

## State Legislative Update

The 67<sup>th</sup> Montana Legislative Session began in Helena on January 4, 2021. Despite the challenges presented by COVID-19 in 2020, MAR diligently prepared for 2021. Over the last year, we met with legislators from around the state, engaged our coalition partners, participated in the interim legislative process, and worked with our members to define our state legislative policy priorities.

The way the session is conducted will likely change as circumstances related to COVID-19 change. The bottom line is this upcoming legislative session will be like none other before it. MAR's Government Affairs Committee and lobbying team are prepared to adapt quickly to changing circumstances.

Here are some issues MAR is likely to engage with in 2021:

- 1) **Land use** – Burdensome regulation continues to contribute to a shortage of for-sale homes in Montana. MAR plans to introduce two bills related to subdivision. The first creates an expedited subdivision review process for lands that have adequate zoning and infrastructure. The bill will remove redundant review criteria, set shorter timelines, and eliminate unnecessary procedural hurdles. The second bill clarifies that subdivision review for impacts to agriculture is limited to the impacts to adjacent agricultural operations and not on a loss of “agricultural soils.” Voluntary conservation easements are a much fairer and landowner-friendly way of preserving farmland than misusing subdivision review. There will likely be opportunities to support bills that improve DEQ review of subdivisions as well.
- 2) **Septic systems** –Although regulations on septic systems are necessary to protect water quality, poorly thought-out regulations create unnecessary costs for home and business owners and cause real estate transactions to fall apart. MAR is working on legislation to require local health board regulations on wastewater treatment to be approved by local elected officials, such as county commissioners. We believe this will allow REALTORS® and property owners to be more effective in fighting onerous new local regulations on septic systems, including regulations enforced at the point of sale.
- 3) **Property taxes** – The ever-growing property tax burden continues to be a hot topic among state legislators. Legislation is being introduced to provide property tax relief, as well as to improve the appraisals and the appeals processes. Unfortunately, we will see attempts to squeeze even more money from property taxpayers or to unfairly shift the tax burden from one group of taxpayers to another. MAR will work to ensure that property taxpayers are treated fairly and that our tax system does not disincentivize homeownership or transferring real property.
- 4) **Water rights** - MAR will continue to support bills that streamline and improve water right permitting and change processes and to oppose legislation that further restricts individual water wells. It is critical that our water use laws meet the needs of Montana homeowners and businesses.
- 5) **Meth contamination** - State law does not require an owner to disclose when they know meth was smoked within inhabitable property, nor are there cleanup standards or any statutory

protections for liability. This leaves the public at risk of being unknowingly exposed to meth, makes it difficult for REALTORS® to advise sellers, and leaves owners and their agents exposed to costly liability. MAR is planning to introduce legislation that brings greater predictability and protections for occupants, property owners, and real estate licensees.

These are but a few of the issues MAR will engage with in 2021. We will provide more updates to you as the session unfolds.

As always, we thank you, our members, for allowing us to represent you in our State Capitol. Your support is what allows us to be effective advocates for the real estate industry and private property owners. We hope that you will continue to lend your voice to our state legislative advocacy.