



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0679 - Require certain vehicles to carry traction control devices (Loge, Denley M)

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$306,184	\$0	\$0	\$0
State Special Revenue	\$27,500	\$2,500	\$2,500	\$2,500
Other	\$54,092	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$306,184)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 679 requires that certain vehicles carry traction control devices during the winter months.

FISCAL ANALYSIS

Assumptions:

Montana Department of Transportation (MDT)

- MDT highway maintenance vehicles applicable under HB 679 include: 1-ton pickups, snowplow trucks, transport tractor and trailers, aerial lift trucks, and tanker trucks.
- Locations that require traction control devices, per 61-9-406, MCA, are given in the following table:

Locations in the State Where Traction Control Devices are Required.					
Location	Route	Direction	Begin Mile Post	End Mile post	County
Lolo Pass	US-12	WB only	0	4	Missoula
Lost Trail Pass	US-93	SB only	0	8	Ravalli
Chief Joseph Pass	MT-43	WB only	0	4	Ravalli/Beaverhead
Evaro Hill	US-93	NB only	4	7	Missoula
Lookout Pass	I-90	WB only	0	4	Mineral
Goatlick Hill	US-2	EB only	179	192	Flathead
Yaak Hill	US-2	WB only	4	7	Lincoln
Homestake Pass	I-90	Both	228	241	Silverbow/Jefferson
Elk Park	I-15	SB only	143	148	Jefferson
Boulder Hill	I-15	Both	168	175	Jefferson
Cardwell Hill	I-90	Both	256	262	Jefferson
Big Hole Pass	S-278	Both	30	35	Beaverhead
MacDonald Pass	US-12	Both	23	35	Powell/Lewis and Clark
Bozeman Pass	I-90	Both	315	325	Gallatin/Park
Targhee Pass	US-20	WB only	0	2	Gallatin
Norris Hill	US-287	Both	56	64	Madison
Kings Hill	US-89	Both	25	33	Meagher/Cascade
Rogers Pass	MT-200	Both	86	93	Lewis and Clark
Marias Pass	US-2	EB only	192	199	Flathead/Glacier
Lame Deer Divide	US-212	Both	46	54	Rosebud
Home Creek	US-212	Both	80	83	Powder River
Lewistown Divide	US-87	Both	86	95	Fergus
Fosters Hill	US-191	Both	10	13	Fergus
Missouri Breaks	US-191	Both	84	91	Fergus/Phillips
Judith Gap Hill	US-191	Both	14	18	Wheatland

3. MDT assumes that tire chains would be purchased in FY 2024 to meet the requirement for traction control devices at a price of \$201.99 per pair for 1-ton vehicles and \$248.64 per pair for trucks larger than 1-ton.
4. MDT has 93 1-ton pickups that would be used in the areas that require traction control devices. Traction control devices will need to be purchased for all of these at a total of \$18,785.07 (93 x \$201.99 = \$18,785.07).
5. MDT has 332 trucks larger than 1-tons that would be used in the areas that require traction control devices. 142 of these currently do not have traction control devices. The total purchase costs for these tire chains would be \$35,306.88 (142 x \$248.64 = \$35,306.88).
6. Total MDT FY 2024 expenditures related to tire changes purchases would be \$54,091.95 (\$18,785.07 + \$35,306.88 = 54,091.95).

Montana University System (MUS):

7. MUS has 10 vehicles that are of 1-ton capacity or greater that would potentially be used to travel mountain passes between October and April. (10 x \$275 = \$2,750)
8. MUS has 2 buses that would be used to travel mountain passes between October and April. One bus has auto-chains installed. The average price of auto chains for a bus is \$1,500 without installation. Estimated installation would be 3.5 hours with a shop rate of \$140 per hour. The approximate cost of traction control devices for the bus would be \$1,990.

Department of Natural Resources and Conservation (DNRC):

9. The DNRC’s Equipment Development and Communications Center (EDCC) develops wildland fire suppression equipment, producing approximately 24 wildland engines and two water tenders of 1-ton capacity or greater, on an annual basis, for the use of state and local government firefighting resources in Montana.

10. The DNRC’s current fleet of fire suppression equipment includes 368 wildland engines and 17 water tenders, of which 278 engines and 14 tenders are on loan to counties or rural fire departments across the state. The remaining 90 engines and three tenders are operated by the department’s fire protection program personnel at various locations in the state.
11. While fire suppression equipment is used most often for emergency response during the period between April and October, the vehicles may occasionally be required to operate during the period between October 1 and April 30 on mountain passes or other similar stretches of highway.
12. Current cost estimates for sets of tire chains needed per vehicle are based on current retail prices, as follows: \$684 for wildland engine, \$1,714 for water tender. Calculations for one-time-only (OTO) and estimated annual costs are shown in the table below.

	Quantity Wildland Engines	Tire chain cost per vehicle	Subtotal	Quantity Water Tenders	Tire chain cost per vehicle	Subtotal	Total
Current Fleet: OTO Costs	368	\$684	\$251,712	17	\$1,714	\$29,138	\$280,850
New Development: Annual Costs	24	\$684	\$16,416	2	\$1,714	\$3,428	\$19,844

Department of Fish, Wildfish, and Parks (FWP):

13. FWP owns 65 1-ton or larger vehicles.
14. Effective October 1, 2023, all 65 1-ton or larger vehicles would be required to carry tire traction devices. Fifty of these vehicles currently do not have tire traction devices.
15. FWP estimates the cost to purchase the tire traction devices for the 50 vehicles in FY 24 would be \$25,000 (1 set equals 2 traction devices @ \$250 per set). Each vehicle would need two sets of traction devices ($2,500 \times 2 \times 50 = \$25,000$).
16. FWP assumes it would need to replace 5 tire traction devices each FY year, beginning FY 24 ($\$250 \times 2 \times 5 = \$2,500$).

Department of Military Affairs (DMA):

17. DMA has three vehicles that meet the requirements of HB 679.
18. Three sets of tire chains would be purchased at \$250 per set for a total of \$750.

Office of Public Instruction (OPI):

19. New section 1 requires school buses carry a tire traction device during the months of October 1 through April 30 on specific areas as identified by the DOT.
20. The estimated cost of purchasing and/or installing tire traction devices ranges from \$100 to \$2,550 per tire per bus depending upon the traction control devices authorized by the DOT.
21. The number of school buses that are already equipped with a tire traction device are unknown as OPI does not collect that data.

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<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses (MDT)	\$54,092	\$0	\$0	\$0
Operating Expenses (MUS)	\$4,740	\$0	\$0	\$0
Operating Expenses (DNRC)	\$300,694	\$0	\$0	\$0
Operating Expenses (FWP)	\$27,500	\$2,500	\$2,500	\$2,500
Operating Expenses (DMA)	\$750	\$0	\$0	\$0
TOTAL Expenditures	\$387,776	\$2,500	\$2,500	\$2,500

<u>Funding of Expenditures:</u>				
General Fund (01)	\$306,184	\$0	\$0	\$0
State Special Revenue (02)	\$27,500	\$2,500	\$2,500	\$2,500
Other	\$54,092	\$0	\$0	\$0
TOTAL Funding of Exp.	\$387,776	\$2,500	\$2,500	\$2,500

<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0

<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$306,184)	\$0	\$0	\$0
State Special Revenue (02)	(\$27,500)	(\$2,500)	(\$2,500)	(\$2,500)
Other	(\$54,092)	\$0	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:

1. Local government firefighting resources including counties and rural fire districts would likely need to provide appropriate traction control devices for their other firefighting apparatus that are not part of the DNRC's county cooperative fleet. The total of expenditures by county or other local government entities that may be required to comply with the terms of the bill are not able to be determined by the DNRC.
2. Based on the estimate of 1,428 school district owned buses it is estimated that an annual local cost in the transportation fund through a permissive levy of the school district will range from \$285,600 to \$6,000,000.

NOT SIGNED BY SPONSOR

Sponsor's Initials

Date

Budget Director's Initials

Date