



State Legislative Candidate Questionnaire

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LouAnn Hansen For MT HD 97

As a lifelong Montanan, I was born in Missoula and raised on a ranch in the Mission Valley. I received my Bachelor's Degree from Montana State University, my Master's Degree from Lesley University, and my Educational Leadership and Administration endorsement as well as my Elementary Education endorsement from the University of Montana. I served 35 years as a Montana public school teacher with 31 of those years teaching in MCPS. I retired in 2017. During my career I served on the Missoula Education Association Board and on the Missoula Area Central Labor Council. My husband and I reside in the same house in Lolo we purchased 36 years ago and where we raised our two children. I've been involved in numerous area volunteer opportunities as I give back to the community I call home. I will advocate for public education, affordable housing and health care, infrastructure, balanced management of the environment, public lands in public hands, human rights, labor and jobs, and government transparency.

The Missoula Organization of REALTORS® advocates for REALTORS® and consumers. Our members would like to know your thoughts on priority REALTOR® issues. We thank you for being specific in your responses.

ISSUES

Home prices in Missoula County have increased rapidly since the end of the economic downturn and incomes have not kept up. The median sales price of a home in 2019 was \$315,000, making it challenging for many Missoulians to buy a home. The rapidly increasing price is due in part to a shortage of housing, particularly in more attainable price ranges. As a state legislator, you will evaluate policies that will impact housing and economic development in Missoula County.

Housing Development

State law broadly outlines the process by which local governments must review subdivisions of land. Subdivision is the primary vehicle for creating lots to be developed into homes for sale. Subdivision review policies attempt to balance communities housing needs with protecting the environment, agriculture, wildlife habitat, public safety, and other interests. **What changes to Subdivision law do you support to encourage needed development of housing while balancing other community values?**

I attempted to read through the many parts of Montana subdivision law (MCA). I am not in the real estate profession so my working knowledge related to subdivision law and regulations is somewhat limited. I do not deal with the challenges that you deal with on a daily basis. That said, I do encourage you to reach out to me with your specific issues, educate me on those issues and propose model language that would enable the subdivision laws and regulations to be more easily understood and the review process more streamlined while at the same time considering the environment and community growth policy.

Regulatory reform may be one strategy for promoting housing affordability through state law. **Are there non-regulatory strategies that the legislature should pursue, so please enumerate? If strategies require funding, where should it come from?**

Affordable housing is more of a local issue and is dealt with in respective communities. Going back in time, I believe it was the 2011 MT Legislature that transferred money from a Coal Tax Fund and put it in an account that could be drawn on in the form of low interest loans for affordable veterans housing. That was a win for the veterans, the State of Montana and the developers/builders. Because of its success, again in about 2017/2019 the MT Legislature put \$15 million into an account for loans designated for rural affordable housing. These types of programs seem to be successful but finding those pots of money to transfer money from will be a challenge in the 2021 legislature. Again, share your ideas with me and propose model language to consider.

Tax Law

State Law provides for tax increment financing (TIF) and urban renewal districts. TIF is used within urban renewal districts to combat blight and promote economic development. However, critics of TIF say that these urban renewal districts can be in place for many years, and TIF diverts property tax revenue away from schools and county governments. Supporters respond that TIF grows the property tax base and creates jobs, and that once the urban renewal districts sunset, the taxing jurisdictions have significantly more revenue than they would have otherwise had. **What changes to TIF statues would you recommend responding citizen complaints and improve the program?**

When I drive through the urban renewal districts in Missoula I can only see positives. TIF funding has greatly enhanced the downtown area and future use of TIF funding will continue to enhance the aesthetics, economic development and functionality of the downtown area. The ongoing revenue generated by these new businesses is an asset to the city government and the residents of Missoula. Again, I am not the expert in this field, but I do see a potential problem with existing, stable, currently expanding big businesses being the recipients of large amounts of TIF funding. This is the source of some of the criticism.

Property taxes are the primary revenue generator used to fund local government services. Recently increased mil levies multiplied by increasing property value assessments have left many homeowners asking for relief. **What are your thoughts on the current taxation structure for local government? What changes, if any, would you propose/support?**

Property tax reform is needed. Our current property tax structure is not sustainable. Let me first give some history. When I-105 went into effect, it capped property taxes but not districts. This is how cities are getting around I-105 and continue to be able to raise taxes. Property taxes are tied to property values. This is a problem especially for people who have lived in a home for many years. We hear them say they are getting taxes out of their home. When yearly property taxes go up so much that they reach about 2% of the value of the property value, you get a tax revolt. In the Missoula area we are currently at about 1.3% of the property value for residences. This tax revolt is what happened in California many years ago. The result of this was Proposition 13. It mandated that property taxes must be frozen based on the value of your home when you bought it. Schools and municipalities suffered so they had to raise their sales and income taxes to compensate for the decreased funding.

Taxes in general consist of a three legged stool: property taxes, income taxes, and sales tax. In Montana we do not have a general sales tax but historically the substitute for a sales tax has been our natural resources taxes. Today, our natural resources taxes are almost non-existent. That poses a problem and the one thing that can be done is to shift the decreased revenue burden to the property owners. So here we are.

I supported the 2 cent a gallon tax for Missoula County, I support a local option tax as a solution to decrease property taxes. The Montana city I'm most familiar with that has implemented this type of tax is Whitefish and it seems, from the outside, to be working. If implemented it must show how it will decrease the burden on local property owners.

Economic Development

While the unemployment rate in Montana has been quite low for several years prior to the COVID pandemic, growth in wages has remained relatively stagnant compared to increases in housing costs. **As a state legislator, how would you propose to help grow and attract good paying jobs in Montana and specifically Missoula County?**

The first thing I'd look at is what kinds of jobs are clean and provide at least livable wages. The tech industry is one that comes to mind. If the planning, financial incentives and marketing is done right, we could attract tech firms to relocate here. These companies employ a workforce that loves to be in the outdoors after work and on the weekends. Attracting alternative energy companies with incentives to make it worth their while to relocate here would be a boost for the Missoula area. On the side of our natural resources, I also think there is still a place for selectively harvesting our forests. If this is done, I would want to see the environment plans for clean up and hold these companies to the plans so taxpayers don't have to pay for cleaning up their messes. Perhaps the legislature could put together some incentives that would attract these types of businesses. Again, put your ideas together and let's talk.

Fair Housing

The National Association of REALTORS include sexual orientation and gender identity anti-discrimination language in their code of ethics. Montana does not prohibit discrimination based on sexual orientation and /or gender identity. **As a state legislator would you support legislation to prohibit discrimination based on sexual orientation and /or gender identity?** Absolutely yes! My platform includes human rights for all and antidiscrimination in all areas, not just housing. Montana is past due for this type of legislation.