MONTANA
Department of Transportation

TRANSIT PROGRAM OVERVIEW: SECTION 5311 & TRANSADE

SECTION 5311: FORMULA GRANTS FOR RURAL AREAS

Purpose:

Supports public transportation in rural areas (populations under 50,000) to improve mobility for residents who rely on transit to access jobs, healthcare, education, and other essential services, and must be open to the public. MDT does not provide any direct transit services, rather the department acts as pass through for grants and ensures federal compliance.

Program Structure:

- **Primary Recipients:** U.S. States and federally recognized Indian Tribes
- **Subrecipients:** Local government authorities, nonprofit organizations, public transportation operators, and **intercity bus (ICB)** providers MDT currently has 35 subrecipients for 5311 grants
    - *Note:* ICB providers must receive **at least 15%** of the annual apportionment

MDT's Role:

MDT acts as a passthrough agency for FTA funds by administering funding and insuring compliance for local providers.

ELIGIBLE USES & FEDERAL SHARE

Category	Federal Share	Eligible Use
Vehicles	86.58%	Includes ICB
Operating Assistance	54.11%	Fuel, driver wages
Admin & Preventative Maintenance	80%	Advertising, insurance, oil changes
State Administration	100%	Max 10% of apportionment
RTAP (5311(b)(3))	100%	Training/technical support for rural recipients

Additional Eligible Uses:

- Facilities and equipment
- Planning and technical assistance
- Mobility management programs
- Job access and reverse commute projects
- Emergency medical transportation

Funding History:

- FFY 2019–2021 Average: $11.7 million/year
- FFY 2022–2025 Average: $14.6 million/year

TRANSADE: TRANSPORTATION ASSISTANCE FOR THE DISABLED AND ELDERLY

Purpose:

Provides state-funded operating assistance to transit providers serving elderly and disabled populations.

Funding Source:

Montana special revenue from the rental vehicle tax (MCA 7-14-112)

Key Features:

- Primarily used to offset local match requirements on operating contracts
- TransADE has also been used to cover vehicle cost increases due to procurement delays (e.g., COVID-19 impacts)
- Allocations are based on census and ridership data per Montana statute
- ICB providers are not eligible

Average Annual Revenue:

Approximately $2.5 million over the past three years,