



CI-121 Basic Analysis – Montana Nurses Association

March 31, 2022

<u>What is it?</u> CI-121 is a ballot initiative that puts sideboards on <u>residential</u> property taxes and property tax valuations via a constitutional amendment to the Montana State Constitution. Constitutional amendments are a very serious endeavor, and nearly impossible to remove. The consequences of any change to the constitution could have a ripple effect for years thereafter. The limitations via CI-121, if passed, would be as follows:

- In 2024, the residential property assessed values would revert back to 2019 valuations.
- The Dept of Revenue's ability to increase property valuations from year to year would be capped 2% or the rate of inflation, whichever is less.
- Residential property taxes would always be capped at 1% the value of the property. The current residential property tax rate in Montana is around 1.35%, but residential tax rates will range depending on how much money the county and municipal governments need in order to function from place to place. Some counties also have imposed more mill levies than others, so a hard and fast rule is difficult to calculate.

The result? CI-121 would result in less money in our local communities for essential services. With a smaller pot of money to work with, state and local governments will either 1) cut budgets and essential services or 2) get the money to fill in their budgets using other tax revenue sources. Revenue for things like schools and teachers, roads, city government, **public health**, emergency services, etc would either have to be cut, or the money would have to come from somewhere else. CI-121 could result in \$100 million to \$265 million in lost state and local revenue. The state could also lose ~ \$30 million per year in revenue according to the Montana Budget and Policy Center.

<u>How would this affect the public health nurses of MNA?</u> – Montana, as a whole, may have less funding to recruit and retain public health nurses and nurses employed by public institutions. The ballot initiative would also have detrimental effects to our union brothers and sisters in other publicly funded professions.

<u>What's the process?</u> Proponents of CI-121 have to gather 60,359 signatures in support of the ballot initiative by 06-17-2022 in order for the initiative to be eligible for a vote in the November election. We must DECLINE TO SIGN CI-121 to keep this bad policy with unknown repercussions out of Montana.



Proponents of the initiative:

- Al Olszewski (R), former legislator, former gubernatorial candidate, and now congressional candidate
- Troy Downing (R), State Auditor
- Matt Monforton, a Bozeman attorney
- Rep. Matt Regier (R)
- Rep. Brad Tschida (R)
- Sen. Brad Molnar (R)
- Rep. Derek Skees (R)
- Joe Dooling (R)

Opponents of the initiative:

- Montana Bankers Association
- Montana Chamber of Commerce
- Montana Farm Bureau
- Montana Federation of Public Employees
- Montana AFL-CIO
- Montana Association of Counties
- Montana Association of REALTORS
- Montana Budget and Policy Center
- Montana Farmers Union
- Montana Human Rights Network
- Montana Infrastructure Coalition
- Montana League of Cities and Towns
- Montana Quality Education Coalition
- Montana Rural Education Association
- Montana Women Vote
- Montana Nurses Association
- Sen. Jill Cohenour (D)
- Sen. Greg Hertz (R)