li>° Legislation</li> </ul>	<p><b>0.03 FTE</b></p> <ul style="list-style-type: none"> <li>° Option C</li> <li>° Staff summary of program requirements</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Summary</li> <li>° Legislation</li> </ul>	<p><b>0.004 FTE</b></p> <ul style="list-style-type: none"> <li>° Agency updates at each meeting</li> </ul>	<b>No Action</b>	
<b>Total Resources Available</b>						<b>0.9 FTE</b>

**FTE Available to RTIC**

- .05 FTE = 144 hrs = 18 days
- .10 FTE = 288 hrs = 36 days
- .25 FTE = 720 hrs = 90 days
- .50 FTE = 1440 hrs = 180 days
- .75 FTE = 2160 hrs = 270 days
- 1 Interim FTE = 16.5 months = 2880 hrs

A member may request the committee learn about an issue as an agenda item as opposed to incorporating it into the work plan. Additional topics also may be requested as agenda items that do not need to be incorporated into the work plan.