

Comments on Draft Bill PD 5- Feb 23, 2026

Shelley Turner, Executive Director, Montana Association of School Business Officials (MASBO)

Chair and members of the committee,

Thank you for the opportunity to provide comments on Draft Bill PD 5.

MASBO very much appreciates the Revenue Interim Committee's efforts to provide clear compliance language and consistency for school districts. Transparency and uniformity are important goals, and we recognize the intent behind these revisions.

Below are several suggestions and clarifications for consideration.

Section 1 – MCA 7-7-111

Clarification of Median Market Value Language

In subsection (1)(b), for clarity and consistency, I would suggest specifying that the median market value referenced is the value as determined by the Department of Revenue (DOR).

For example:

“...and the median market value in the county, as previously determined by the Department of Revenue, for a principal residence...”

And for multi-county districts:

“If the election impacts principal residences in more than one county, the estimate of the impact must include the average of the median market value in each county, as determined by the Department of Revenue, for a principal residence that qualifies for the homestead reduced tax rate.”

This clarification would help ensure uniform interpretation and prevent districts from relying on inconsistent or outdated valuation data.

Subsection (3) – Website Calculator

The bill requires districts to publish information on how to calculate the impact of the election on a residence.

I respectfully ask whether the state intends to provide a standardized calculator or calculation tool for districts to use or link to on their websites.

It would be far more cost-effective and consistent for the state to provide a uniform calculator that districts could link to, rather than requiring each district to independently develop its own tool. A centralized calculator would:

- Ensure uniform methodology statewide
- Reduce errors and inconsistencies
- Provide clarity for taxpayers
- Reduce administrative burden on small districts

Many small districts do not have IT departments or technical staff capable of developing such tools. Without a state-provided model, implementation could vary widely.

Section 2 – MCA 15-10-425

Subsection (3)(a)(ii) – Ballot and Notice Language

I would appreciate clarification as to whether this subsection is intended to prescribe exact ballot or notice language.

The language as drafted is lengthy and highly technical. If this language is required verbatim in newspaper notices, publication costs could increase significantly.

Newspaper notices are already expensive for school districts. Expanding required language in statutory notices, without flexibility, may unintentionally increase costs for districts without additional funding.

If detailed language is required, I would encourage consideration of:

- A standardized template issued by the state
- Flexibility in formatting for publication purposes

Subsection (3)(b) – Calculator Publication

Again, I respectfully request that the state provide a standardized calculator or calculation methodology that districts may link to, rather than requiring local development. Consistency across the state will reduce confusion for taxpayers and minimize compliance errors.

Section 3 – MCA 20-9-116

Subsection (2)(a)

For clarity, similar to Section 1, I would suggest explicitly referencing that the median market value is determined by the Department of Revenue.

Clear attribution avoids conflicting interpretations and ensures districts are using consistent valuation data.

Subsection (2)(b) – Publication Requirements

This subsection requires publication in a newspaper that will give notice to the largest number of people in the district and posting to the district website, including calculation information.

I respectfully ask the committee to consider allowing districts to rely more heavily on website publication in lieu of expanded newspaper notice requirements.

The cost of newspaper notices — particularly when combined with other required election notices — is becoming increasingly burdensome for districts. These are unfunded requirements.

Providing flexibility for digital publication, where appropriate, would reduce cost pressures while still ensuring public access to information.

Again, regarding subsection (2)(b)(iii), I strongly encourage the state to provide a standardized calculator or calculation resource through OPI or DOR so districts are not individually responsible for developing technical tools.

Section 4 – MCA 20-9-426

Consistent with earlier sections, I respectfully request that the state provide a centralized calculator or standardized calculation model for bond impact estimates.

Many districts do not have the technical capacity to create calculation tools independently. If a calculator is required, it may also require:

- Financial resources
- Ongoing updates
- Clear statutory authority identifying the responsible state agency

If the intent is uniform transparency, a single statewide tool would better accomplish that goal than locally developed calculators.

Closing

MASBO appreciates the committee's commitment to clarity and taxpayer transparency.

Our primary requests are:

- Clarify that median market value is determined by the Department of Revenue.
- Provide a standardized, state-supported calculator or calculation methodology.
- Consider flexibility in publication requirements to avoid increasing unfunded mandates on school districts.

We are committed to working collaboratively to ensure compliance is clear, consistent, and practical for districts of all sizes.

Thank you for the opportunity to provide comments.