



## CENTER *for* RURAL AFFAIRS

My name is Steph Larsen, and I represent the Center for Rural Affairs. I am also on the board of the Montana Organizing Project. Thank you for this opportunity to speak about SB 295.

Resource development, specifically the oil and gas exploration happening now in eastern Montana, causes a rapid influx of new people to rural communities. These new residents strain existing infrastructure - housing, education, public safety, such as fire and emergency medical response, and law enforcement.

Oil and gas exploration also strains our road and water infrastructure literally to the breaking point.

In order to deal with the strains that come with developing Montana's oil and gas resources, rural communities need to share in the revenue created. However, Montana's existing oil and gas tax holiday prevents funding from getting to the rural communities that need it. The result is crumbling roads and bridges due to heavy use, an insufficient police, fire and rescue force, overcrowded classrooms, and unaffordable housing across much of eastern Montana.

It makes sense that because oil and gas companies are creating much of the strain, they should contribute more to fixing the problems. In the last 5 years, \$73 million that could have gone to help rural communities went instead to record profits for oil companies.

Capturing this revenue is critical to enabling communities to meet the needs of their residents, and ensure prosperity for everyone living in eastern Montana.

I hope you will support Montana's rural communities, and pass SB 295. Thank you.