

# STATE SUMMARY OF COUNTY TRANSPORTATION FUNDING AND FINANCE

## MONTANA COUNTIES

### FUNDING SOURCES FOR COUNTY TRANSPORTATION PROJECTS

#### From State Funds:

- Counties receive a portion of the revenues from state taxes on motor fuels that must be used for the construction and maintenance of roads.
- In addition to the local option tax on motor vehicles, counties receive a portion of certain fees charged by the state for licensing and registration
- Counties can receive state administered transit funding programs such as TransADE, for assistance to organizations providing transportations services to the elderly and persons with disabilities covering 54 percent of operating costs, 70 percent of administration costs and 80 percent of maintenance costs with state funds, with the remaining funding coming from the local recipient.

#### From Federal Funds:

- Federal funding sources include Title I SRS payments, PILT, Oil and Gas Revenues, Federal Mineral revenues. Additional Federal assistance includes Federal Land Access Program funds, off-system bridge funds and TIGER grants. Counties also receive direct assistance from federal agencies such as the USFS and BLM under cost share agreements.

#### From County Funds:

- The county's general property tax is the main source of funding for county roads.
- Counties may generate revenues within an area targeted for improvement through Tax Increment Financing (TIF). TIF districts are assessed through property tax and financing options include private activity revenue bonds, pay as you go, loans, special assessments and tax increment bonds.

### COUNTIES FACE THE FOLLOWING CHALLENGES IN FUNDING AND FINANCING TRANSPORTATION PROJECTS

- Gas taxes are not able to generate sufficient revenue for transportation because of increased numbers of fuel efficient and alternative fuel vehicles. The state is looking for ways to collect revenues from highway users with fuel efficient or electric vehicles. In 2010, lawmakers tried to pass legislation to apply the fuel tax to electric and hybrid plug-in vehicles in 2010, but it did not pass.

Share of County Owned <b>Road Miles</b> Out of Public Roads Statewide	<b>58%</b>
Share of County Owned <b>Bridges</b> Out of Public Bridges Statewide	<b>37%</b>
Share of <b>Structurally Deficient Bridges</b> Out of County Owned Bridges	<b>12%</b>

### COUNTY FINANCIAL AUTHORITY

	County Authority	Limitations
Levy Property Taxes	X	Counties have limitations on property tax rates and limitations on revenue they can collect each year.
Levy Personal Property Taxes	X	Must be at same rate as real property taxes.
Levy Local Option Sales Taxes		
Levy a Local Gas Tax	X	Counties may levy a local gas tax at a rate of 1 or 2 cpg with voter approval. County must share revenues with municipalities within the county. No county currently levies this tax.
Charge a Motor Vehicle License or Registration Fee	X	Counties may impose a tax of 0.5% on the average trade-in value or a flat fee on motor vehicles subject to state registration fees.
Form Special Districts for Transportation	X	