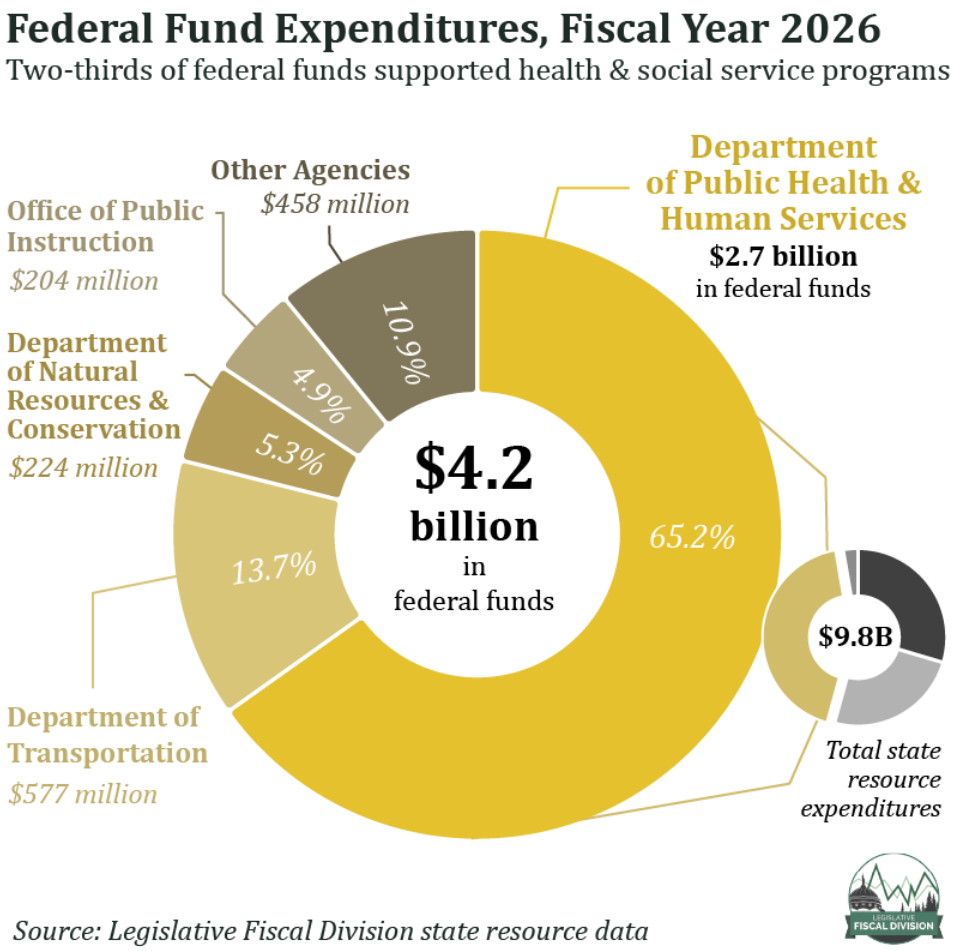

Montana expended $4.2 billion in federal dollars in FY 2026, with two-thirds of that amount for federally supported health and human service programs.

Federal support for programs administered by the Montana Department of Public Health and Human Services (DPHHS) totaled $2.7 billion, about three-quarters of that for the Medicaid health coverage program. Significant federal dollars also supported other DPHHS programs including the Supplemental Nutrition Assistance Program (SNAP), income-based childcare subsidies through the Best Beginnings scholarship program, the Temporary Assistance for Needy Family (TANF) cash benefit program, and the Low-Income Home and Energy Assistance Program (LIHEAP).

Beyond DPHHS, federal funding also supported highway construction, K-12 education, and local water infrastructure grants administered by the Department of Natural Resources & Conservation (DNRC).

The $4.2 billion in federal fund expenditures represented 43.0% of overall state resource spending in FY 2026, which ran from July 2025 to June 2026.

These expenditure figures are calculated using the state resources definition outlined in state finance statute. This definition excludes internal fund transfers to avoid double-counting when funding is transferred within state government before being spent externally. It also excludes spending managed separately from the state budget, such as expenditures from funds generated by the Montana University System and the workers' compensation program managed by the Montana State Fund.

This week's chart figures include spending authorized by 2025's General Appropriations Act (HB 2), as well as funds appropriated via other bills, permanent statutes and budget amendments.

More information on the state budgeting and the associated terminology is available via LFD's guide Understanding State Finances & the Budgeting Process.