

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

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25B-Memo 6  
Attachments-2

Date: April 12, 2022

To: Centralized Service Administrators of all State Agencies

From: Ryan Osmundson, Budget Director  
Office of Budget and Program Planning

Subject: Vehicle Leasing Program- EPP

The Office of Budget and Program Planning encourages agencies with vehicle replacement needs to use the State Motor Pool. The Motor Pool alternative transfers an agency's responsibility for vehicle maintenance and management to the Motor Pool and guarantees safe, reliable vehicles. The vehicles may be new or used depending on the estimated yearly mileage and agency wide usage. The leasing agency is responsible for maximizing the vehicle utilization within the agency. If the vehicles are not getting the maximum usage, the Motor Pool may reassign an underutilized vehicle to another agency.

Accompanying to this memo are two surveys. Please complete the pre-populated Attachment 1: *OBPP Lease Survey 25B* for current leases. For new leased vehicle requests, please complete Attachment 2: *NP PL* for EACH request and email both surveys to Christine Hultin at OBPP by June 6, 2022. This information will be used by the Motor Pool to prepare for the next biennium's budget including equipment purchases.

The Motor Pool charges both an hourly and a per mile rate. The hourly rate will be established by the Motor Pool at a cost recovery level. Motor Pool management includes vehicle purchase and replacement, scheduled and unscheduled maintenance, liability insurance, and fuel.

The following FY 2023 rates are for reference only. The recommended 2025 biennium rates will be determined based on the number of lease vehicle requests received from this survey and will be provided to agencies in August.

FY 2023 Rates			
Class	Description	(per hr)	(per mile)
02	Small Utilities	1.522	0.133
04	Large Utilities	1.812	0.193
05	Hybrid Sedans	1.074	0.117
06	Mid-Size Compact	1.244	0.132
07	Small Pickups	0.514	0.191
11	Large Pickups	1.428	0.210
12	Van, All Types	1.571	0.165

**Example:** If an agency requests a class 02 small utility and estimates 12,000 miles per year, the estimated cost would be (2,920 hrs x \$1.522/hr) +(12,000 x \$0.133/mile) = \$6,040.24 per year.

**Keep in mind that lease vehicle requests should be justifiable and realistic.** Please contact Christine Hultin at OBPP for any follow-up questions.