

My Name is Doug Smith and I am from Bainville, Montana

I am a taxpayer and voter living in the oil impacted area of ne Montana.

While other bills are trying to take from the small percentage of oil taxes we are allowed to keep in ne MT this one allows us to keep some of what it rightfully ours to use on the high cost of the oil impact.

Due to these oil impacts we have the highest cost of living in Montana, in fact I just traveled and toured 8 western states this winter and NE Montana has the highest cost of living of any I encountered. Housing, it's non-existent, many employers are building housing for their employees as fast as possible, but now they are running into other hurdles. Existing sewer and water cannot handle the increased demand and cities and counties do not have the funds to upgrade the systems. It would be unfair to the locals to have increased taxes to pay for these needed upgrades. Oil is causing the problem; oil should pay for the problem.

County roads have gotten so bad that some oil wells are being shut down as trucks and workers cannot get into them. If Montana expects to continue taxing oil they must maintain the infrastructure to allow the oil to be taken out. On the local side, voters are getting very frustrated; just a few days ago I attended a meeting in Bainville concerning the gravity of the transportation infrastructure. While they were not carrying pitchforks and torches yet, the local voters were getting very angry and made there opinions clear to our county commissioners,

NE Montana schools are faced with problems none could have foreseen just a few short years ago. Classrooms are filling fast, teachers need to be hired, support staff, facilities will be added, and special needs children will have to be taken care of. All of this costs more money. Montana is taking around 30 cents of every oil dollar; the local voters should not have to bear this entire burden in further taxation.

ND is way ahead of Montana on oil exploration and we can look across the line and learn from their mistakes. . When the oil boom first started, ND was taking tax monies from the NW corner of the state and spreading the wealth to the east side of the state. Today ND is faced with rebuilding

roads, schools and general infrastructure, because of this they now have a bill in their legislature to send 142 million dollars back to counties in the impacted areas for road maintenance alone. This is just a start of what is needed to rebuild.

We now look across the ND border to the east and see a tsunami of workers coming across the line. Ne Montana must be prepared for the explosion and this bill is a start to protect the funds necessary to do just that.

I know many of you probably have a hard time understanding what the oil impact we are facing is like so I was working on bringing a couple hundred frac trucks and parking around the capital just so you could see what we face every day. But then I got to thinking, the governor would just try to tax them some more. So, if you would like to see what it is like in NE Montana come on up, I can get you a private tour of working oil rigs, frac jobs, and everything that goes along with it. You won't be able to get a motel though, but I can put you up at my place.

In summary it has been a pleasure to come to Helena to testify on this bill as it has given me a chance to enjoy the low cost of living you have in western Montana. Thank you..