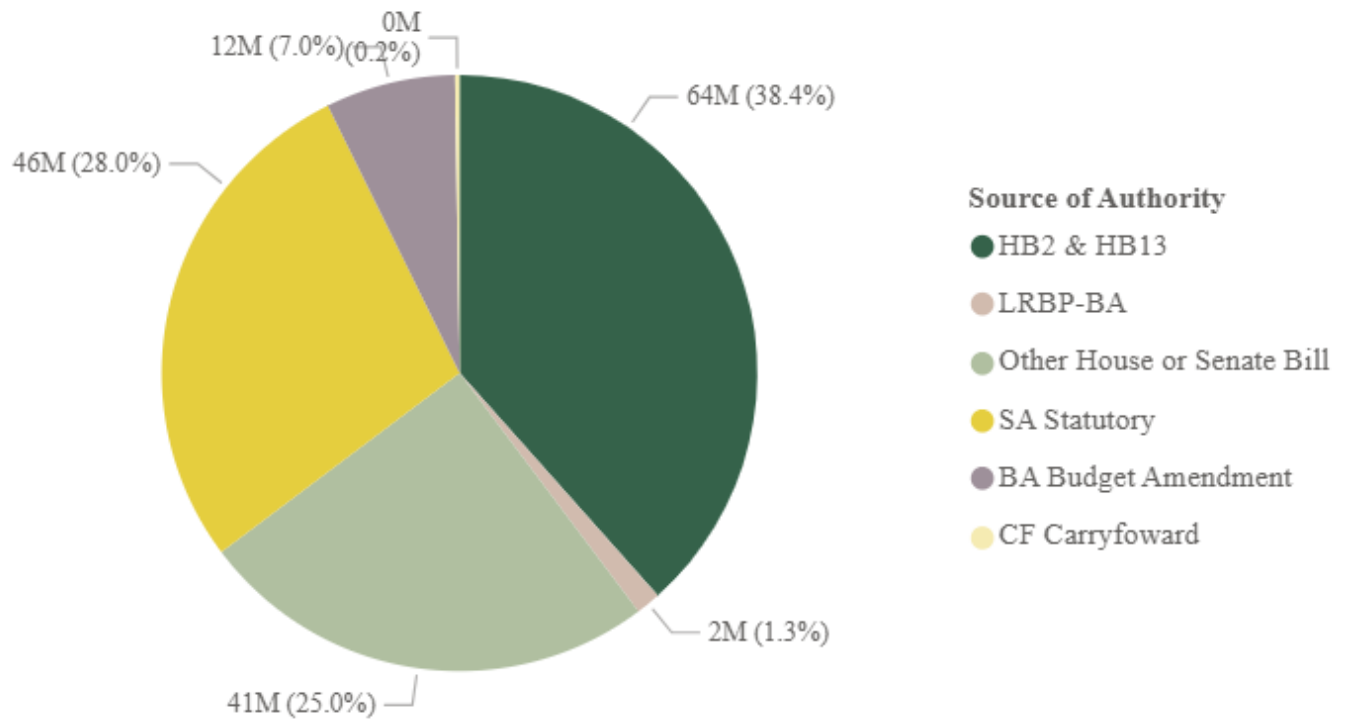


DEPARTMENT OF MILITARY AFFAIRS

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the Department of Military Affairs (DMA) is shown in the pie chart below. HB 2 and HB 13 provide 38.4% 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	63,733,835	15,474,128	24.3%	
SA Statutory	46,382,322	-1,306,203	-2.8%	
Other House or Senate Bill	41,479,583	2,541,003	6.1%	
BA Budget Amendment	11,685,511	105,164	0.9%	
LRBP-BA	2,203,823	247,430	11.2%	
CF Carryforward	411,580			
Total	165,896,654	17,061,521	10.3%	

Statutory Appropriations

Please note that various statutory appropriations currently depict negative expenditures at this point in the fiscal year. This is due to the application of accounting standards at the turn of the fiscal year. The negative expenditures shown are regarding services performed during FY 2025 which have not yet been invoiced. As the invoices are received and settled, these negative expenditures will be offset.

Governor's Emergency Fund (10-3-312, MCA)

Statute provides the Governor with \$16.0 million general fund over the biennium to address unanticipated costs associated with disasters and emergencies. Natural disasters include costs associated with flooding, windstorms, winter storms, and tornados. As of November 2025, the Department of Military Affairs budget included \$7.5 million in general fund from declared disasters. The agency shows a negative \$283,000 due to accounting standards for projects related to flood, fire, and wind events.

Local Disaster Resiliency (17-7-133, MCA)

The Disaster and Emergency Services Division is granted statutory authority through HB 424 of the 2023 Legislative Session for local disaster resiliency. This appropriation allows for \$4.0 million in general fund to be utilized by the division for state and local mitigation work that reduces or eliminates long-term risks associated with future disasters. Along with this, funds may be used towards the nonfederal personnel cost share for individuals performing mitigation programs as well as matching grant funds for the purchase of hazardous material equipment and training. As of November 30, 2025, the agency has expended 1.2% of this appropriation.

Federal Emergency Management Agency (FEMA) Funding (10-3-311, MCA)

The Department of Military Affairs is granted statutory authority to spend federal funds received for federally declared disasters including pandemic relief. Of the \$19.9 million in federal funds for disasters, \$4.4 million was budgeted for the COVID-19 pandemic efforts, \$14.1 million was budgeted for flood relief, \$859,000 for windstorm relief, and \$508,000 for fire relief. As of November 2025, DMA shows a negative \$2.6 million due to accounting standards for federally declared disasters, primarily flood relief.

Hazard Mitigation Assistance (10-3-316, MCA)

The Disaster and Emergency Services Division is granted statutory authority under HB 106 of the 2023 Legislative Session to accept hazard mitigation assistance grants when offered to states by the federal government. These grants are to be used for mitigation activities that protect life and property from future disaster damages and reduce overall disaster losses. Within this statutory appropriation exist multiple categories of funding from the federal government. The categories of funding utilized by the agency are Hazard Mitigation Assistance Program grants and Building Resilient Infrastructure and Communities grants. As of November 2025, DMA has appropriations for \$14.3 million with 9.0% of this being expended.

Veterans Cemetery (10-2-601, MCA)

The Veteran's Affairs Division has a statutory appropriation for the operation of the Montana Veterans Cemetery Program. The Veterans Cemetery Program operates:

- Montana State Veterans Cemetery – Fort Harrison, Helena
- Eastern Montana State Veterans Cemetery – Miles City
- Western Montana State Veterans Cemetery – Missoula

Statute allows for additional cemeteries to be located in Yellowstone County and Columbia Falls. The Department of Military Affairs is currently working through the application process to obtain a federal VA grant to establish a cemetery in Columbia Falls. A federal VA cemetery is already established in Yellowstone County. Funding for the program is provided through a portion of motor vehicle registration fees, cemetery plot allowances, and donations. As of November 2025, DMA expended \$240,000, or 38.3%, of the \$625,000 state special revenue funds appropriated for the cemeteries.

Montana Military Family Relief Fund (10-1-1303, MCA)

The Montana Military Family Relief Fund (MMFRF) receives statutory appropriations to provide monetary grants to families of Montana National Guard and Reserve Component members who on or after April 28, 2007, are on active duty for federal service in a contingency operation. MMFRF grants are intended to help Montana families defray the costs of food, housing, utilities, medical services, and other expenses that become difficult to afford when a wage earner has temporarily left civilian employment to be placed on active military duty. Funding for the program is provided through legislative transfers, monetary contributions, gifts, and grants donated to the fund. As of November 30, 2025, DMA has expended \$19,250 out of the \$40,000 state special revenue appropriation.

Montana National Guard Land Purchase (10-1-108, MCA)

Montana statute establishes a Montana National Guard land purchase state special revenue fund in which all money from the sale of an armory must be deposited. There are two purposes of the fund outlined in statute:

- Any interest and income accruing on the account must be deposited in the general fund
- Money in the account may be used only for preparations to purchase or the purchase of land necessary for the Montana National Guard's mission and is expendable solely upon the authorization of the governor

This statutory appropriation has not had any expenditures at this point in FY 2026.

Other Bills

The Department of Military Affairs has approximately \$41.5 million of appropriation authority in other bills in FY 2026, which is 25.0% of the total appropriation authority. Several previous legislatures have appropriated funds directly to DMA in HB 5 or other long-range building bills, for construction projects on various military bases and armories across Montana. As the construction of projects takes several years, the unspent authority awarded in one biennium is continued into future biennia. The majority of this authority was approved from the session in 2021 and onwards. Approved projects through the 2025 Legislature and prior biennia include:

Department of Military Affairs Other House and Senate Bills Appropriations and Expenditures FY 2026, as of November 30, 2025					
Location	Description	Appropriations	Expenditures	Percent Expended	
Fort Harrison	Open Bay barracks capital development	\$ 10,500,000	\$ -	0.0%	
Fort Harrison	Civil Support Team Readiness Building	4,700,000	-	0.0%	
Fort Harrison and Missoula	Expansion of military cemeteries	3,435,598	967,541	28.2%	
Statewide	Capital improvements to existing facilities, passed by 2023 Legislature	3,000,000	-	0.0%	
Statewide	Indoor firing range remediations	2,450,000	-	0.0%	
Fort Harrison	Upgrade of HVAC and temperature control systems at the FH Training Site	2,412,561	8,634	0.4%	
Fort Harrison	Army National Guard building repairs	1,970,000	-	0.0%	
Fort Harrison	Upgrade of HVAC and temperature control systems at the Aviation Facility	1,942,487	530,459	27.3%	
Fort Harrison	Facility Upgrades	1,900,000	-	0.0%	
Statewide	Capital improvements to existing facilities, passed by 2021 Legislature	1,406,841	146,800	10.4%	
Other*	Summation line of all other projects within this Source of Authority	7,762,097	887,568	11.4%	
Total		\$ 41,479,583	\$ 2,541,003	6.1%	

*Other includes the remaining 28 projects, all of which have appropriations of less than \$1.0 million

As of November 2025, DMA has expended \$2.5 million, or 6.1%, of the total \$41.5 million in appropriations.

Budget Amendments

The Department of Military Affairs has authority for several budget amendments in the Disaster and Emergency Services Program. The authority from budget amendments totals approximately \$11.7 million with \$105,000 in expenditures as of November 2025. As these budget amendments are for multi-year federal awards, expenditures vary in the timing they are used. The majority of the authority includes:

- Approximately \$10.1 million of federal funding from the Department of Homeland Security to improve cybersecurity in state and local governments. As of November 2025, \$68,000 has been expended from this budget amendment; however, the funding has varying expiration dates with the latest being December 12, 2028
- Approximately \$1.3 million of federal funding from the Department of Homeland Security to improve security for nonprofit organizations. As of November 2025, \$37,000 has been expended. This authority expires August 31, 2027

Long Range Building Program – Budget Amendments

The Department of Military Affairs budget includes \$2.2 million in federal funds and capital project funds for military construction projects. These projects were not included in the long-range building projects appropriated by the legislature. The funds were amended into previous biennia budgets and continued into the current year and include:

- Fort Harrison Projects:
 - \$1.2 million for the design of the Fort Harrison open bay barracks
 - \$596,000 for a maintenance bay addition to the combined support maintenance shop
 - \$237,000 for a maintenance vehicle/sand storage building
- \$147,000 for the Missoula veteran’s cemetery

As of November 2025, the agency has expended \$247,000 or 11.2% of this authority. These projects typically take multiple years to complete.

Carryforward Authority

The Department of Military Affairs has approximately \$412,000 in carryforward authority in FY 2026. This authority is split between general fund and federal special revenue of \$149,000 and \$263,000, respectively. No expenditures have been made on this appropriation at this point in the fiscal year.

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, to 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
<input type="checkbox"/> Dept of Military Affairs	63,733,835	63,733,835	0
<input type="checkbox"/> 01 DIRECTORS OFFICE	2,083,477	2,198,477	115,000
<input type="checkbox"/> 02 CHALLENGE PROGRAM	6,397,027	6,407,525	10,498
<input type="checkbox"/> 03 SCHOLARSHIP PROGRAM	250,000	250,000	
<input type="checkbox"/> 04 STARBASE	1,684,105	1,684,105	0
<input type="checkbox"/> 12 ARMY NATIONAL GUARD PGM	22,092,578	22,092,578	
<input type="checkbox"/> 13 AIR NATIONAL GUARD PGM	6,853,677	6,853,677	
<input type="checkbox"/> 21 DISASTER & EMERGENCY SERVICES	19,180,860	19,180,860	0
<input type="checkbox"/> 31 VETERANS AFFAIRS PROGRAM	5,192,111	5,066,613	-125,498
Total	63,733,835	63,733,835	0

Expenditure Type	HB 2 Budget	Modified Budget	Net Modifications
<input type="checkbox"/> 61000 Personal Services	24,047,737	24,558,230	510,493
<input type="checkbox"/> 62000 Operating Expenses	23,708,321	23,082,219	-626,102
<input type="checkbox"/> 63000 Equipment & Intangible Assets	225,536	550,536	325,000
<input type="checkbox"/> 64000 Capital Outlay		50,000	50,000
<input type="checkbox"/> 66000 Grants	13,446,181	13,206,240	-239,941
<input type="checkbox"/> 67000 Benefits & Claims	800	800	
<input type="checkbox"/> 68000 Transfers-out	1,867,260	1,859,760	-7,500
<input type="checkbox"/> 69000 Debt Service	438,000	426,050	-11,950
Total	63,733,835	63,733,835	0

Fund Type	HB 2 Budget	Modified Budget	Net Modifications
<input type="checkbox"/> 01 General	11,678,001	11,678,001	0
<input type="checkbox"/> 02 State/Other Spec Rev	1,588,672	1,588,672	0
<input type="checkbox"/> 03 Fed/Other Spec Rev	50,467,162	50,467,162	0
Total	63,733,835	63,733,835	0

The Department of Military Affairs has made numerous budget modifications thus far in FY 2026. The first of which was the transfer of general fund and federal special revenue appropriations from the Veterans' Affairs Division to the Director's Office and Youth Challenge Program. This was done to transfer personal services, specifically in the general fund, from the Veterans' Affairs Division to the Director's Office for the department centralized personnel plan. Along with this, federal appropriations were also transferred from the Veterans' Affairs Division to the Youth Challenge Program to account for different federal special revenue needs. The second modification made was within the Disaster and Emergency Services Program to transfer grant expenditure authority into personal services, specifically as it relates to Emergency Management Performance grants.

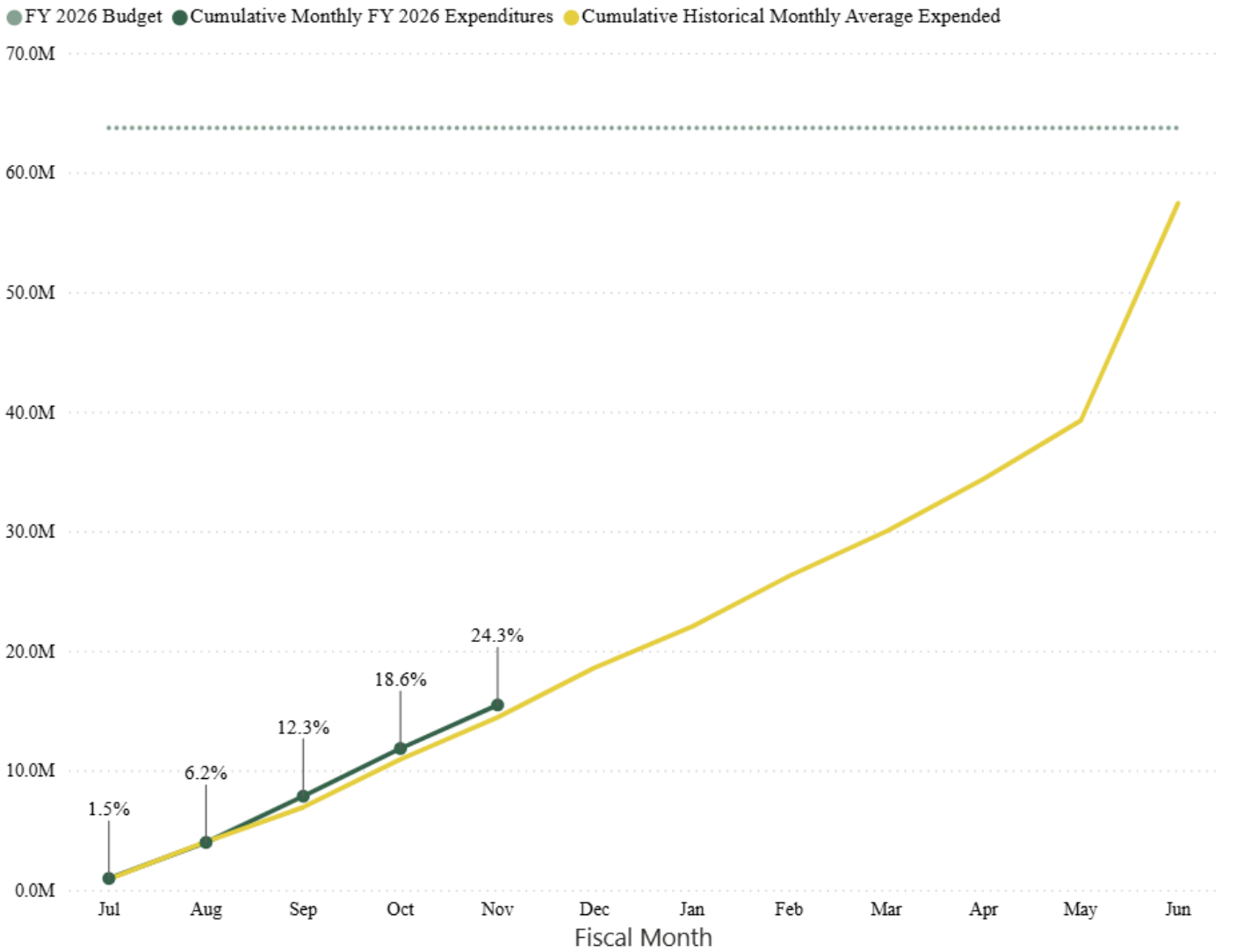
The final adjustment made by the agency adjusted expenditure account appropriations within the Montana Veterans' Affairs Division. This modification moved appropriations primarily out of operating expenses with

the majority moving to personal services and equipment and intangible assets. During the 2025 session, appropriations were centralized within personal services and operating expenses with these transfers establishing authority in other expenditure types for the appropriations provided.

HB 2 APPROPRIATION AUTHORITY

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

Monthly Expenditures Compared to Historical Average



Program Name	Modified Budget	Expended Budget	% Expended
⊕ 01 DIRECTORS OFFICE	2,198,477	692,406	31.5%
⊕ 02 CHALLENGE PROGRAM	6,407,525	2,244,694	35.0%
⊕ 03 SCHOLARSHIP PROGRAM	250,000		
⊕ 04 STARBASE	1,684,105	326,304	19.4%
⊕ 12 ARMY NATIONAL GUARD PGM	22,092,578	6,050,169	27.4%
⊕ 13 AIR NATIONAL GUARD PGM	6,853,677	2,278,740	33.2%
⊕ 21 DISASTER & EMERGENCY SERVICES	19,180,860	2,304,962	12.0%
⊕ 31 VETERANS AFFAIRS PROGRAM	5,066,613	1,576,854	31.1%
Total	63,733,835	15,474,128	24.3%

Expenditure Type	Modified Budget	Expended Budget	% Expended
⊕ Personal Services	24,558,230	9,360,521	38.1%
⊕ Operating Expenses	23,082,219	4,868,641	21.1%
⊕ Equipment & Intangible Assets	550,536	226,403	41.1%
⊕ Capital Outlay	50,000		
⊕ Grants	13,206,240	777,883	5.9%
⊕ Benefits & Claims	800	752	93.9%
⊕ Transfers-out	1,859,760	2,687	0.1%
⊕ Debt Service	426,050	237,240	55.7%
Total	63,733,835	15,474,128	24.3%

Fund Type	Modified Budget	Expended Budget	% Expended
⊕ 01 General	11,678,001	3,656,183	31.3%
⊕ 02 State/Other Spec Rev	1,588,672	287,847	18.1%
⊕ 03 Fed/Other Spec Rev	50,467,162	11,530,097	22.8%
Total	63,733,835	15,474,128	24.3%

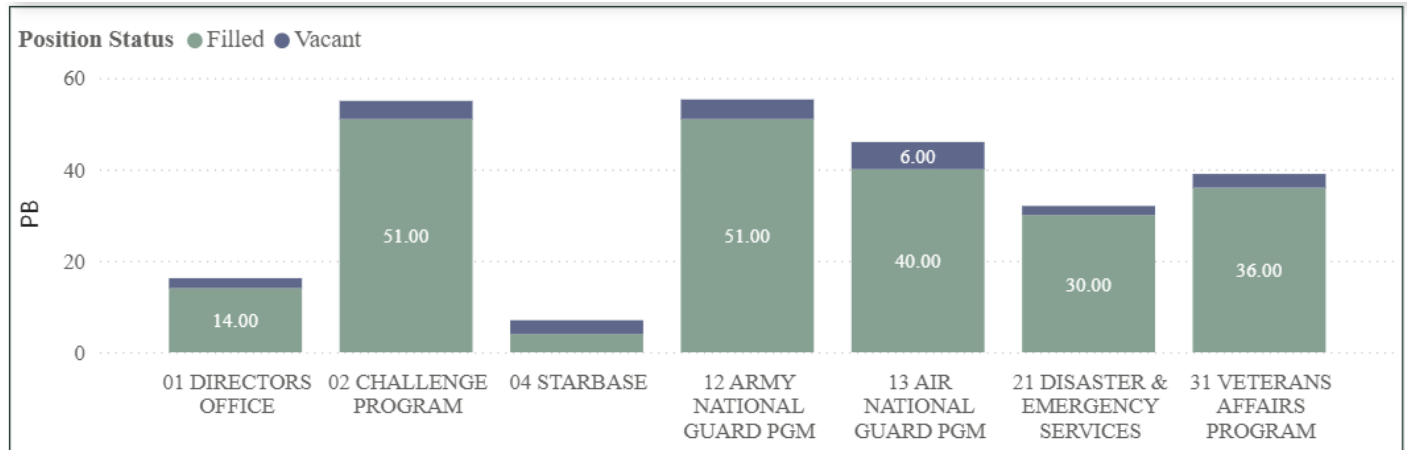
The Department of Military Affairs expended 24.3% of their HB 2 authority through November 30, 2025. This level of expenditure is slightly above the historical average at this point in the fiscal year. Lower percent expended within the Disaster and Emergency Services Program is primarily due to delays from the federal government. In part because of the federal shutdown, but also due to the grants being placed on hold or a longer review process for various projects, the Disaster and Emergency Services Program has been unable to expend areas of their federal special revenue appropriations. The Scholarship Program does not have expenditures at this point in the fiscal year as their entire appropriation is transferred to the Office of the Commissioner of Higher Education at the end of the fiscal year.

In looking at the expenditures, the majority are within personal services and operating expenses for the agency. Personal services expenditures align with that which is expected at this point in the fiscal year, with operating expenses being lower because of both the federal shutdown slowing operations as well as programs within the agency finalizing work for awards associated with federal FY 2025.

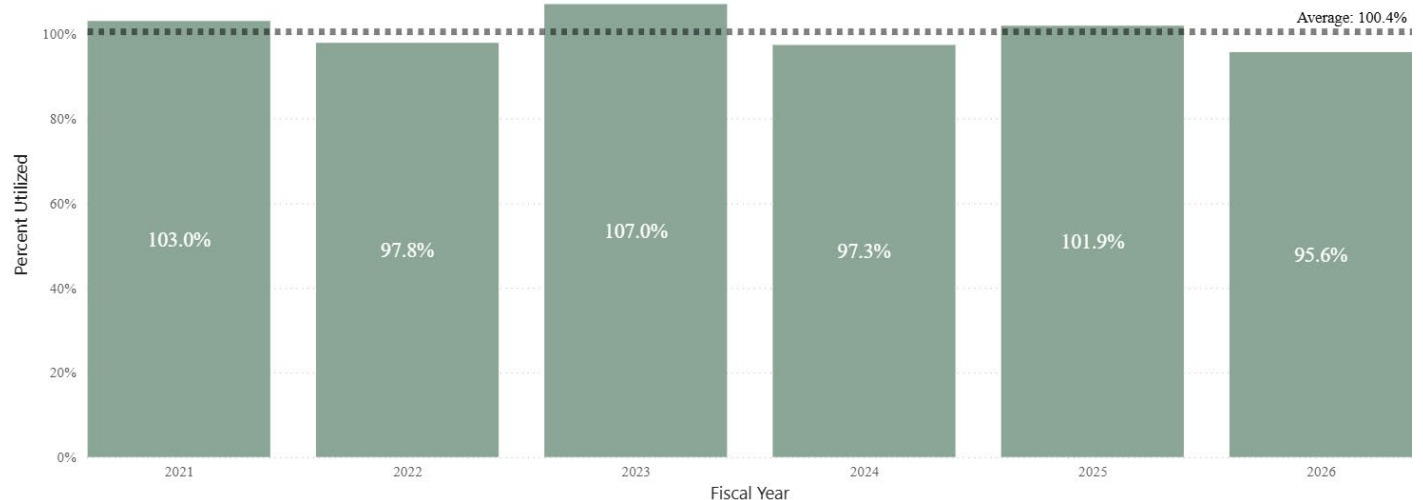
The agency is funded primarily within federal special revenue, with accompanying amounts of general fund and state special revenue. This federal special revenue lies, in large part, within the Disaster and Emergency Services Program, Army National Guard Program, and the Air National Guard Program.

Personal Services

Personal services make up 38.5% of the FY 2026 HB 2 modified budget in the Department of Military Affairs with approximately \$9.4 million or 38.1% expended through November 30, 2025. DMA has 250.51 HB 2 positions budgeted (PB), excluding aggregate positions, and 90.2% of these positions were filled as of November 1, 2025. The following chart shows the filled and vacant PB within the agency as of November 1, 2025.



The chart below shows the hourly utilization percentage for the Department of Military Affairs for FY 2026, when compared to the available hours over the course of the fiscal year. Overall, the department utilized 95.6% of the hours budgeted through this point in FY 2026. This is slightly below the five-year average of 100.4%. Over 100.0% utilization in DMA is not uncommon as many of the agency's job duties require overtime hours, particularly during national or state declared disasters.



The chart below shows the vacant PB in each division, the number of months each position has been vacant, and the midpoint hourly pay rate. Of the 24.51 PB that are vacant, 2.51 PB have been vacant for longer than one calendar year. There are 2.00 PB for firefighter positions within the Air National Guard. This program does not currently have authorization on the federal side to hire these positions; when this authorization is granted, the agency intends to fill these positions.

Vacant Positions Report

	PB	Median Months Vacant	Market Midpoint (Hourly)
☐ 67010 MILITARY AFFAIRS	24.51	4.03	24.86
☐ 01 DIRECTORS OFFICE	2.21	4.13	30.00
Business Executive	0.21	88.59	75.89
Financial Specialist	1.00	4.13	23.11
Human Resources Generalist 2	1.00	4.03	30.00
☐ 02 CHALLENGE PROGRAM	4.00	3.16	23.00
Cadre Instructor 1	2.00	2.26	23.13
Eligibility Interviewer 3	2.00	4.03	22.87
☐ 04 STARBASE	3.00	4.03	26.87
Administrative Assistant 3	1.00	4.03	21.48
Program Specialist 2	1.00	4.03	36.35
Teacher 1	1.00	4.03	26.87
☐ 12 ARMY NATIONAL GUARD PGM	4.30	6.89	30.17
Environmental Scientist 3	2.00	4.79	38.15
Maintenance Worker/Locksmith	1.00	1.02	
Program Officer 2	1.00	17.74	30.17
Short Term Worker	0.30	14.23	
☐ 13 AIR NATIONAL GUARD PGM	6.00	8.66	24.86
Firefighter 2	4.00	8.66	24.86
Firefighter Supervisor	1.00	16.07	27.84
HVAC Specialist 2	1.00	1.34	32.39
☐ 21 DISASTER & EMERGENCY SERVICES	2.00	0.59	39.07
Emergency Specialist 3	1.00	0.39	40.48
Emergency Specialist Spvsnr	1.00	0.79	37.66
☐ 31 VETERANS AFFAIRS PROGRAM	3.00	2.10	18.15
Administrative Assistant 2	2.00	3.07	18.15
Administrative Assistant 3	1.00	0.95	21.48
Total	24.51	4.03	24.86

APPENDIX A

The Department of Military Affairs was asked to provide information on the following questions:

- How much did you pay to contractors as of October 31, 2025? How much of the amount paid to contractors do you estimate is due to vacant positions? If contractors were paid because of vacant positions, what are the types of vacant positions that resulted in the need for contractors?
- How much did you pay in overtime as of October 31, 2025? How much of the overtime paid do you estimate is due to vacant positions? If overtime was paid because of vacant positions, what are the types of vacant positions that resulted in the need for overtime?

In response to the above questions, the agency provided the table below.

	Contracted Services	Over Time	Reason
Air National Guard		5,741	Overtime is related to 24/7 Firefighter positons.
Army National Guard	8,483	2,405	Contracted services are due to a vacant post engineer position and the need to complete an electrical upgradge project. Over-time is related to normal workload execution for range trainings, as well as on-call service provided by post engineers.
Youth Challenge		44,559	Overtime is due to Cadre positions. Cadre are the staff required to supervise students at all times, including holidays. 80% of overtime is due to vacancies and 20% is due to Cadre working holidays.
Disaster & Emergency Services	248,158	37,111	Contracted Services: DES hired contractors to monitor and manage disaster recovery and mitigation projects. Contractors completed work on the COVID disaster closing out the grant and continued supporting the '22 Flooding disaster projects. Contractors were used to augment programs that would have required temporary employees or OT, not due to vacant positions. Over-time: the majority of the OT was support to the state declared disasters for the Anaconda Shooting/manhunt and State Prison Water Break. Other OT was for the Duty Officer program.
Veteran Affairs		1,543	MVAD's overtime is not due to vacant positions. The overtime is due to travel for outreach and annual training, as well as attending community events as MVAD representatives.
Director's Office		1,462	The overtime is not due to vacant positions. The overtime is from IT staff traveling for network equipment outages and replacements at various locations throughout the state.
Totals	256,641	92,821	