



Transportation In Montana

ALICE HECHT, LFD
BECCA BROWN, LSD



Alice Hecht, Fiscal GIS Analyst
Legislative Fiscal Division (LFD)

- Alice.Hecht@LegMT.gov
- (406) 444-1825

Welcome to...

Transportation Basics

Capitol Room 472

Thursday 6/25/2026 - 3pm

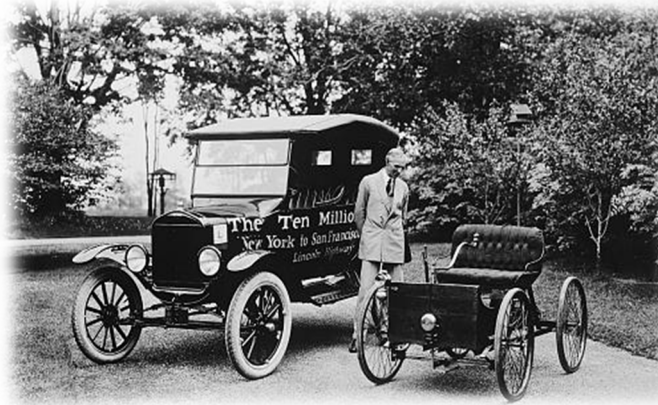


Image courtesy of Library of Congress



Becca Brown, Research Analyst
Legislative Services Division (LSD)

- Rebecca.Brown@LegMT.gov
- (406) 444-4421

This workshop will focus on a variety of current transportation topics including:

- Autonomous Vehicles (AVs)
- Funding sources such as fuel taxes and GVW fees
- Preliminary results of the TIC's interim study on Public Transportation

PLEASE ASK QUESTIONS AT ANY TIME

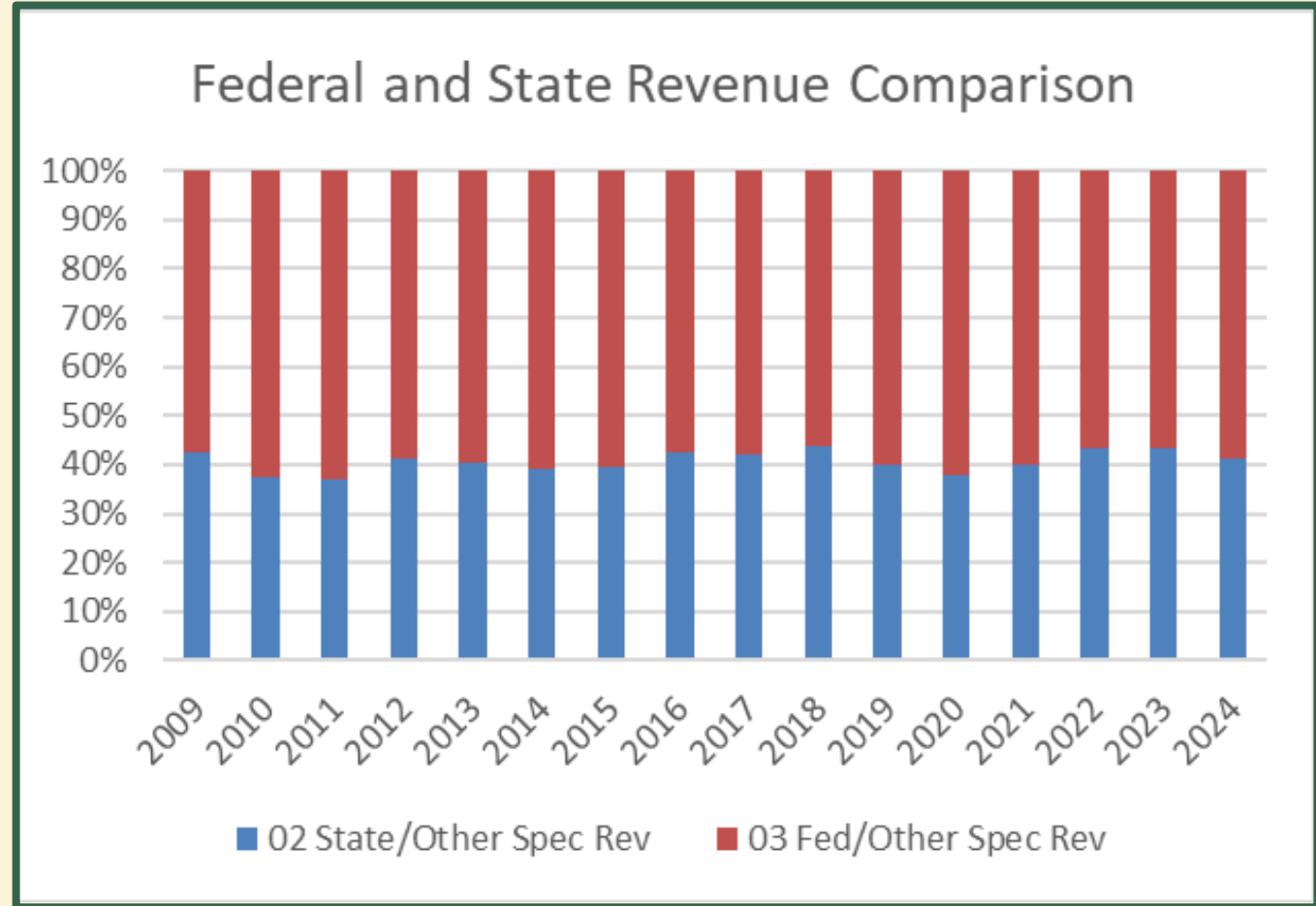


Transportation Funding

ALICE HECHT, LFD

FEDERAL VS. STATE FUNDING

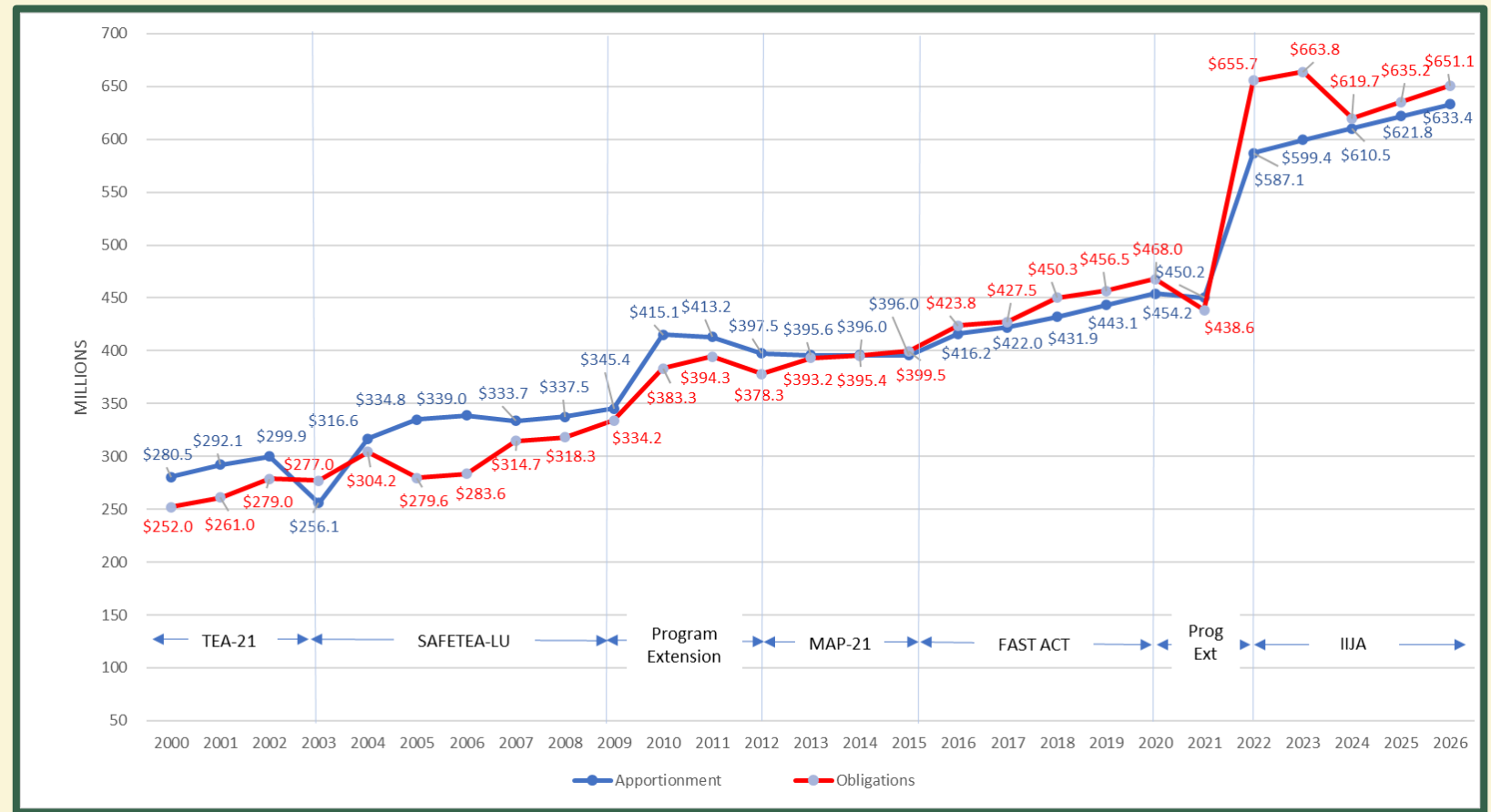
- The primary funding sources for the Montana Department of Transportation are a combination of state special revenue derived from fuel taxes and federal special revenue from the federal highway bill
- The department uses the cash balance of the Highway State Special Revenue Account (HSSRA) to pay for projects until reimbursed by the federal government
- Most projects use a combination of federal and state “matching” funds
 - Because of this, increases in federal funding mean more state funds are needed

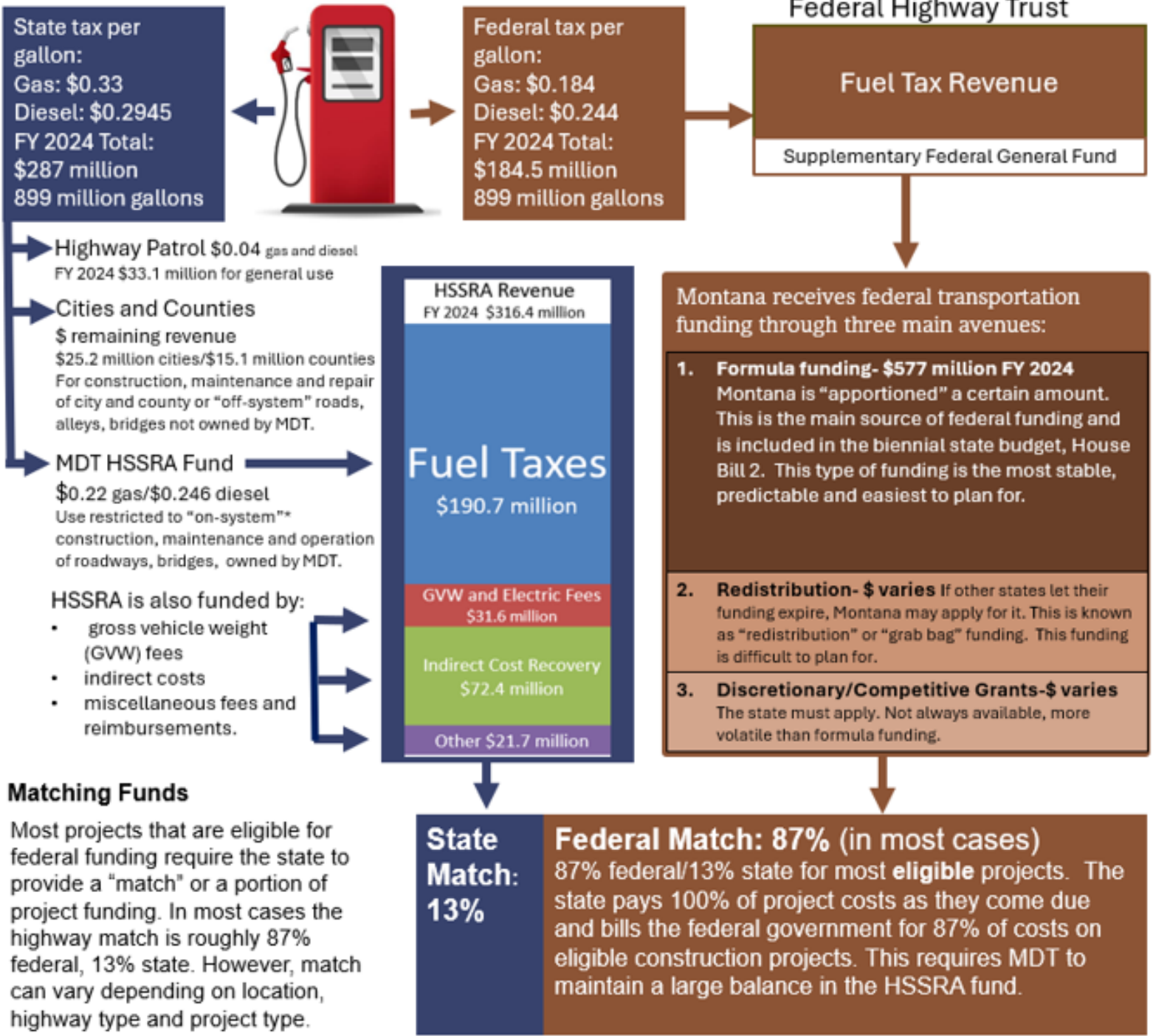


FEDERAL AID HIGHWAY PROGRAM

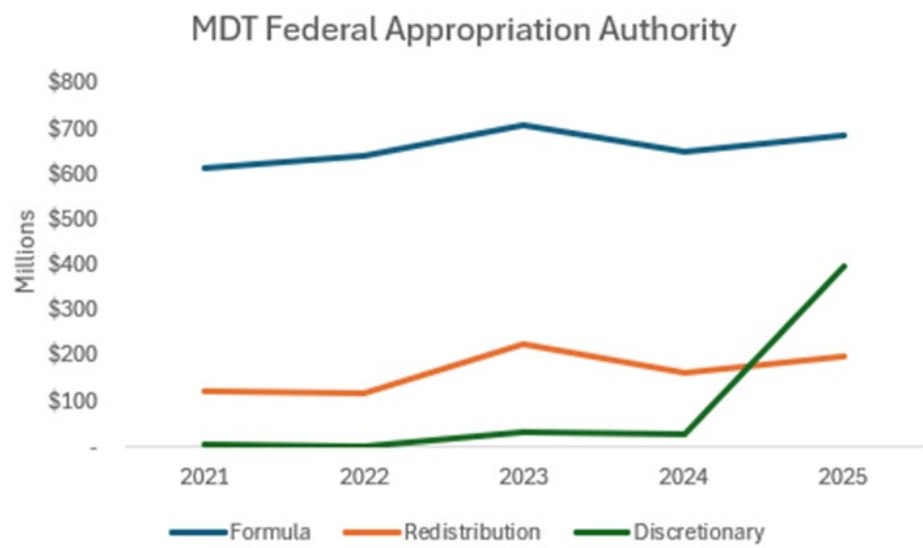
- Montana receives 26% more funding over the life of IIJA than the FAST act
- Federal funds distributed to states by a formula related to land area, population, vehicle miles travelled, and other factors
- Provides federal funding and policy stability over time – important because construction projects take years of planning
- States are “apportioned” a certain amount for each fiscal year, must “obligate” projects to ensure federal reimbursement

Federal Obligations vs. Apportionment



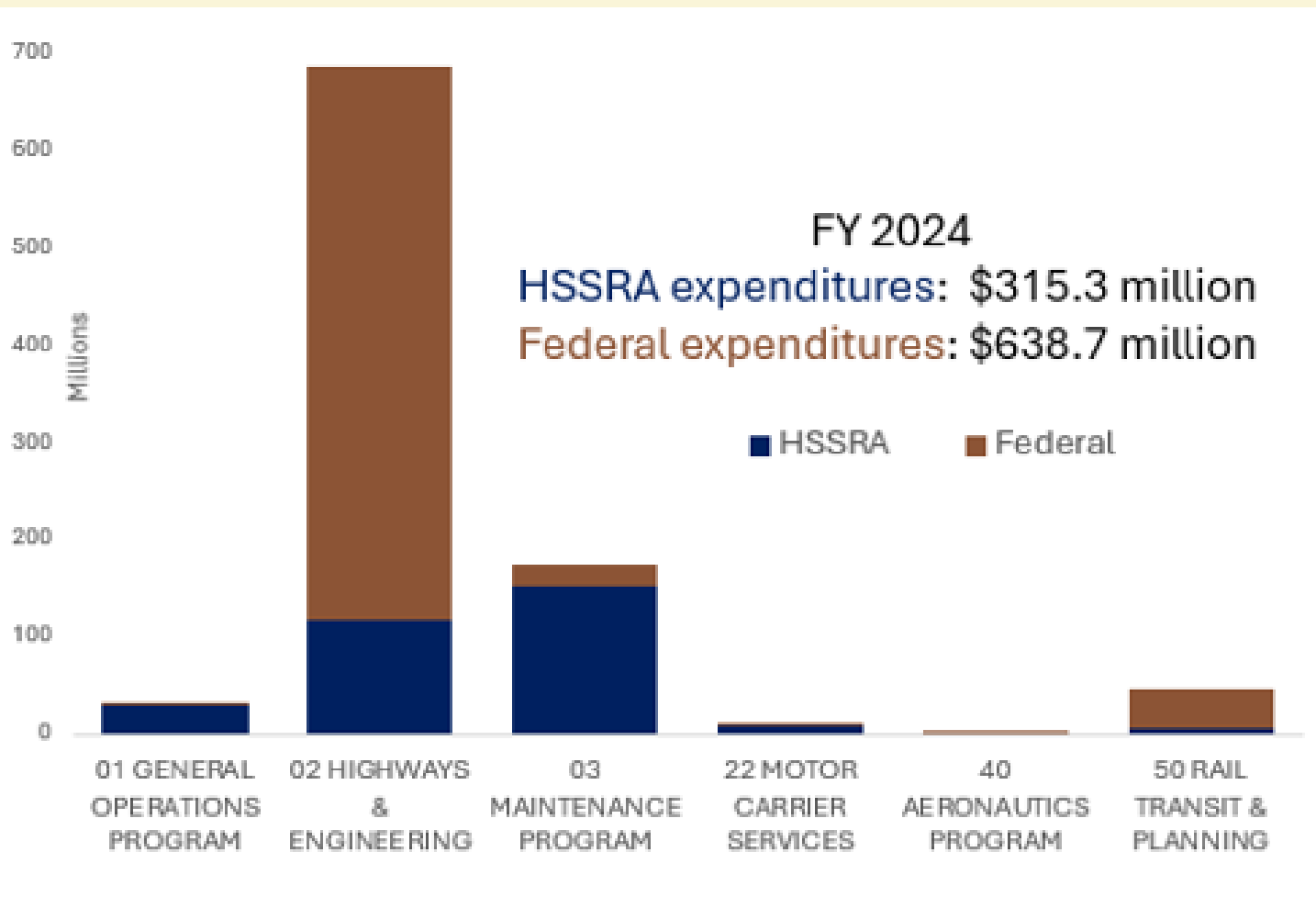


TRANSPORTATION FUNDING FLOW



TRANSPORTATION FUNDING FLOW

(continued)



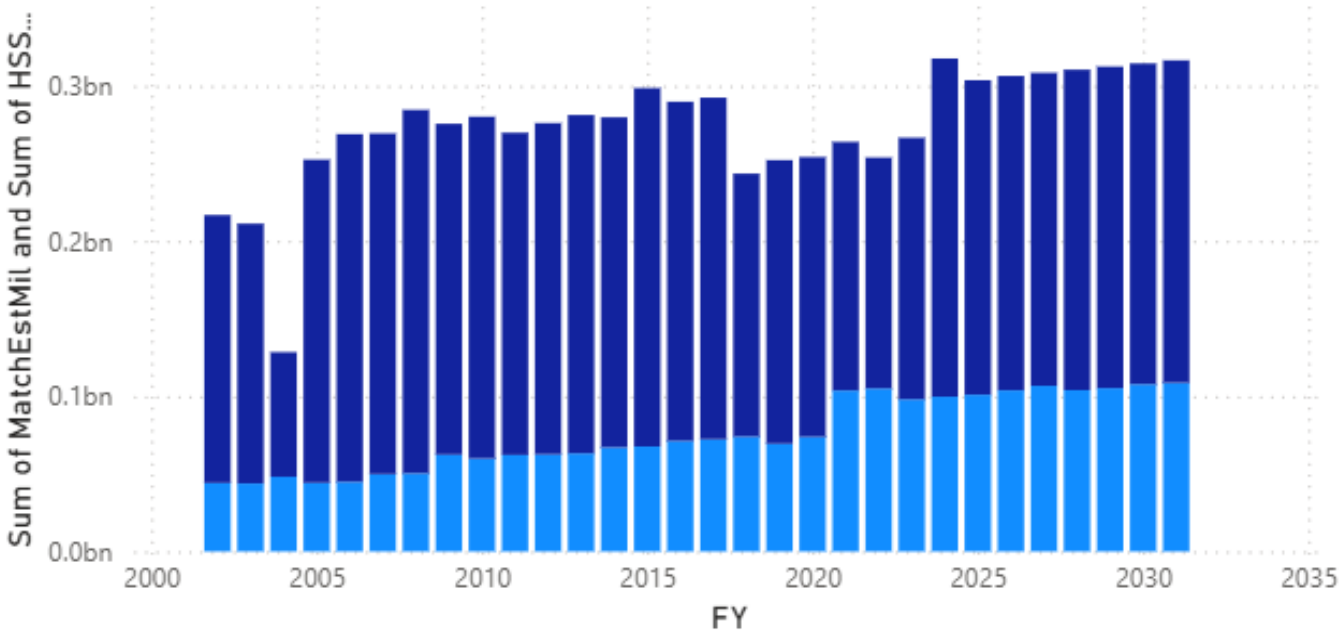
State Match:
13%

Federal Match: 87% (in most cases)
87% federal/13% state for most **eligible** projects. The state pays 100% of project costs as they come due and bills the federal government for 87% of costs on eligible construction projects. This requires MDT to maintain a large balance in the HSSRA fund.

NON-MATCH BUYING POWER

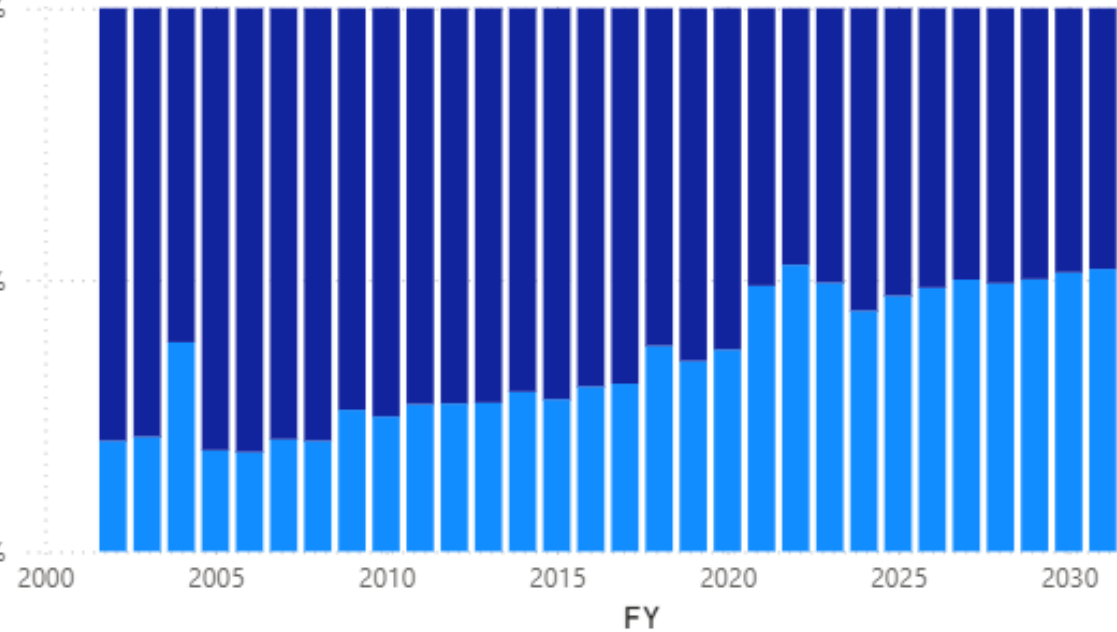
Match

Sum of MatchEstMil Sum of HSSRAnonMatch



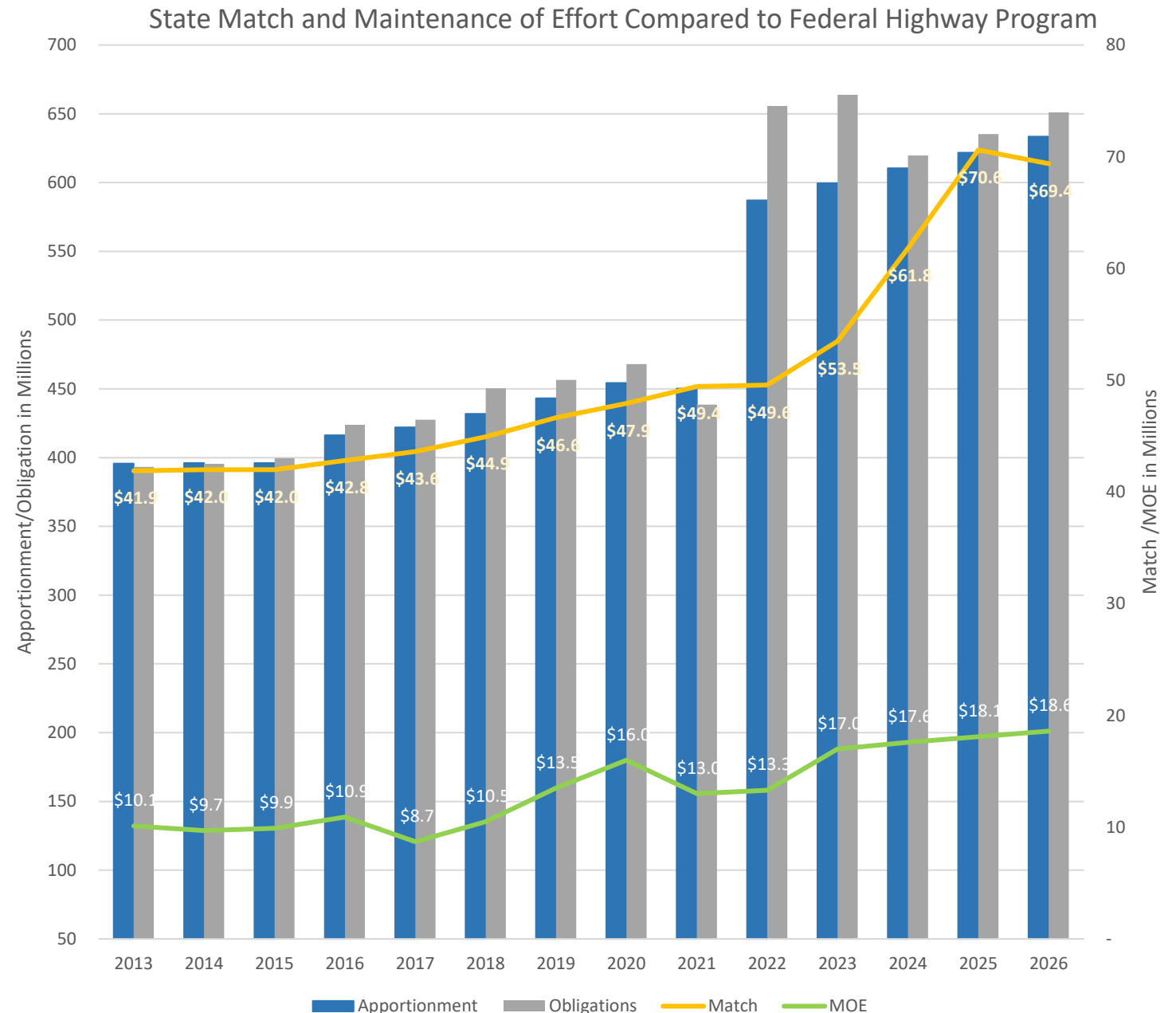
Equivalent Buying Power

of MatchEstMil Sum of HSSRAnonMatchoverCPI



MATCH & MOE

- Most projects require a funding “match,” a certain percentage of state funding to receive federal reimbursement
- The state is required to meet a “maintenance of effort” (MOE) in order to receive the maximum match.
 - This is mainly done with the state-wide pavement preservation program



MDT FEDERAL FUNDS & STATE MATCHING SOURCES

Federal Agency	State Matching Source	State Match Percent
Federal Highway Administration (FHWA)	Highways State Special Revenue Account (HSSRA)	Standard match is 13.42%
		Interstate is 8.75%
		Reservation is 0%
Federal Aviation Administration (FAA)	Aeronautics State Special Revenue/Yellowstone Airport Proprietary	8.12 - 10%
Federal Transit Administration (FTA)	Local Funding Sources/Transade	10-46%
Federal Motor Carrier Safety Administration (FMCSA)	Unified Carrier Registration (UCR)	0 - 5%
National Highway Traffic Safety Administration (NHTSA)	Highways State Special Revenue Account (HSSRA)	17-43% (some soft match)

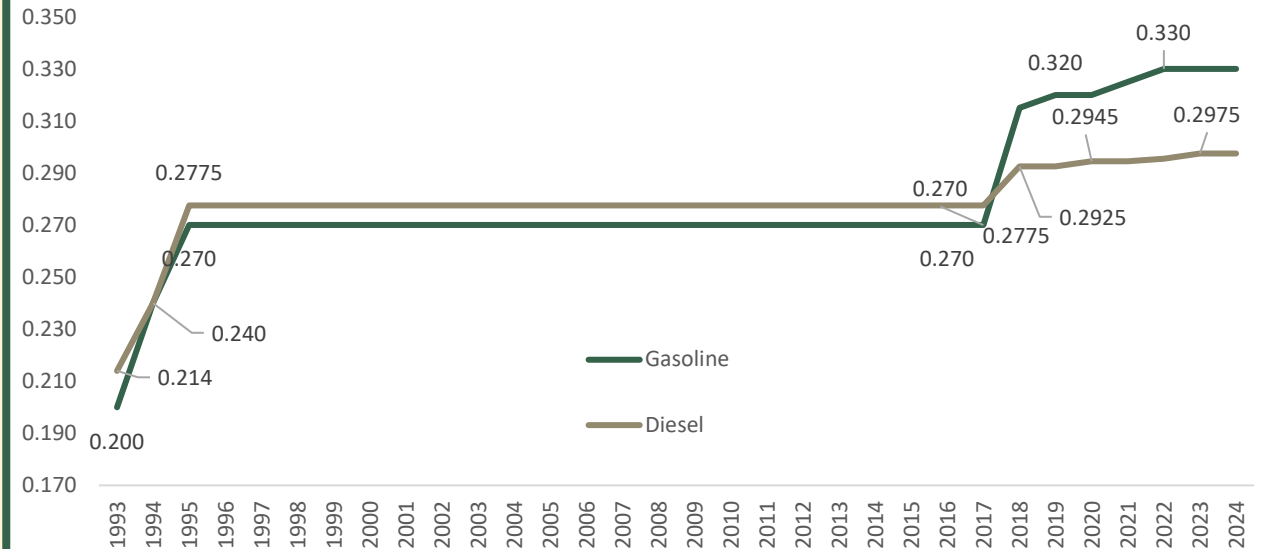


STATE FUNDING

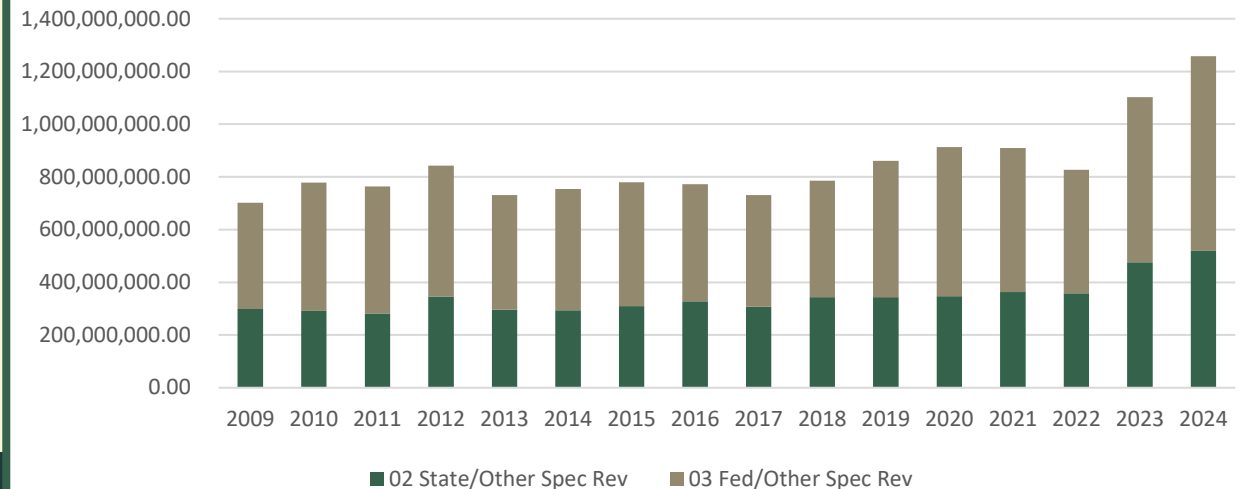
- HSSRA = Highway State Special Revenue Account
- Most revenue from fuel tax:
 - Gasoline \$0.33 per gallon
 - Diesel \$0.2975 per gallon
 - Aviation fuel
 - Special fuels
- Flat per-gallon tax
- Reimbursement – requires working capital



Montana Fuel Tax Rates Per Gallon By Year



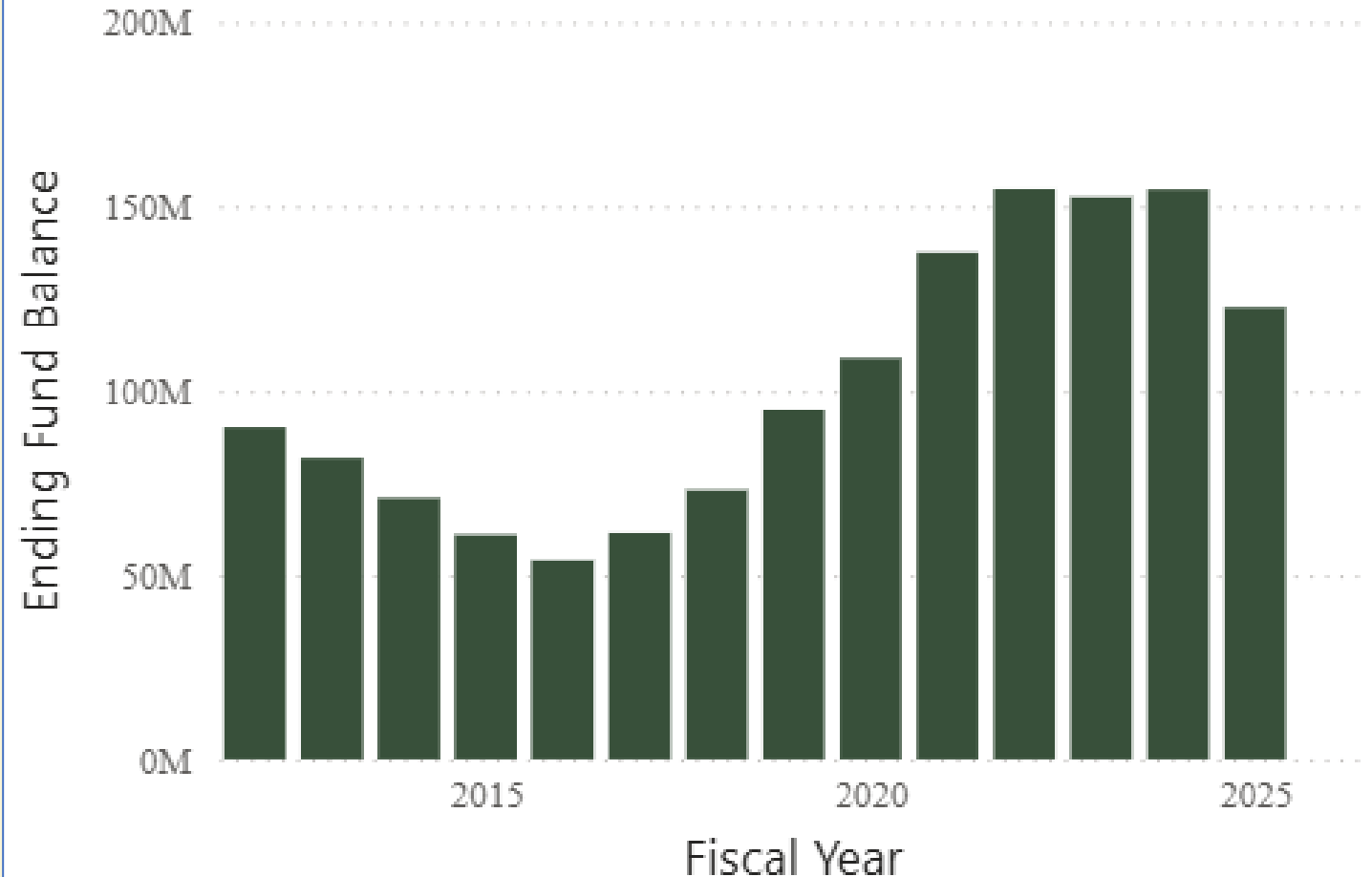
IJA and Increased Fuel Tax Revenue



HSSRA – DECLINING BALANCE

- Managing declining balance prior to 2017 due to flat tax and increased fuel efficiency (offset by increases in traffic)
- BaRSAA in 2017 incrementally increased Montana's fuel tax, helping the fund balance recover
- FY 2022 – IIJA enacted increasing federal funding by over 20% and in turn increasing strain on HSSRA with increased match needs

Ending Fund Balance by Fiscal Year

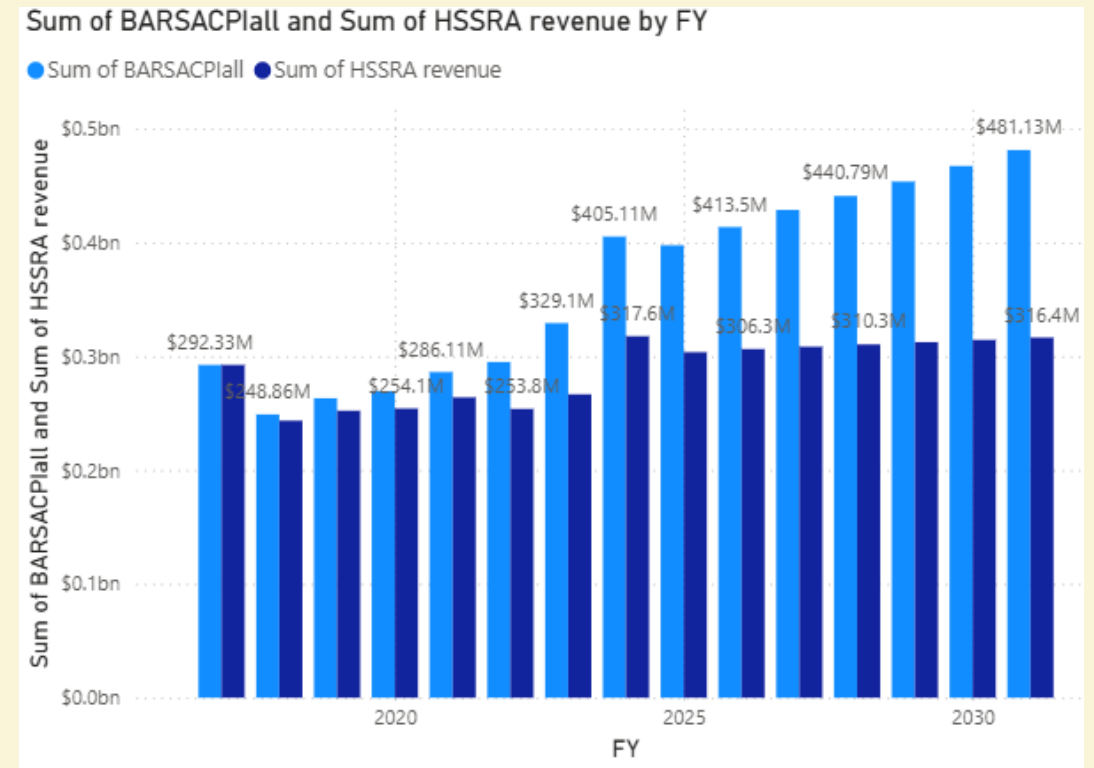
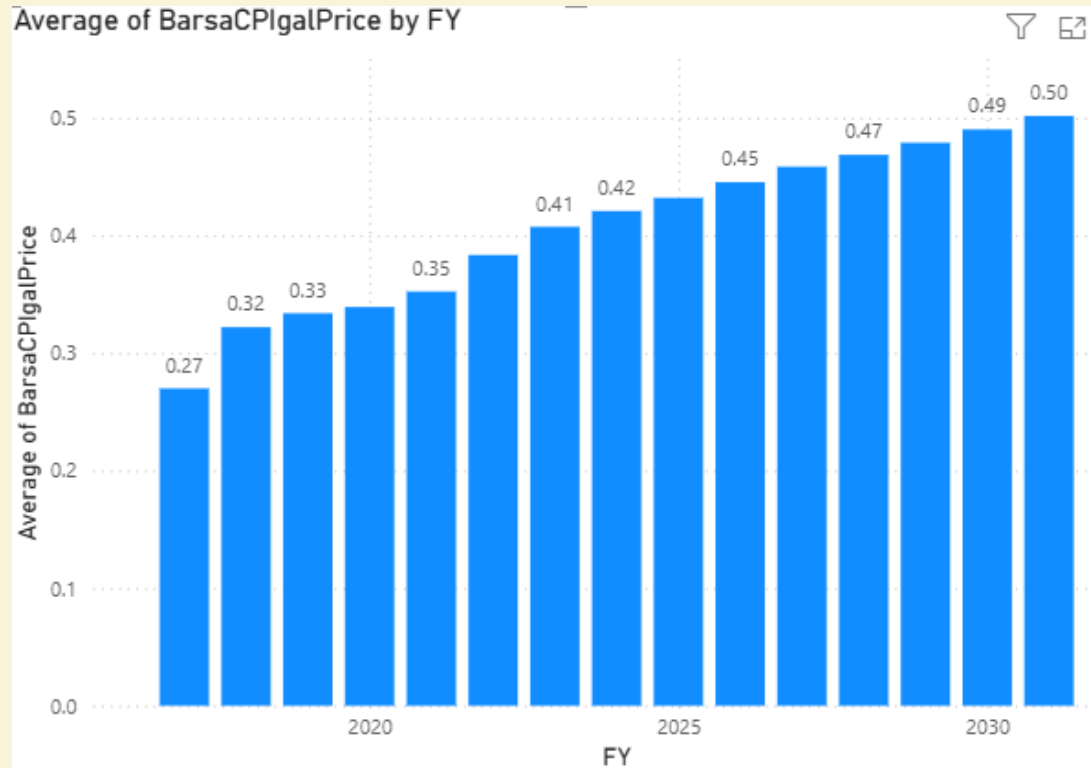


HSSRA compared to CPI

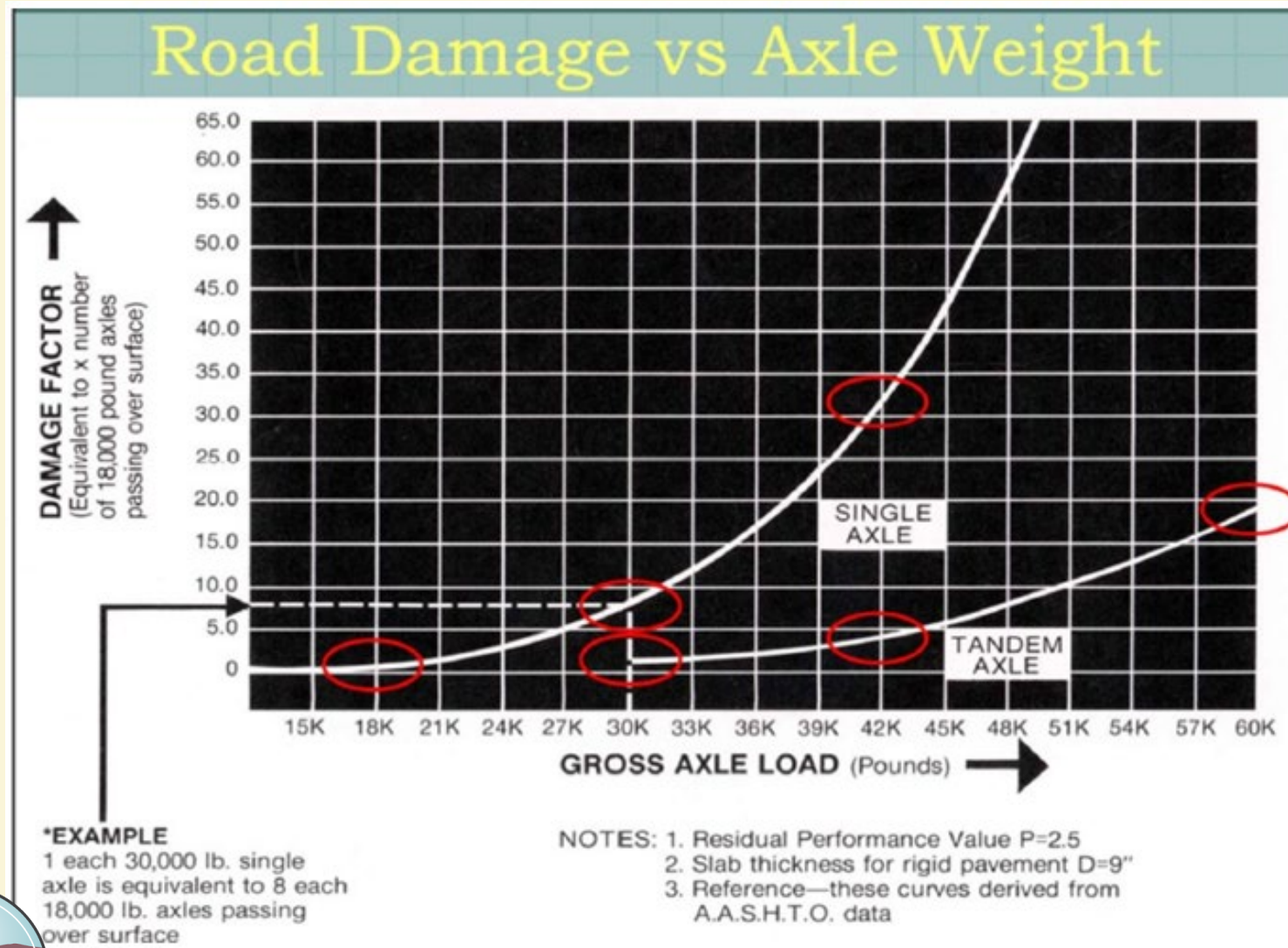
Sum of Tax/gallonGas and Sum of Tax/gallon w cpi by FY



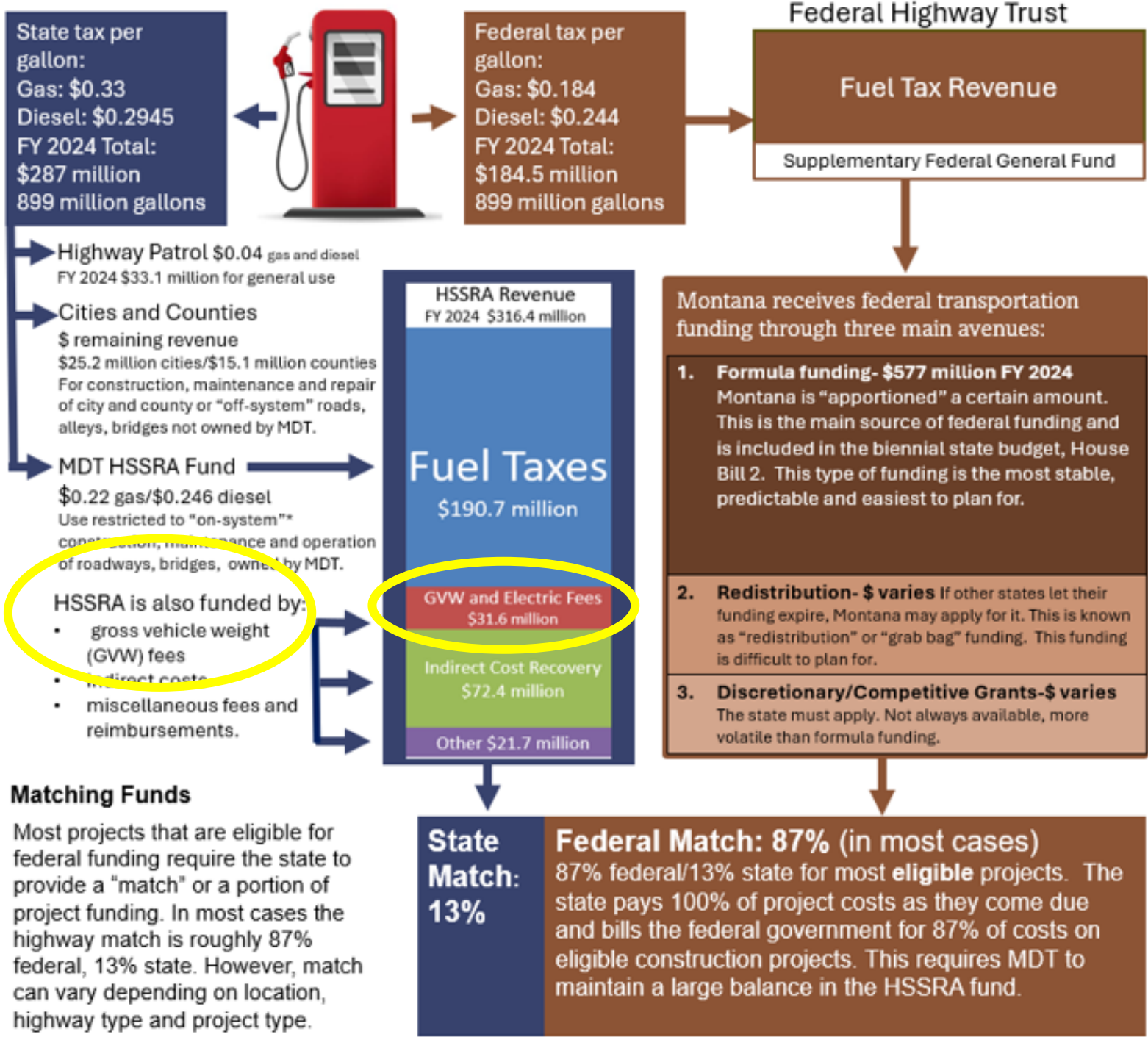
What if CPI was Included Last Time?



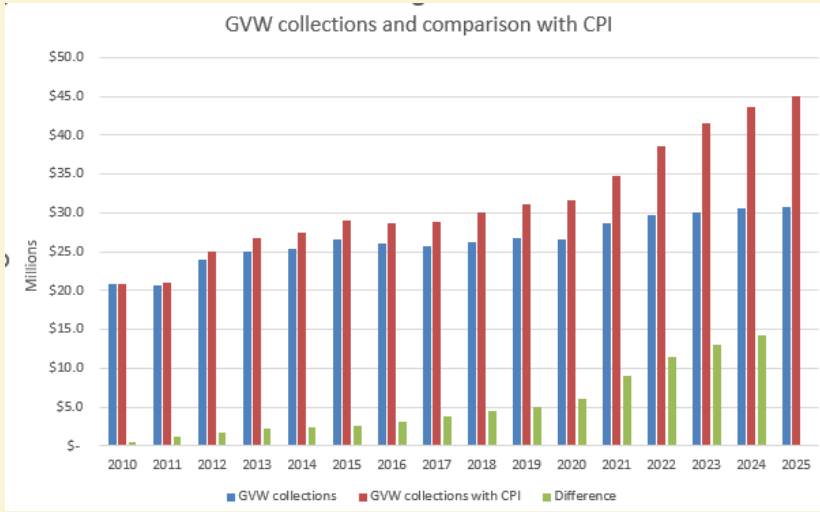
GROSS VEHICLE WEIGHT (GVW) FEES



- **Data shows:** as a vehicle's weight increases, the damage done to the roadway by that vehicle increases exponentially.
- GVW fees are assessed according to **vehicle weight**.
- Intended to "recoup" the costs of the damage done to roadways by heavier vehicles.



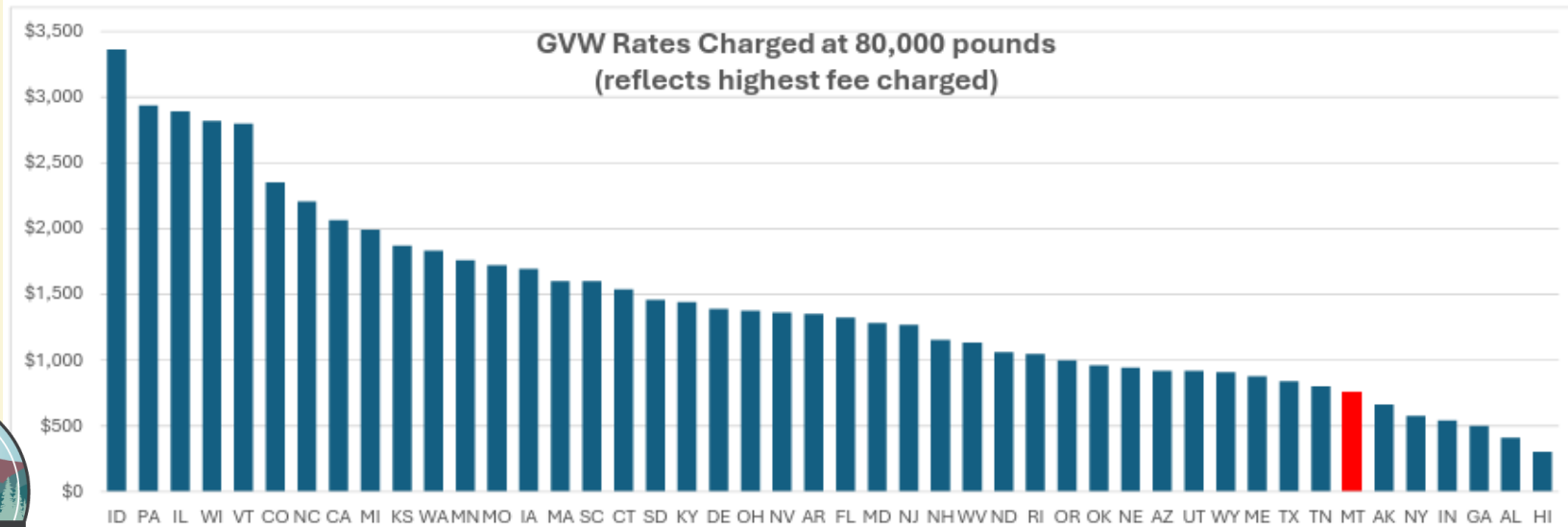
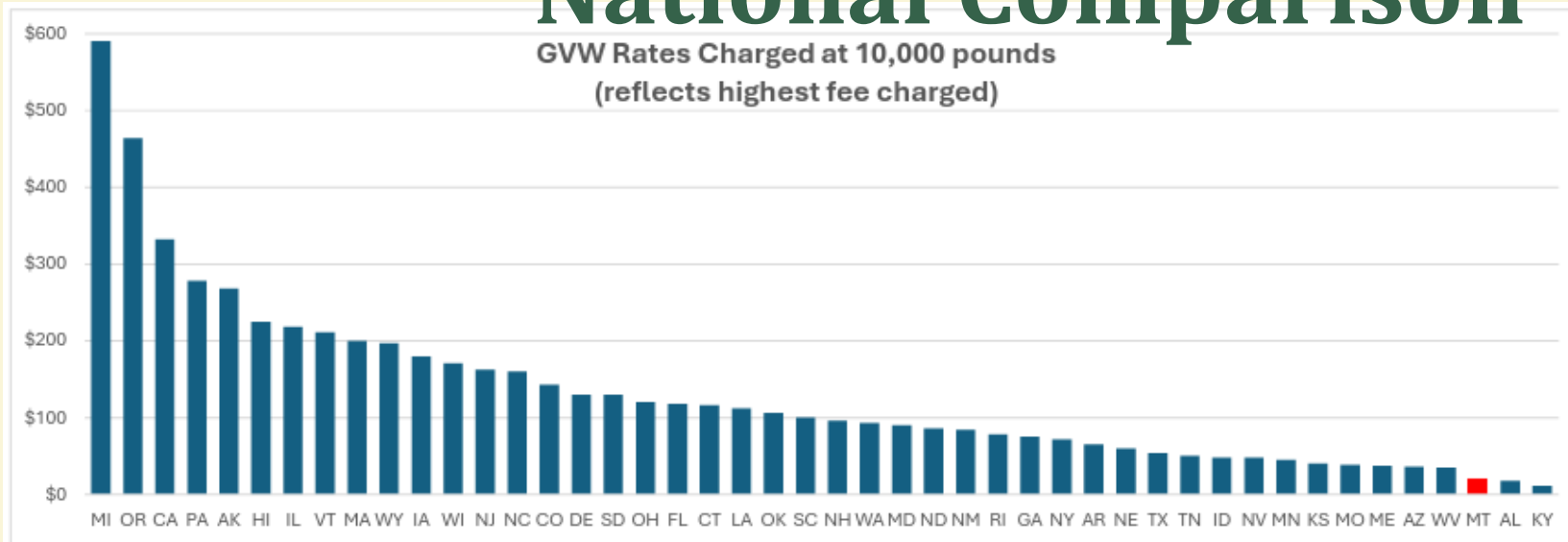
TRANSPORTATION FUNDING FLOW AGAIN: GVW



Difference 2010-2025: \$80.8 million
Difference 2020-2025: \$59.0 million

GROSS VEHICLE WEIGHT (GVW) FEES

National Comparison



Notes:

GVW fees and vehicles subject to fees are not uniform across states. These graphs reflect the *highest* fees charged at the selected weight.

MT is highlighted in **red**.

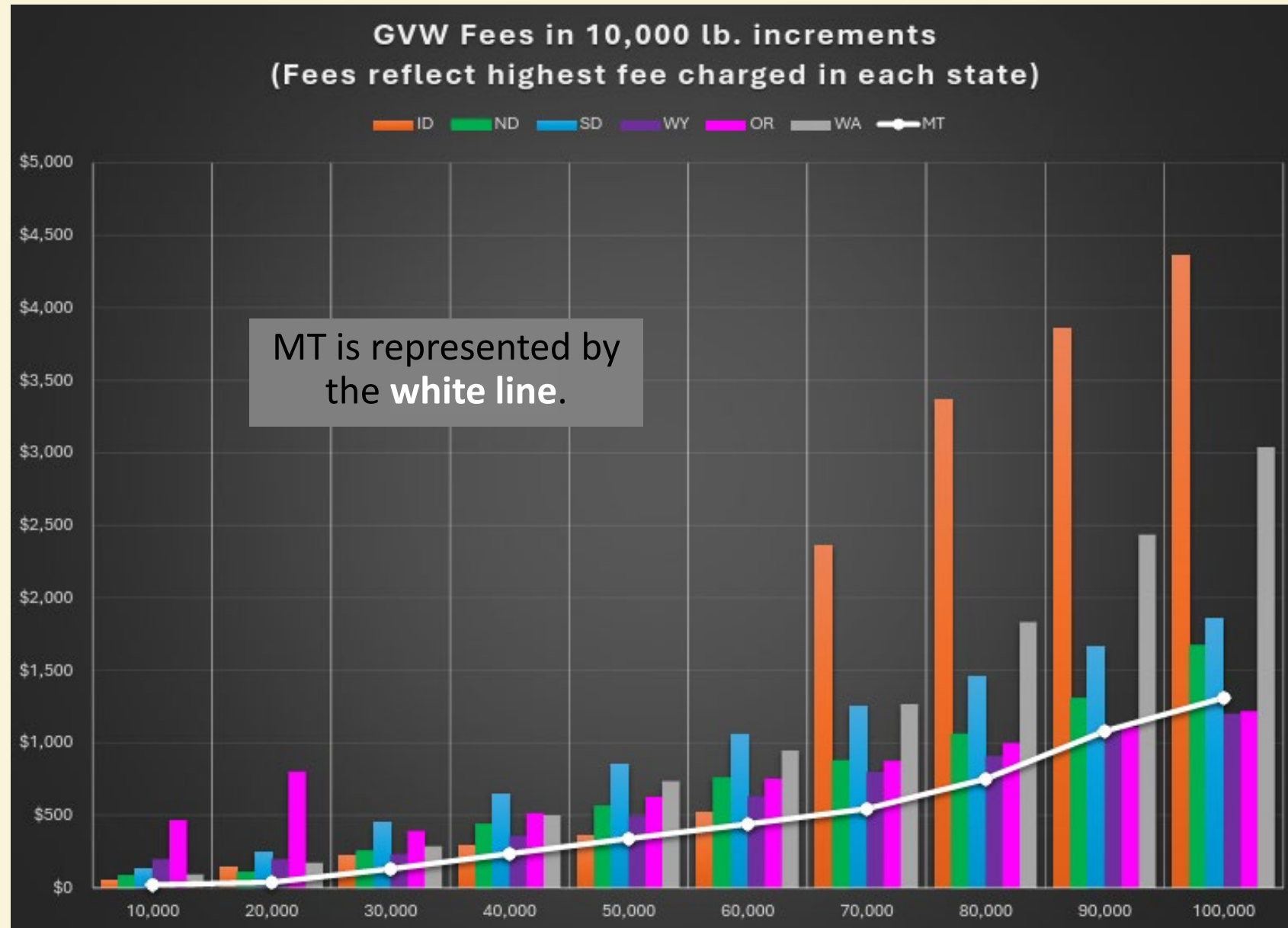
Most states allow counties to charge GVW fees in addition to state-charged GVW fees.



GROSS VEHICLE WEIGHT (GVW) FEES

Regional Comparison

When compared to regional neighbors, Montana's GVW fees are generally **lower** across most of the different weight levels.



GROSS VEHICLE WEIGHT (GVW) FEES

Regional Comparison

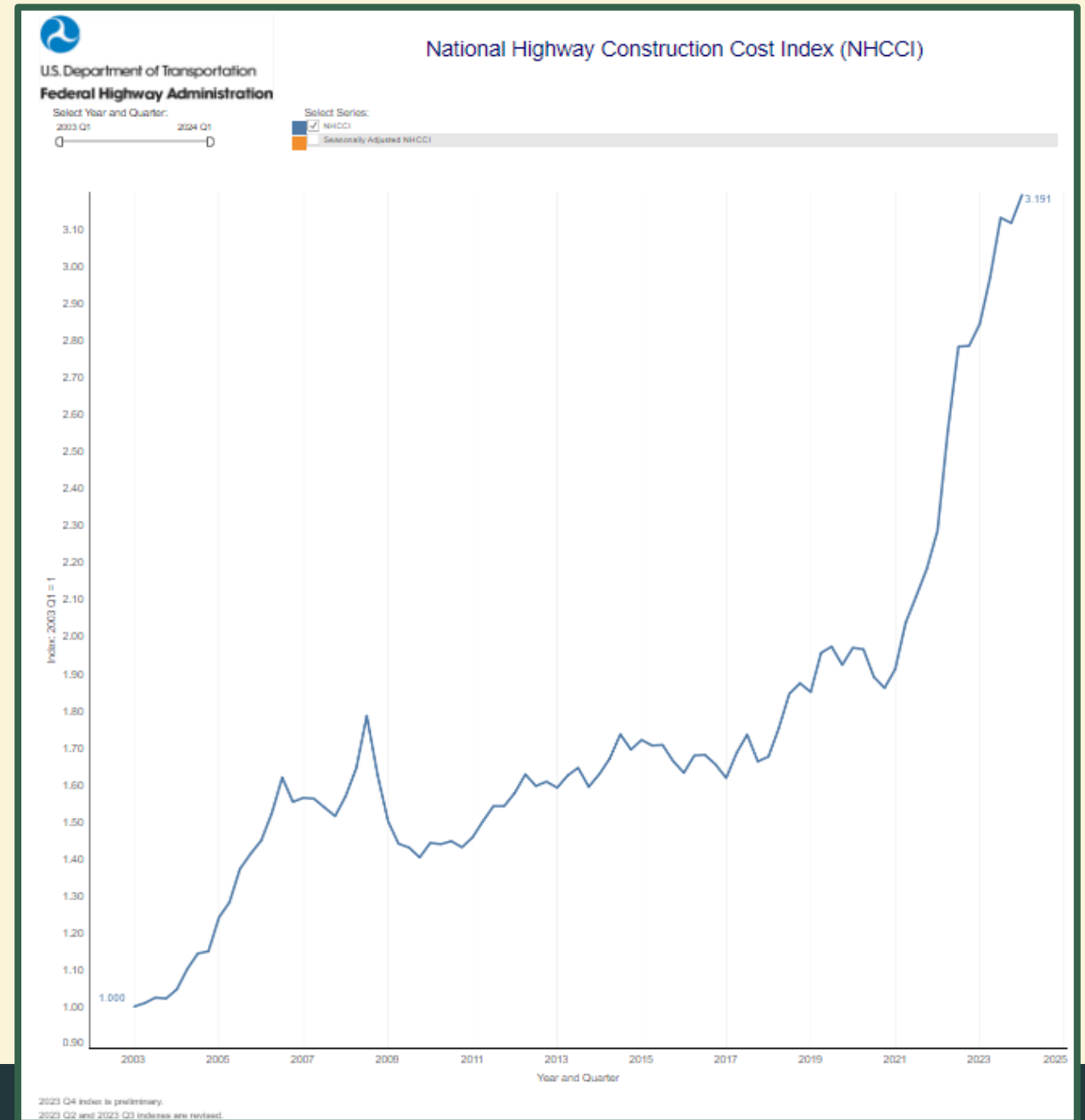
When compared to regional neighbors, Montana's GVW fees are generally **lower** across most of the different weight levels.



GVW Fee at 10,000 lb. increments (highest fee charge is shown in each state)							
Lbs	MT	ID	ND	SD	WY	OR	WA
10,000	\$21.00	\$48.00	\$86.00	\$130.00	\$197.00	\$464.00	\$93.00
20,000	\$37.50	\$143.40	\$109.00	\$250.00	\$197.00	\$801.00	\$169.00
30,000	\$130.00	\$223.80	\$252.00	\$450.00	\$231.00	\$391.00	\$285.00
40,000	\$235.00	\$291.60	\$440.00	\$650.00	\$357.50	\$515.00	\$499.00
50,000	\$340.00	\$360.00	\$562.00	\$850.00	\$495.00	\$625.00	\$735.00
60,000	\$440.00	\$515.40	\$755.00	\$1,050.00	\$632.50	\$750.00	\$947.00
70,000	\$545.75	\$2,360.00	\$876.00	\$1,250.00	\$797.50	\$874.00	\$1,265.00
80,000	\$750.00	\$3,360.00	\$1,059.00	\$1,457.00	\$907.50	\$998.00	\$1,830.00
90,000	\$1,080.00	\$3,860.00	\$1,304.00	\$1,657.00	\$1,073.75	\$1,108.00	\$2,434.00
100,000	\$1,310.00	\$4,360.00	\$1,670.00	\$1,857.00	\$1,198.75	\$1,218.00	\$3,037.00

RISKS

- Inflation - Construction costs have risen over 25% since the passage of IIJA
- Increased fuel efficiency and electric vehicles
 - HB 60 – Registration fee for electric vehicles. Depending on type and class
- Fuel tax not responsive to inflation





Transportation in the Legislature

BECCA BROWN, LSD

LEGISLATIVE TRANSPORTATION COMMITTEES



Standing committees during a Legislative Session

- House Transportation (TRH)
 - <https://committees.legmt.gov/#/standingCommittees/18>
- Senate Highways and Transportation (HIS)
 - <https://committees.legmt.gov/#/standingCommittees/30>

Interim (between Legislative Sessions)

- Transportation Interim Committee (TIC)
 - <https://committees.legmt.gov/#/nonStandingCommittees/32>

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2025 TRANSPORTATION LEGISLATION

Legislative topics explored during the 2025 Session included:

- Autonomous Vehicles (AVs)
- Distracted Driving
- Electric Vehicles (EVs)
- Licensing and Insurance
- Memorial highways and bridges
- Motorcycles, Bicycles, E-Bikes, Scooters
- Rail
- Recreation including RVs, Trail Stewardship, Watercraft, Ropeways
- Roadway rules and Penalties
- School Buses
- Tow Trucks (sometimes called Wreckers)



Image courtesy of Library of Congress



TRANSPORTATION INTERIM COMMITTEE (TIC)

Est. 2019

[SB 226 \(Vance\)](#)

Committee topics during the 2025-26 interim:

- Autonomous Vehicles (AVs)
- Areas of Concern on MT roads - Highway 212
- Fuel Tax Needs
- Gross Vehicle Weight (GVW) fees
- Highway Construction / Maintenance
- Motor Carrier Services (MCS) Officer Enforcement
- Railroad Crossings
- **Assigned Study:**
 - SJ 19 – Joint Resolution to Study Public Transportation
- Tow Trucks / Wreckers
- Wildlife Corridors

2025-26 Interim:

9 MEMBERS

4 Senators

5 Representatives

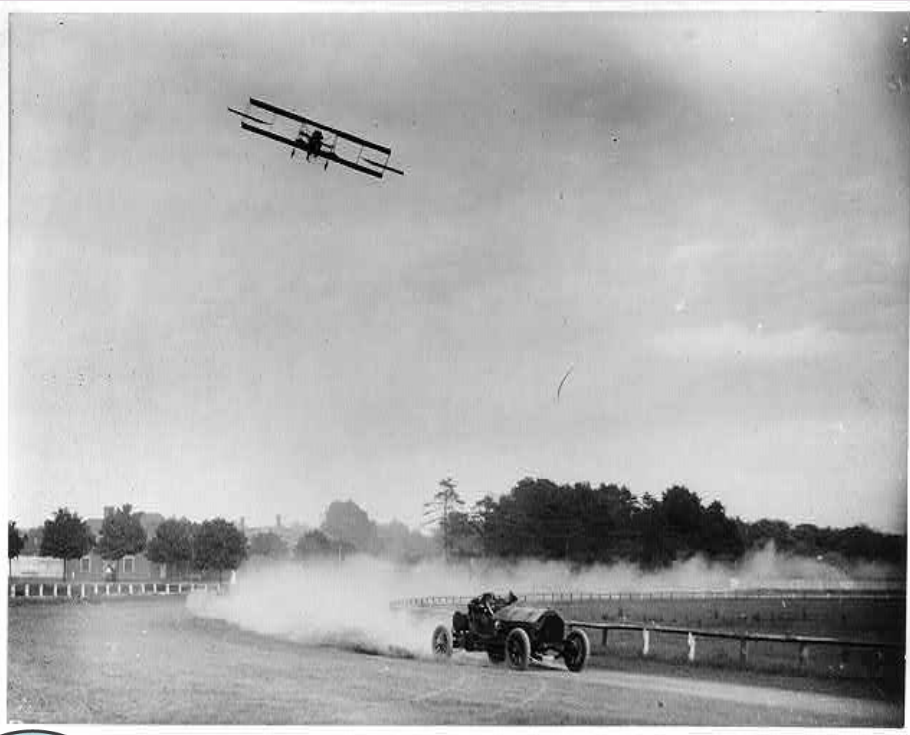


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<https://committees.legmt.gov/#/nonStandingCommittees/32?tab=Studies+%2F+Topics>



SJ 19: INTERIM STUDY ON WAYS TO IMPROVE PUBLIC TRANSPORTATION & PASSENGER TRANSIT

Statutes in the MCA

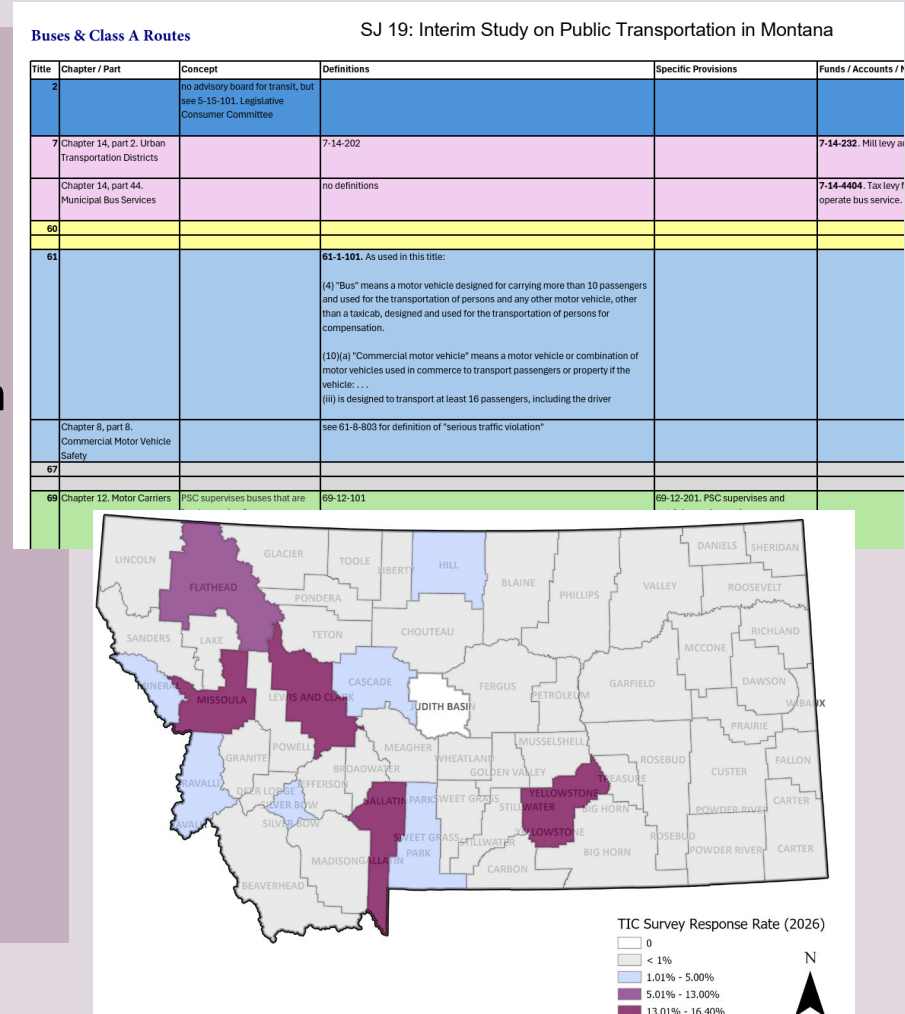
- Committee attorney prepared a ["crosswalk" of statutes](#) related to each of the different modes of transit.

Map of Services

- Interactive (ArcGIS) map identifying available transportation services in Montana communities.
- Previewed at March TIC meeting, will be publicly available soon!

Public Survey

- Open for 46 days; Received 1330 responses from 55 counties
 - (335 pages of comments!)
- [Survey Results summary](#) is available on TIC webpage



TRAVEL MEETING – MAY 11-12, 2026



The Transportation Interim Committee (TIC) went out on the road for their first-ever road trip travel meeting in the Gallatin Valley on May 11-12, 2026. Drawn to the Gallatin Valley's version of dynamic growth and enterprise, the committee met with students and leaders to talk about road design, self-driving vehicles, auto repairs--and even hot air balloon licensing.



<https://static.legmt.gov/divisions/LSD/2026-TIC-travel-May-press-release.pdf>



Questions?

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