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**To:** [LEG Cmte-RVIC Comment](#)  
**Subject:** Public Comment for RIC  
**Date:** Tuesday, August 1, 2023 8:32:54 AM

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# Public Comments for the Revenue Interim Committee

**Date:** 1st August 2023 08:32

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**Subject:**

Local Option Tax

**Comment:**

A recent report by Headwaters Economics addresses a big problem in some of our small counties: Sheriff/Fire/EMS/Search & Rescue/Roads are overwhelmed by a demand for services by non-residents that are funded only by property taxes. It is time to take another look at a Local Option Tax. Perhaps we can find a new name for it that isn't so offensive to Republicans. Headwaters Economics: "Concerned about rapid growth, some communities take a more reactive path and enact policies to try to stop growth. These reactive strategies might include limiting building permits, water taps, or establishing strict growth boundaries or zoning restrictions. These approaches can have the immediate effect of slowing down growth. They do have medium- and long-term consequences, however, that can make a community less livable. The unintended consequences of reactive approaches can include unattainably expensive housing, long commutes for workers, wider income disparities, and a limited tax base. It is when these problems begin to materialize that communities begin to feel trapped by the negative consequences that the popularity of their natural amenities has caused. It is a phenomenon known as the amenity trap. Fortunately, communities that plan proactively can anticipate and direct growth rather than being subject to the pressures of the market. Proactive strategies include investing in local capacity, implementing a forward-looking housing program to address housing supply and demand, and making sure that tax policies capture and invest revenue to ensure the costs of growth management programs are funded appropriately and adequately. In this report we focus on policy solutions to highlight ways amenity communities can proactively plan to take charge of the growth pressure and maintain their character and quality of life. Regardless of which path a community follows, there is always a chance to reset and adopt a new approach."

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