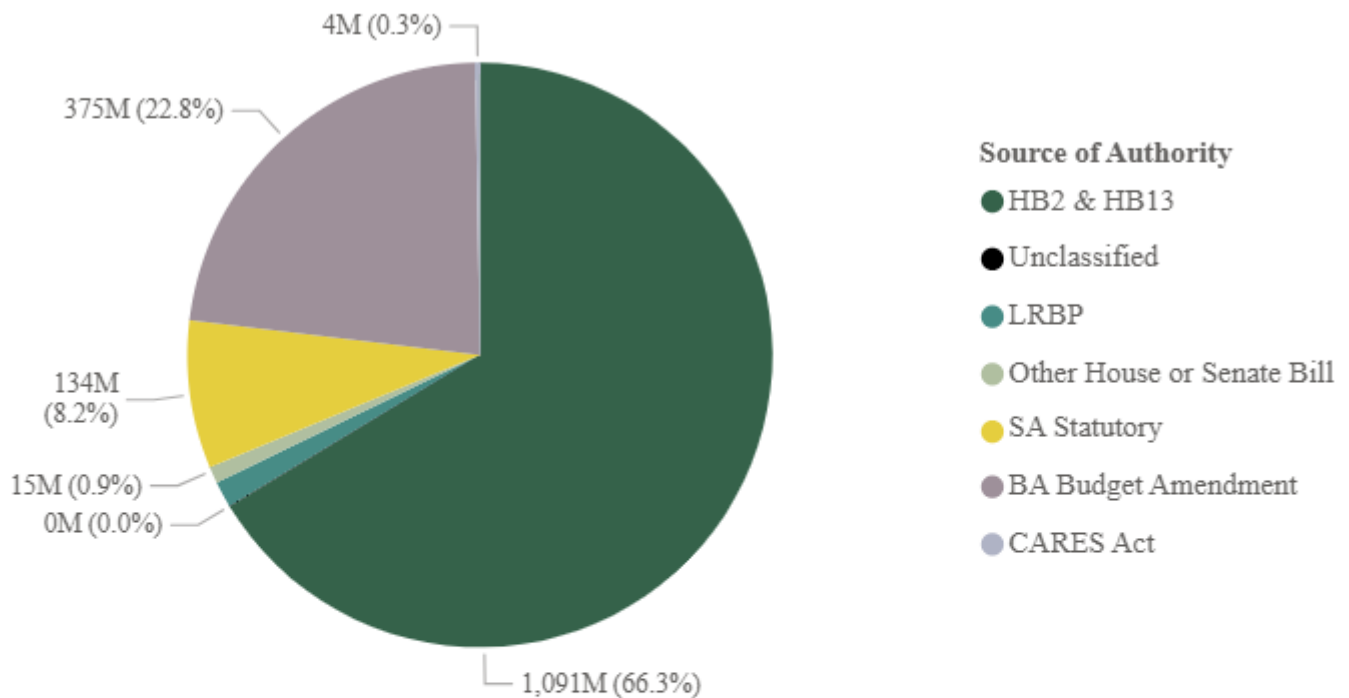


DEPARTMENT OF TRANSPORTATION

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the Department of Transportation is shown in the pie chart below. HB 2 and HB 13 provide 66.3% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Total Modified Budget by Source of Authority



| Source of Authority | Modified Budget | Expended Budget | % Expended | |
|----------------------------|----------------------|--------------------|--------------|--|
| HB2 & HB13 | 1,090,540,483 | 431,711,960 | 39.6% | |
| BA Budget Amendment | 375,416,635 | 560,647 | 0.1% | |
| LRBP | 23,799,198 | | | |
| Other House or Senate Bill | 15,100,486 | 696,203 | 4.6% | |
| SA Statutory | 134,429,605 | 23,972,347 | 17.8% | |
| Unclassified | 285,622 | | | |
| CARES | 4,236,679 | 206,051 | 4.9% | |
| Total | 1,643,808,708 | 457,147,208 | 27.8% | |

Budget Amendments

Budget Amendment authority in the Department of Transportation totals \$375.4 million, of which the department expended approximately \$561,000 or 0.1%. Currently Budget Amendment authority consists primarily of discretionary grants for construction projects and redistribution or “grab bag” funds.

Statutory Appropriations

Statutory appropriations in the Department of Transportation total approximately \$134.4 million in FY 2026, which is 8.2% of the total appropriation authority. Statutory appropriation authority in MDT consists entirely of state special revenue funds. The department has expended 17.8% or \$24.0 million in statutory authority so far this fiscal year. The majority of expenditures, \$21.4 million, were fuel tax revenue distributions to cities, counties and tribes. The remaining amount consists of grant expenditures for aeronautics, Local Roads and Bridges, and rural technical assistance.

Long-Range Building Program (LRBP)

Currently some Infrastructure Investment and Jobs Act (IIJA) discretionary grants have been classified under LRBP authority rather than budget amendment authority.

Other Bills

The Department of Transportation had approximately \$15.1 million of appropriation authority in other bills.

This includes an appropriation of \$7.5 million for better local bridges projects, \$3.0 million for long-range IT projects in HB 10, \$1.0 million for sidewalks on US Highway 2, and \$3.6 million for HB 5 maintenance projects. Currently expenditures of approximately \$700,000 have been made for HB 5 projects.

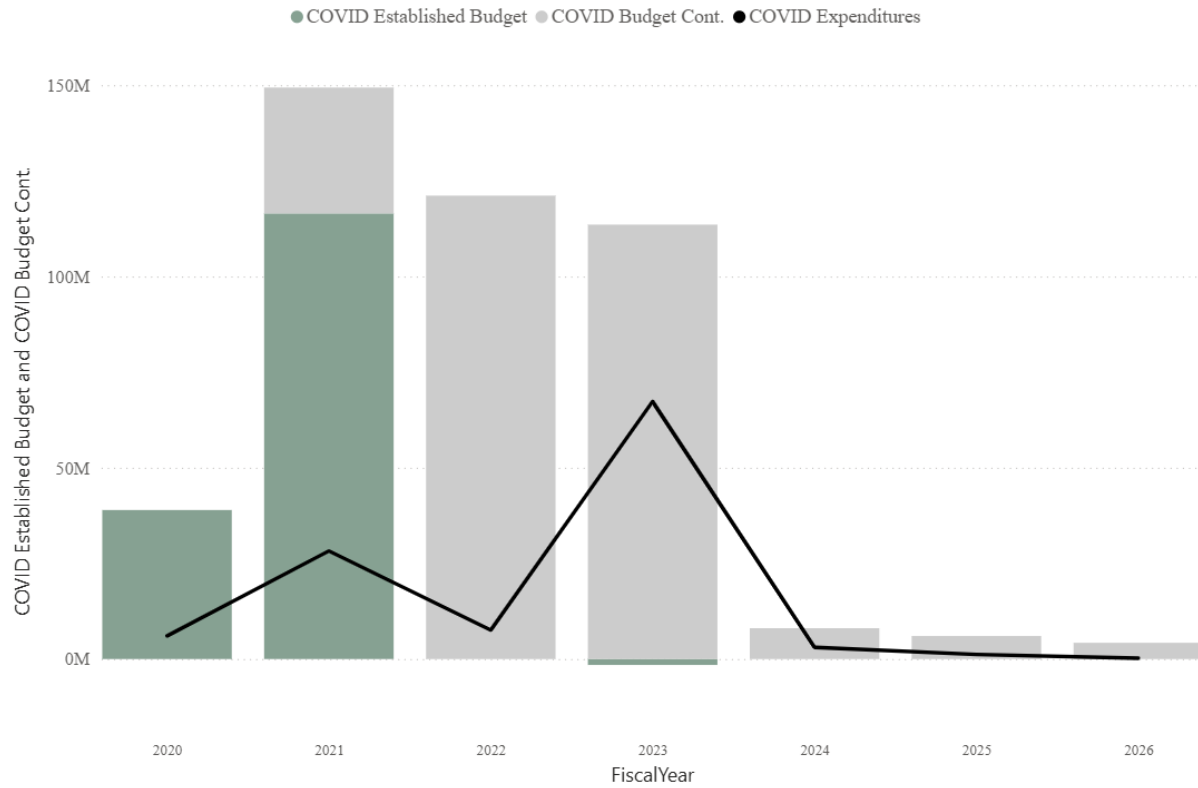
Unclassified

The Department of Transportation has unclassified appropriation authority of \$286,000 because of lower workers’ compensation premiums. Per 39-71-403(1)(b)(iv), MCA, when workers’ compensation premiums are lower than the previous year, state agencies shall reduce personal services appropriations by the amount of the premium reduction. The reductions are included in the accounting system as unclassified authority that will not be spent by the agency.

COVID-19 Authority

The following chart is provided to allow the legislature to examine the funding that is available to the agency for COVID-19 impacts.

COVID Established Budget, COVID Continuing Budget, and COVID Expenditures by Fiscal Year

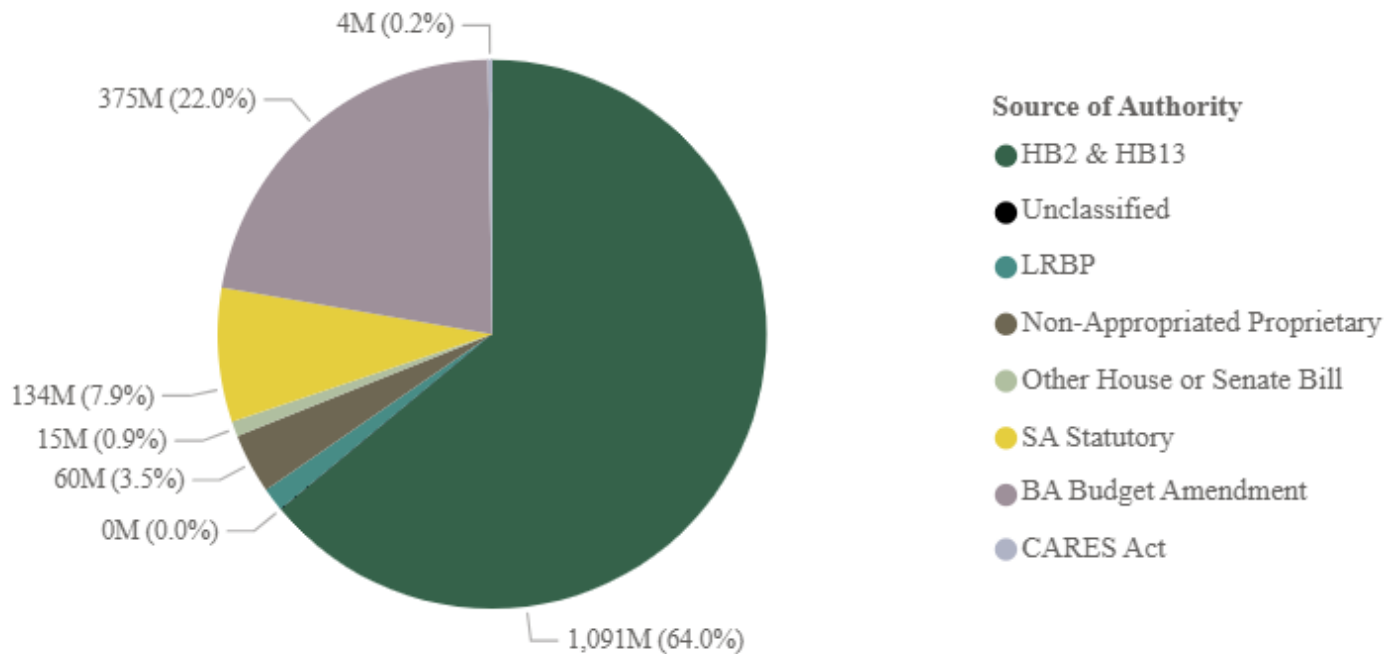


Coronavirus Aid, Relief, and Economic Security (CARES) Act funding totals \$4.2 million for FY 2026, primarily for transit related grants, of which approximately \$206,000 has been expended so far this fiscal year.

EXPENDITURE AUTHORITY

The total expenditure authority for the agency is shown in the following pie chart. Total expenditure authority includes non-budgeted proprietary funding and non-budgeted expenditures such as transfers or indirect costs which are not included in the previous pie chart as the expenditures are not appropriated.

Modified Budget & Expended Budget by Source of Authority



| Source of Authority | Modified Budget | Expended Budget | % Expended | |
|------------------------------|----------------------|--------------------|--------------|--|
| HB2 & HB13 | 1,090,540,483 | 431,711,960 | 39.6% | |
| BA Budget Amendment | 375,416,635 | 560,647 | 0.1% | |
| LRBP | 23,799,198 | | | |
| Non-Appropriated Proprietary | 60,441,191 | 19,398,253 | 32.1% | |
| Other House or Senate Bill | 15,100,486 | 696,203 | 4.6% | |
| SA Statutory | 134,429,605 | 23,972,347 | 17.8% | |
| Unclassified | 285,622 | | | |
| CARES | 4,236,679 | 206,051 | 4.9% | |
| Total | 1,704,249,899 | 476,545,461 | 28.0% | |

Non-Budgeted Proprietary Fund Authority

The Montana Department of Transportation has two programs that operate entirely on proprietary funds: the State Motor Pool and the Equipment Program.

The State Motor Pool operates and maintains a fleet of vehicles available to all state offices and employees who conduct official state business. State Motor Pool revenues are generated through vehicle rental fees charged to agencies. On occasion, the program receives revenues resulting from the sale of surplus property and accident damages reimbursed by private individuals or insurance companies.

The Motor Pool has expended a total of \$2.8 million so far in FY 2026. Of the amount expended \$1.4 million was spent on equipment purchases, \$1.0 million was spent on operating costs, \$247,000 was spent on personal services, and \$59,000 was spent on debt service.

The Equipment Program rents and leases equipment only to other programs within MDT such as Highways and Engineering, Motor Carrier Services, Maintenance, and Planning. The program charges rental fees for the use of equipment and on occasion generates revenue from the sale of surplus equipment. The Equipment Program has expended \$16.9 million so far in FY 2026. Of this \$4.4 million was spent on personal services, \$6.5 million on operating expenses, and \$6.0 million was spent on equipment purchases and major maintenance.

The state-owned Yellowstone Airport near the town of West Yellowstone, Montana, provides private and commercial air service. Fees are charged for leases and other services. Unlike the Motor Pool and the Equipment Program, the airport is not an entirely proprietary program and receives operating funds from other sources such as federal grants. Of the proprietary expenditures of \$254,500, the Yellowstone Airport expended a total of \$108,500 on personal services and \$146,000 on operating expenses.

HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB 2 modified budget from July 1, 2025 through November 30, 2025. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

Legislative Budget Compared to Modified Budget - HB 2 Only

| Agency Name | HB 2 Budget | Modified Budget | Net Modifications |
|-----------------------------------|----------------------|----------------------|-------------------|
| 10 GENERAL OPERATIONS | 44,239,220 | 49,396,553 | 5,157,333 |
| 20 PROJECT DEVELOPMENT & DELIVERY | 755,678,447 | 758,276,011 | 2,597,564 |
| 30 ASSET STRATEGY, OPS & MAINT | 194,622,849 | 198,813,537 | 4,190,688 |
| 60 MOTOR CARRIER SERVICES | 16,357,182 | 16,125,904 | -231,278 |
| 70 AERONAUTICS | 3,524,961 | 3,524,327 | -634 |
| 80 STATEWIDE PLANNING & MODAL OPS | 76,367,011 | 64,404,151 | -11,962,860 |
| Total | 1,090,789,670 | 1,090,540,483 | -249,187 |

| Expenditure Type | HB 2 Budget | Modified Budget | Net Modifications |
|-------------------------------------|----------------------|----------------------|-------------------|
| 61000 Personal Services | 205,531,042 | 205,281,855 | -249,187 |
| 62000 Operating Expenses | 808,087,994 | 808,646,754 | 558,760 |
| 63000 Equipment & Intangible Assets | 5,088,081 | 5,533,630 | 445,549 |
| 64000 Capital Outlay | 14,756,865 | 13,677,050 | -1,079,815 |
| 66000 Grants | 50,212,854 | 50,357,860 | 145,006 |
| 68000 Transfers-out | 3,722,256 | 3,722,756 | 500 |
| 69000 Debt Service | 3,390,578 | 3,320,578 | -70,000 |
| Total | 1,090,789,670 | 1,090,540,483 | -249,187 |

| Fund Type | HB 2 Budget | Modified Budget | Net Modifications |
|-------------------------|----------------------|----------------------|-------------------|
| 02 State/Other Spec Rev | 374,394,656 | 374,433,745 | 39,089 |
| 03 Fed/Other Spec Rev | 716,395,014 | 716,106,738 | -288,276 |
| Total | 1,090,789,670 | 1,090,540,483 | -249,187 |

The Department of Transportation had several HB 2 budget modifications between July 1, 2025 and November 30, 2025, mostly related to the reorganization and renaming of agency programs. These modifications resulted in a negative net change to the overall budget of approximately \$250,000. This is primarily due to an adjustment of budget authority resulting from lower worker's compensation premiums.

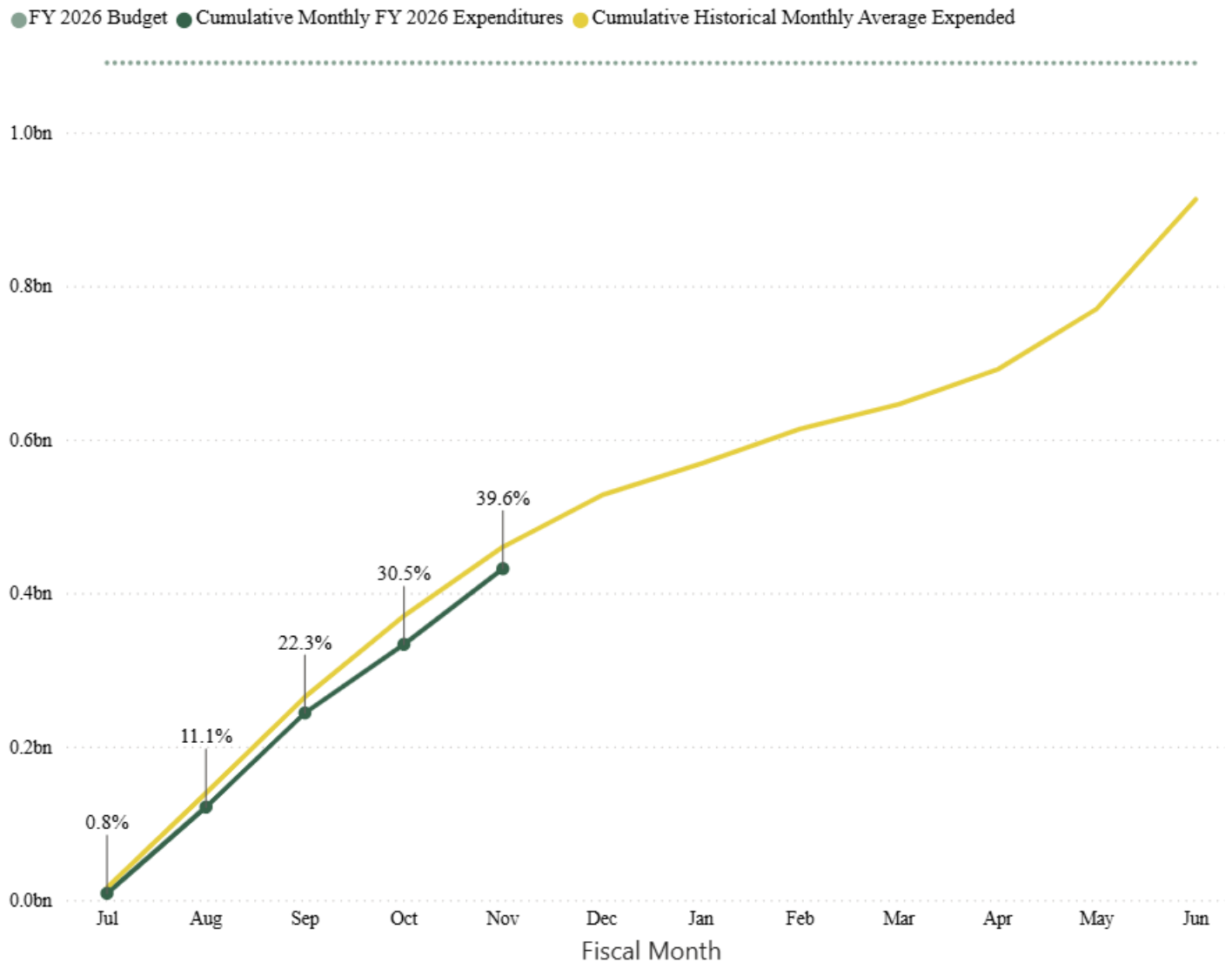
The program name changes are shown in the following table.

| Program From | | | Program To | | |
|--------------------------|--------|----------|--|--------|----------|
| Name | Number | Subclass | Name | Number | Subclass |
| General Operations | 01 | 445 | General Operations | 10 | 445 |
| Highways & Engineering | 02 | 450 | Project Development & Delivery | 20 | 450 |
| Maintenance | 03 | 455 | Asset Strategy, Operations & Maintenance | 30 | 455 |
| Motor Pool | 07 | 460 | Motor Pool | 45 | 460 |
| Equipment | 08 | 465 | Equipment | 55 | 465 |
| Motor Carrier Services | 22 | 470 | Motor Carrier Services | 60 | 470 |
| Aeronautics | 40 | 475 | Aeronautics | 70 | 475 |
| Rail, Transit & Planning | 50 | 480 | Statewide Planning and Modal Operations | 80 | 480 |

HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through November 30, 2025.

Monthly Expenditures Compared to Historical Average



| Program Name | Modified Budget | Expended Budget | % Expended |
|-----------------------------------|----------------------|--------------------|--------------|
| 10 GENERAL OPERATIONS | 49,396,553 | 21,157,874 | 42.8% |
| 20 PROJECT DEVELOPMENT & DELIVERY | 758,276,011 | 339,414,414 | 44.8% |
| 30 ASSET STRATEGY, OPS & MAINT | 198,813,537 | 59,088,555 | 29.7% |
| 60 MOTOR CARRIER SERVICES | 16,125,904 | 5,101,982 | 31.6% |
| 70 AERONAUTICS | 3,524,327 | 1,275,112 | 36.2% |
| 80 STATEWIDE PLANNING & MODAL OPS | 64,404,151 | 5,674,022 | 8.8% |
| Total | 1,090,540,483 | 431,711,960 | 39.6% |

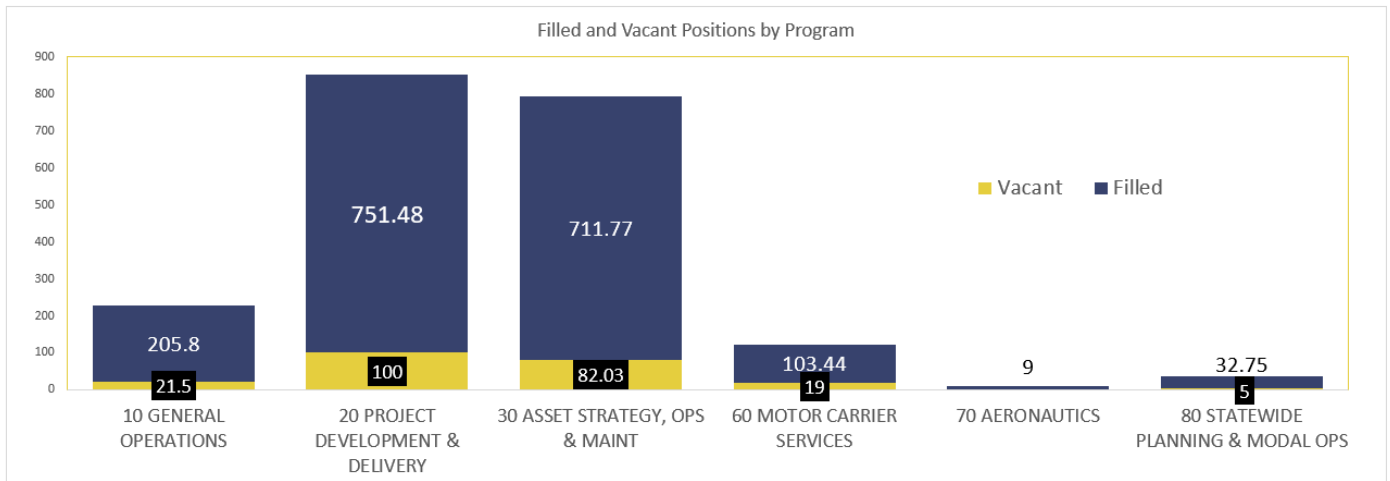
| Expenditure Type | Modified Budget | Expended Budget | % Expended |
|-------------------------------|----------------------|--------------------|--------------|
| Personal Services | 205,281,855 | 67,583,945 | 32.9% |
| Operating Expenses | 808,646,754 | 353,913,408 | 43.8% |
| Equipment & Intangible Assets | 5,533,630 | 2,709,907 | 49.0% |
| Capital Outlay | 13,677,050 | 4,323,887 | 31.6% |
| Grants | 50,357,860 | 1,848,842 | 3.7% |
| Transfers-out | 3,722,756 | 205,069 | 5.5% |
| Debt Service | 3,320,578 | 1,126,902 | 33.9% |
| Total | 1,090,540,483 | 431,711,960 | 39.6% |

| Fund Type | Modified Budget | Expended Budget | % Expended |
|-------------------------|----------------------|--------------------|--------------|
| 02 State/Other Spec Rev | 374,433,745 | 133,871,255 | 35.8% |
| 03 Fed/Other Spec Rev | 716,106,738 | 297,840,705 | 41.6% |
| Total | 1,090,540,483 | 431,711,960 | 39.6% |

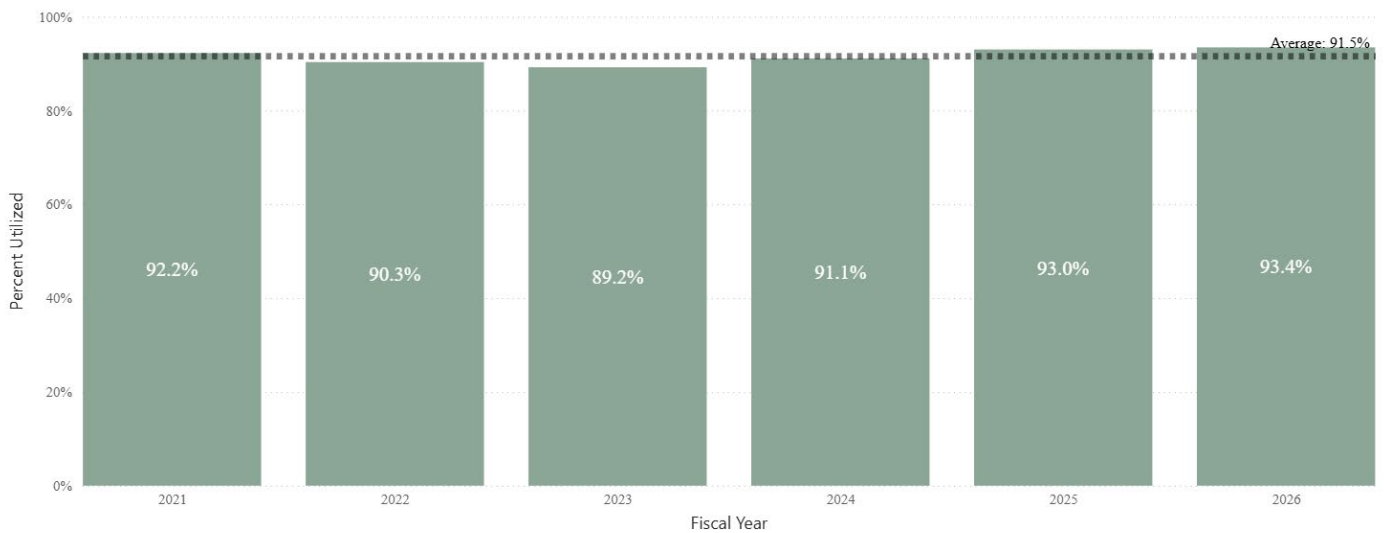
The Department of Transportation expended 39.6% of its \$1,090.8 million HB 2 modified budget through November 30, 2025. Overall, this is below the 5-year Olympic average of 42.2%.

Personal Services

Appropriations for personal services in the Department of Transportation total \$205.3 million and are 32.9% expended through November 30, 2025. The following chart shows the filled and vacant positions budgeted (PB) within the agency as of November 1, 2025. At this point in time, the department had 2,041.77 HB 2 PB and 89.0% of these positions were filled.



The chart below shows the hourly utilization percentage for the Department of Transportation for each fiscal year when compared to the available hours. Overall, the department has utilized 93.4% of the hours budgeted for FY 2026.



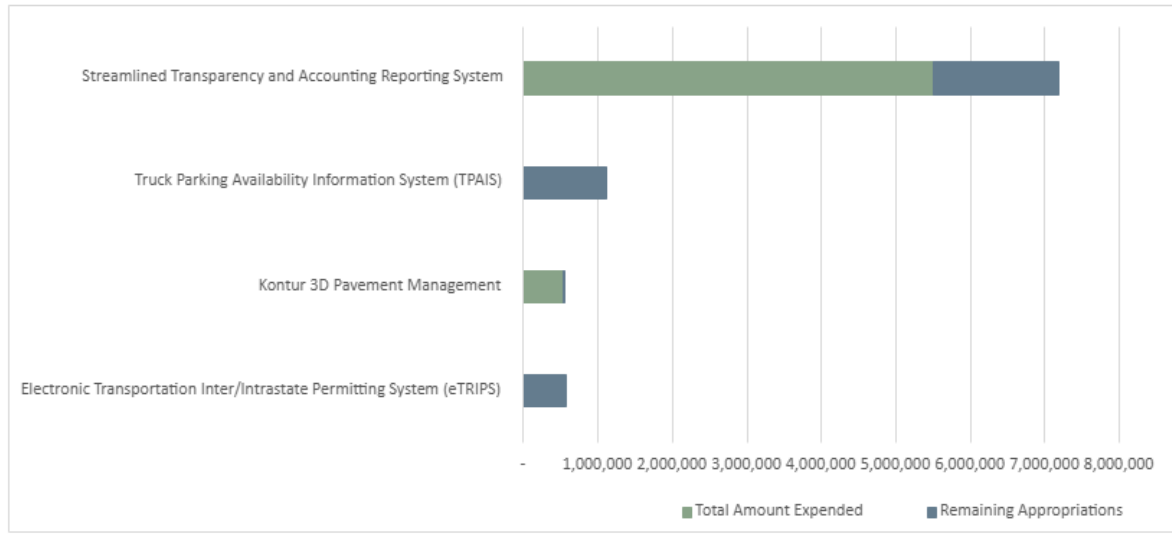
The chart below shows the redistribution of PB to each division following reorganization.

| Old Program | PB | New Program | PB |
|------------------------------|---------|--|---------|
| 1 - General Operations | 186.3 | 10 - General Operations | 227.3 |
| 2 - Highways & Engineering | 872.72 | 20 - Project Development & Delivery | 852.48 |
| 3 - Maintenance | 747.55 | 30 - Asset Strategy, Ops & Maintenance | 793.8 |
| 22 - Motor Carrier Services | 124.44 | 60 - Motor Carrier Services | 122.44 |
| 40 - Aeronautics | 9 | 70 - Aeronautics | 9 |
| 50 - Rail Transit & Planning | 101.76 | 80 - Statewide Planning and Modal Ops | 36.75 |
| | 2041.77 | | 2041.77 |

OTHER ISSUES

Information Technology Project Expenditures

The Department of Transportation currently has four major information technology projects. The chart below shows total expenditures for these projects.



Streamlined Transparency and Accounting Reporting System (STARS)

This project replaces the federal billing system and has a budget of \$7.2 million and a delivery date of Spring 2027. Currently the project has expended \$5.5 million and is 70.0% complete.

Truck Parking Availability Information System (TPAIS)

This system is to collect and disseminate real-time parking availability data to drivers through a variety of outlets. It has a budget of \$1.1 million and a delivery date of December 31, 2025. The project has expended 0.0% but is 90.0% complete.

Kontur 3D Pavement Management

This project is for a better technological solution to evaluate pavement condition. It has a budget of \$547,361 and is 100.0% complete. The delivery date was November 14, 2025.

Electronic Transportation Inter/Intrastate Permitting System (eTRIPS)

This project is for a commercial motor vehicle permitting system. It has a budget of \$576,100 and is 90.0% complete. The delivery date is December 31, 2025.

Required Reports

The following link will take you to links for any reports that the Department of Transportation is required to provide quarterly to the Section C IBC:

<https://committees.legmt.gov/#/nonStandingCommittees/24?tab=Required+Reports>