



**MONTANA
ADMINISTRATIVE
REGISTER**



DEPARTMENT OF TRANSPORTATION

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2026-332.1

Summary

The department is proposing to adopt NEW RULES 1 through 3 to detail application, eligibility, and disbursement guidance for the better local bridge fund of the state special revenue fund, adopted in House Bill 924 during the 2025 legislative session, and codified under 60-2-212, MCA.

Hearing Date and Time

Friday, May 15, 2026, at 10:00 a.m.

Virtual Hearing Information

Join Zoom Meeting:

<https://mtgov.zoom.us/j/82891243594?pwd=UttGtstjd6EGi2UL0buKaZhpJI6imd.1>

Meeting ID: 828 9124 3594

Password: 655163

Dial by Telephone: +1 646 558 8656

Meeting ID: 828 9124 3594

Password: 655163

Join by SIP: 82891243594@zoomcrc.com

Join by H.323: 144.195.19.161##82891243594

Comments

Interested persons may present their data, views, or arguments at the hearing. Written data, views, or arguments may also be submitted to the contact person below. Comments must be received by Friday, May 22, 2026, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Friday, May 8, 2026, at 5:00 p.m.

Contact

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General Reasonable Necessity Statement

House Bill 924 (2025), codified as 60-2-212, MCA, created a special revenue account called the better local bridge fund. The proposed new rules are necessary to implement House Bill 924.

Rulemaking Actions

ADOPT

The rules proposed to be adopted are as follows:

NEW RULE 1 DEFINITIONS

- (1) "Better local bridge (BLB) fund" means the state special revenue fund provided for in 17-2-102, MCA.
- (2) "BLB funds" mean monies disbursed from the BLB fund.
- (3) "Fiscal year" means the twelve-month period between July 1 and the following June 30.
- (4) "Local government" means a Montana city, town, county, or consolidated city-county government.

- (5) "Match" or "matching funds" are funds that a local government must contribute to be eligible for BLB funds.
- (6) "Off-system bridge (OSB)" means National Bridge Inventory (NBI) bridges open to public use that are owned by, and under the jurisdiction of, a local government and not under the jurisdiction of the department.

Authorizing statute(s): 60-2-212, MCA

Implementing statute(s): 60-2-212, MCA

NEW RULE 2 ELIGIBILITY

- (1) Any local government in Montana may apply for BLB funds for bridges it owns.
- (2) Local governments must complete and submit the BLB funds application using the department's designated online portal, which begins accepting applications October 20 of each year at 10:00 a.m., with funds distributed by June 30 of the same state fiscal year.
- (3) The application must include the following information:
 - (a) location of the off-system bridge (OSB), including:
 - (i) the MDT bridge ID number (if applicable);
 - (ii) the road or facility carried; and
 - (iii) the feature crossed by the OSB;
 - (b) a description of the project scope, purpose, and need, including an explanation of the type of replacement, such as:
 - (i) an existing OSB is replaced by a new OSB;
 - (ii) an existing OSB is replaced by a culvert; or
 - (iii) an existing culvert is replaced by a new OSB;
 - (c) the total project cost, including a breakdown showing the costs associated with development, engineering, and construction;
 - (d) the amount of BLB funds requested; and
 - (e) the amount of local matching funds the local government will contribute.

- (4) If an application is incomplete the department may request additional information to ensure the application meets the requirements of 60-2-212, MCA.
- (5) A local government may not receive more than \$1 million of BLB funds per fiscal year.
- (6) The local government must administer the project.
- (7) Joint applications count as an award to each participating local government.
- (8) Unsuccessful applicants may submit another application if BLB funds remain available in the same fiscal year.
- (9) Upon successful application, the local government and the department must execute a project agreement before BLB funds are transferred to the local government.
- (10) BLB funds may only be used for local OSBs owned by the local government.

Authorizing statute(s): 60-2-212, MCA

Implementing statute(s): 60-2-212, MCA

NEW RULE 3 DISBURSEMENT TERMS AND CONDITIONS

- (1) All eligible project applications received within the first 72 hours of the October 20 application date will be prioritized and awarded as follows:
 - (a) Closed bridges: These will be ranked in the order they are received based upon the digital timestamp of the department's receipt of a complete application and will be selected and approved in sequence until available funds are exhausted.
 - (b) Bridges with load postings of five tons or less: If funds remain after approving all closed bridge projects, load-posted bridges will be ranked in the order of receipt as described in (a) and selected and approved in sequence until the remaining available funds are exhausted.
 - (c) All other bridges: If funds remain after (a) and (b), project selection and approval will continue in the ranked order as described in (a).
 - (d) Any eligible projects submitted after the initial 72-hour period will be selected and approved in the order received if funds remain available.

- (2) BLB funds will be distributed as a lump sum payment upon execution of a project agreement and MDT approval of a Montana Environmental Policy Act (MEPA) checklist completed by the local government.
- (3) Any project cost increases are the sole responsibility of the local government.
- (4) BLB funds may only be used for the project as described in the approved application.
- (5) Local governments must submit a final close-out report within 90 days of the local government's final acceptance of the project.
- (6) Failure to submit a final close-out report within 90 days of the local government's final acceptance of the project may result in:
 - (a) the local government being ineligible for any future BLB funds distribution until a final close-out report is submitted and accepted by the department in writing; and
 - (b) the local government being responsible for repayment of BLB funds.

Authorizing statute(s): 60-2-212, MCA

Implementing statute(s): 60-2-212, MCA

Small Business Impact

With reference to the provisions of 2-4-111, MCA, the proposed rules apply only to local governments applying for better local bridge funding under 60-2-212, MCA, to be used on bridges owned by local governments, which do not meet the criteria of a small business as defined in 2-4-102, MCA.

As such, implementation of the proposed rules have no known impact to small businesses. The department's small business impact analysis can be provided upon request.

Tribal Impact

With regard to the requirements of 2-15-142, MCA, the department has determined that the adoption of the proposed rules will not have direct tribal implications, as tribal governments are not eligible to receive funds from the special revenue account established by HB 924 and codified as 60-2-212, MCA.

Bill Sponsor Notification

Representative Llew Jones, sponsor for House Bill 924, was contacted via email on August 18, 2025. The sponsor has not provided any comments.

Interested Persons

The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. To request inclusion on the interested persons list, please send an email to mdtarms@mt.gov with your name and email address. Notices are sent by e-mail.

Rule Reviewer

Valerie Balukas

Approval

Christopher Dorrington, Director