What is the Catch & Keep Montana's Treasure Act

Why Should You Support It?

1. THE PROBLEM — Rural Montana is in Decline & Forecast to Continue

Rural communities are struggling to recruit and retain professionals they depend upon for continued economic growth, quality schools, good healthcare, qualified employees, and business services. This challenge threatens economic prosperity and survival of rural areas in the next 10-15 years without action from state leaders. Montana’s budget and economy will become more dependent on the state’s largest counties and cities as this problematic trend snowballs. Montana needs economic prosperity throughout our state.

Montana’s Population Change 1980 - 2017* (U.S. Census Data)

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Low-Need Counties (>15,000 pop.)
High-Need Counties (≤15,000 pop.)

2. THE SOLUTION — Catch & Keep Montana’s Treasure Grant & Tax Credit Program

- Grants up to $15,000 and tax credit for property taxes paid.
- Incentivizes Montanans to skill up with college degrees or credentials needed to sustain Montana communities.
- Provides a needed tool for employers in rural areas to recruit and retain a talented and skilled workforce.
- Provides economic and societal benefits to rural Montana.
- Encourages participants to establish connections in communities beyond program.
- Projected to generate tax revenue of roughly 2:1 from Awardees on grant investment.
- Approximately 250 Biennial Grants: 80% to High-Need Counties and 20% to Low-Need Counties (targeted to rural areas within Low-Need County).

3. HOW IT WORKS—Local Control and Support

A. Local county commissioners pass a resolution to participate in program, after consultation with other local and state stakeholders, identifying: i) Priority professions; ii) Local Entity funding source (25% match); and iii) Number of grants to support or total amount allocated towards grants.

B. Eligible applicants apply and grants are awarded in participating counties based on criteria, degree/credential, status of county, status of Sponsor and a 5 year commitment.

C. After 3 years in program, Awardees are eligible for property tax credit towards income tax, in accordance with terms identified for next 5 years in county.

4. FUNDING AMOUNT & SOURCE — State Special Revenue Account & Local Partners

Transfers $500,000 from the state special revenue account to Dept. of Labor to administer grant program. State grants are matched by Local Entity (25%) and Sponsor org. (25%).

5. LEGISLATIVE OVERSIGHT — Continuing Review and Evaluation

Requires the Department of Labor to collect data and report to the Economic Affairs Interim Committee every even numbered year for evaluation of program’s implementation and effectiveness.
Topeka, Kansas, is among a growing list of cities offering financial incentives to attract new residents. Under a pilot program called Choose Topeka, the capital city is offering incentives worth up to $15,000 to encourage talent to move to Topeka and Shawnee County.

Have you ever looked on a map and wondered where else you might want to live? You might want to consider Topeka, Kansas. Under a pilot program called Choose Topeka, the capital city is offering incentives worth up to $15,000 to encourage talent to move to Topeka and Shawnee County.
Since the initiative was announced last week, it has gained quite a bit of traction. The Greater Topeka Partnership, an economic development agency, has received hundreds of requests from across North America as well as international interest from people in Europe, Asia and South America. ChooseTopeka.com has been launched to provide quick answers about the program and to allow interested candidates to apply.

With unemployment at a historically low rate, businesses across the country are struggling to attract and retain talented professionals. Choose Topeka will reimburse individuals with job offers in Topeka up to $15,000 for prospective home buyers and $10,000 for renters signing a one-year lease. Participants must be eligible to work in the U.S. and purchase or rent a home in Shawnee County within a year of their relocation to Topeka for a full-time position. Choose Topeka will match employer incentives put up for people who move to Topeka and live and work there for a year.

“We are thrilled with the response from around the world,” said Molly Howey, senior vice president of economic development for GO Topeka, an organization of the Great Topeka Partnership. “We have always known that Topeka-Shawnee County is an amazing place to call home.”
Topeka, Kansas, Is Offering Up To A $15,000 Incentive Just For You T...  
https://www.forbes.com/sites/brendarichardson/2019/12/17/topeka-kansa...

The Greater Topeka area in Shawnee County represents a community of 178,915 people in the Greater Kansas City region that’s less than an hour from downtown Kansas City. The metro area’s diverse economy is reflected in the variety among its two employers headquartered here, including Hill’s Pet Nutrition, Advisors Excel, Security Benefit, Capitol Federal and Evergy.

“This is an exciting validation of the work that went into developing this program,” said Topeka Mayor Michelle De La Isla. “Choose Topeka not only addresses an important need to attract talent to our community, but it is a powerful tool to provide many new people access to the funds needed to buy a home.”

Matt Beier, head of human resources for Advisors Excel, said the insurance marketing organization is extremely pleased with the relocation incentives. “It has already proven to be a big help in expanding our recruitment base as we already have at least one candidate in the pipeline who is interested in making the move to Topeka.”
Topeka is home to an array of businesses including architecture firms, marketing agencies, financial services firms and biotech companies. In August, the city was selected by Plug and Play, a venture capital fund and corporate innovation platform, to be a startup accelerator location focused on animal health science and agricultural technology. Topeka will host about 20 startup companies per year as each one goes through the three-month startup accelerator program.

Bob Ross, senior vice president of marketing at the Greater Topeka Partnership, said he just moved back to Topeka five months ago from Houston. “What people don’t expect about Topeka is how rich and culturally diverse the city is,” he said. “For 85 years, the city has celebrated its Latin heritage with Fiesta Mexicana. This festival brings thousands out every year for music, food and parades that honor a Mexican-American community that arrived here in the 19th century. We have a vibrant live theater and music scene and a fun and innovative arts district. There is an electric spirit in the air, like the sky is the limit.”

Having lived in Nashville, Lindsay Lebahn, marketing account manager at Bajillion
Agency in Topeka, had her doubts about a slower Midwest lifestyle before she moved to the area. “But I thrived,” she said. “Topeka quickly won me over with its genuine people, affordability and potential to make a true impact — a trifecta that is hard to find these days. I now see why it’s commonly referred to as the Heartland. It truly captures your heart.”

Walmart recently announced it will locate its newest distribution facility in Topeka, their fourth in the state. The project is expected to create an estimated 300 new full-time positions over the next five years with competitive salaries plus benefits, creating in the next 10 years a total economic impact of $635 million.

The arts scene is alive and well in the newly revitalized NOTO Arts & Entertainment District, with over 3,000 people visiting every month for the ARTSConnect First Friday Artwalk. Topeka is also the new home of the Heartland Stampede, the region’s largest country music festival. Luke Combs, Toby Keith and Cody Johnson will lead the star-studded lineup from June 25 to 27, 2020.
Topeka is less than 40 minutes from suburban Kansas City’s shops and restaurant districts, less than an hour’s drive to downtown Kansas City, including the KC Crossroads District, the River Market and Country Club Plaza, and an hour from Kansas City International Airport.

“Everywhere you look in Topeka, from our downtown renovation, to business growth to our schools, Topeka is showing what a wonderful community it truly is,” said Cody Foster, founder of Advisors Excel. “Choose Topeka will help Advisors Excel and other great companies in Topeka recruit experienced employees, especially for our AE Wealth Management platform and in the technology field. We can’t wait for the nation to find out what it means to choose Topeka.”

Those seeking to apply can also email ChooseTopeka@GoTopeka.com.

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LONG STREETS PROJECT

Kansas and Vermont pay college grads to move to small towns. Montana could follow suit.

A hay field outside Utica, Montana

By Eric Dietrich  March 8, 2019

At a time when rural regions across the U.S. are struggling to attract young professionals, the states of Kansas and Vermont have used public dollars to fight “brain drain” by offering grants and tax breaks to professional workers who settle in small towns.

If an eastern Montana lawmaker has his way, Montana could soon follow suit.

Rep. Joel Krautter, R-Sidney, has introduced House Bill 405, which would offer recent college graduates between $5,000 and $15,000 apiece if they commit to living and working in a qualifying county for five years. The bill would also offer grantees a property tax credit of up to $2,000 a year for five years.

The grant amount would depend on a worker’s education level, with recipients holding advanced degrees eligible for the full $15,000, bachelor’s degree-holders eligible for $10,000, and graduates of two-year programs or apprenticeships
Montana could pay college grads to move to small towns | Montana Free... https://montanafreepress.org/2019/03/08/kansas-and-vermont-pay-colleg...

Montana could pay college grads to move to small towns

eligible for the $5,000 grants. The program would focus on counties with fewer than 15,000 residents, but partial grants would be available to workers committing to more populous parts of the state.

Krautter calls the legislation the Catch and Keep Act, and said it’s designed to encourage grads to settle in communities where employers have a hard time finding qualified workers for health-care, education, and accounting jobs. He said he’s frustrated that Montana’s economic growth has tended to cluster in cities.

“I want economic prosperity throughout the state,” he said. “We need skilled people in rural Montana to keep our communities together and vibrant.”

Montana’s overall population is growing, but many of the state’s rural areas, in eastern and central Montana especially, have seen long-term population declines. An analysis of census data indicates that of Montana’s 56 counties, 19 have seen their population shrink by at least 5 percent since 1990.

If the state doesn’t reverse those demographic trends, Krautter said, he worries about a “snowball effect,” where the sense that small towns are in decline becomes a self-fulfilling prophecy as younger college-educated people are discouraged from moving to them or sticking around long-term.

His proposal, which would pay out roughly 100 annual grants and cost about $1 million per year (https://legmt.gov/bills/2019/ENPDF/HB4605__2.pdf), had its initial hearing in front of the House Business and Labor Committee March 11. It was supported by several professional groups and trade associations. No one testified in opposition.

“House Bill 405, we feel, does fit into this larger context of attracting businesses and employees to Montana,” said Montana Chamber of Commerce lobbyist Bridger Mahlum.

Even so, as one of 60-plus spending bills (https://legmt.gov/content/Publications/fiscal/2021-Session/Gen-Fund-Status-07-01-2019.pdf) jostling for state funding at a time when the Legislature’s Republican majority has expressed little interest in raising taxes, the bill faces an uphill climb.

The proposal raises a bigger policy question, too: Can paying young professionals to move to small towns actually help reverse rural decline?

The state officials who administer Kansas’ Rural Opportunity Zones program say the answer is yes.
Montana could pay college grads to move to small towns | Montana Free... https://montanafreepress.org/2019/03/08/kansas-and-vermont-pay-colleg...
Montana could pay college grads to move to small towns | Montana Free... https://montanafreepress.org/2019/03/08/kansas-and-vermont-pay-colleg... with a local company.

Vermont’s government also runs a Stay to Stay Weekends (https://www.vermontvacation.com/staytostay) program that encourages “exploratory vacations” for people who are thinking about a move to the state. Participants book their own accommodations for a long weekend and spend a day or two skiing or touring the region. They’re also matched with a chamber of commerce welcome reception and meetings with potential employers.

Krautter says his Montana proposal is intended to improve on the Kansas and Vermont models, recognizing, for example, that it makes sense to target incentives to Montana college graduates and others who already have some connection to the state and might be nudged into building a career in a small town.

Krautter himself is an example: a Deer Lodge native who attended college out of state and then studied law at the University of Montana in Missoula before joining a law firm in Sidney during the Bakken oil boom. The sense of small-town community that comes with living four hours from Billings has helped keep him there, he said.

“Eastern Montana has its own unique beauty to it, with the badlands,” he said.

“I recognize this isn’t going to appeal to everyone,” he said. “If you want to live in Denver, Colorado, you’re going to live in Denver, Colorado. But I still think — Montanans, we care about each other. And if one area is struggling, we shouldn’t just abandon it and write it off. We should look for solutions.”

He’s open to other ideas, Krautter added, but hopes his catch-and-keep bill at least starts a conversation.

“It’s just about having something that’s available to people who are weighing their options,” he said.

UPDATE, March 11: This story has been updated with material from the bill’s initial hearing.

Story edited by Brad Tyer.