

HOUSE JOINT RESOLUTION NO. 8

INTRODUCED BY B. EDWARDS, J. REAVIS, J. ISALY, M. LEE, P. STRAND, T. CROWE, J. SECKINGER, B. CLOSE, S. FYANT, C. NEUMANN, J. WEBER, J. SOOKTIS, A. GRIFFITH, D. POWERS, M. CUNNINGHAM, J. ELLIS, E. MATTHEWS, T. RUNNING WOLF, F. SMITH, M. FOX, D. BAUM, B. CARTER, J. COHENOUR, T. FRANCE, D. HAWK, S. HOWELL, J. KARLEN, C. KEOGH, K. KORTUM, M. ROMANO, E. STAFMAN, M. THANE, Z. ZEPHYR, M. MARLER, S. DEMAROIS, D. JOY, J. LYNCH

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF ELECTRIC VEHICLE FEES AND TAXATION; AND REQUIRING THAT THE FINAL RESULTS OF THE STUDY BE REPORTED TO THE 70TH LEGISLATURE.

WHEREAS, motor fuel taxes have historically been the primary mechanism for funding public road infrastructure on the federal level, and a substantial road funding mechanism for state governments; and

WHEREAS, over recent decades, motor-fuel tax revenues have failed to keep pace with road spending in the face of inflation, stagnant fuel tax rates, fuel economy improvements, and slowing growth in vehicle-miles traveled, creating a growing gap in transportation infrastructure funding; and

WHEREAS, plug-in hybrid and fully electric vehicles made up approximately 0.5% of Montana vehicle registrations in 2022, contributing only marginally to this much larger funding gap; and

WHEREAS, despite the marginal impact of electric vehicles on highway revenue to date, and likely for some years into the future, many states, including Montana, have turned to fees and taxation for electric vehicles to try to make up the road funding shortfall; and

WHEREAS, Montana charges an additional registration fee for electric vehicles on top of taxing energy usage at public electric vehicle charging stations; and

WHEREAS, these charges amount to an annual charge to Montana electric vehicle owners that exceeds annual fuel tax charges for the average internal combustion engine vehicle owner by \$152.46; and

WHEREAS, while penalizing electric vehicle owners, this extra fee and taxation do not address the root cause of the road funding deficit, nor do they make up the gap by any significant margin; and

WHEREAS, while all drivers should pay their fair share to fund roads, current policies may be taxing

Amendment - 1st Reading-white - Requested by: Neil Duram - (H) Transportation

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Drafter: Casey Pallister,

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1 electric vehicle owners unfairly compared to owners of high-efficiency gas-powered vehicles; and

2 WHEREAS, other road funding policies should be explored that fairly share the responsibility for
3 funding roads, including road use charges, taxes on commercial road use, tolls, and general revenues.

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5 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF
6 THE STATE OF MONTANA:

7 That the Legislative Council be requested to designate an appropriate interim committee to examine
8 the current system of electric vehicle registration fees and charging station taxation to recommend
9 improvements. The committee shall:

10 (1) compare and determine the fairness of registration fees and taxation methods for high-
11 efficiency electric vehicles and internal combustion engine light vehicles; and

12 (2) review other states' tax and fee structures for electric vehicles and the effectiveness of these
13 structures; and

14 ~~(3) — design a taxation system for high-efficiency light vehicles of all fuel types that is equitable and~~
15 ~~nondiscriminatory and that will address the road funding gap over time.~~

16 ~~BE IT FURTHER RESOLVED, that the committee be directed to appoint a subcommittee, pursuant to~~
17 ~~section 5-5-211(7), MCA, to undertake the study for the purpose of including nonlegislative members in the~~
18 ~~study process. Members of the subcommittee must include a representative of the Department of~~
19 ~~Transportation, an economist, high-efficiency electric vehicles and internal combustion light vehicle owners, and~~
20 ~~a consumer advocate.~~

21 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review
22 requirements, be concluded prior to September 15, 2026.

23 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,
24 comments, or recommendations of the appropriate committee, be reported to the 70th Legislature.

25 - END -