



# VDOT FY2026 Emergency Response Budget

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# VDOT FY2026 Emergency Response Budget

- **VDOT budgeted \$225 million in FY2026 for emergency response, which includes winter weather operations**
- **The Commonwealth experienced multiple statewide events in December through February**
- **Expenditures related to emergency response are expected to be approximately \$418.4 million in FY2026**
- **In February 2026, the General Assembly and Governor approved a \$1,500 bonus for classified employees in FY2026, which was not included in VDOT's approved budget**

# Summary of Anticipated Costs

<i>(in millions)</i>	Expenditures through FY2026	Current Budget	Estimated Deficit*
Emergency Response	\$418.4	\$225.0	(\$193.4)
General Assembly Action – Employee Bonus in June 2026*	\$12.0	0	(\$12.0)
<b>TOTAL</b>	<b>\$430.4</b>	<b>\$225.0</b>	<b>(\$205.4)</b>

*\*Employee Bonus approved in February 2025 was not included in the FY2026 budget.*

# Savings Strategies Implemented

- **In late February, VDOT implemented the following administrative actions to save money**
  - Paused recruitment for certain positions
  - Limited travel, shifting to virtual where possible
  - Deferred planned purchases
  - Consolidated planned recognition and training events
  - Limited discretionary spending
  - Reviewed balances across all programs, excluding Highway Construction Programs
- **These efforts identified \$15 million in administrative and other savings**

# Savings Strategies Implemented

- **Districts identified potential savings in the Maintenance and Operations Program**
  - Deferred planned activities
  - Identified program reserves
  - Swept surpluses from prior commitments and completed projects
  - Delayed implementation of planned work
- **These efforts identified \$45.5 million in savings from the Maintenance and Operations Program**

# Summary of Deficit and Recommended Budget Revisions

<i>(in millions)</i>	Deficit
Emergency Response	(\$418.4)
General Assembly Action – Employee Bonus in June 2026	(\$12.0)
<b>TOTAL DEFICIT</b>	<b>(\$430.4)</b>
FY2026 Emergency Response Budget	\$225.0
Savings from Maintenance & Operations Program	\$45.5
Savings from Administrative & Other Programs	\$15.0
Reduction in Funds for Construction	\$144.8
Pre-scoping funds (\$11.5)	
State funds (\$120.1)	
Federal funds (\$13.4)	
<b>TOTAL</b>	<b>0</b>

# Savings Strategies Implemented

**While reductions to the Construction Program in FY2026 were offset by uplift in FY2027 without impacting existing projects, they directly reduce funds that otherwise would have been available in the five formula programs**

<b>Program</b>	<b>Reduction (millions)</b>
State of Good Repair	\$40.0
Construction District Grant Program	\$26.7
High Priority Projects Program	\$26.7
Interstate Operations and Enhancement Program (includes \$2.3M from IOEP provided to NVTA)	\$26.7
Virginia Highway Safety Improvement Program	\$13.3
<b>Total</b>	<b>\$133.4</b>

# FY2026 VDOT Recommended Allocations

	(in millions)		
	FY 2026 Revised	Recommended FY 2026 2nd Revised	INCREASE (DECREASE)
<b>VDOT Programs</b>			
Environmental Monitoring and Evaluation (514)	\$ 32.0	\$ 31.0	\$ (1.0)
Ground Transportation Planning and Research (602)	108.6	96.7	\$ (11.9)
Highway Construction Programs (603)	2,970.5	2,836.1	\$ (134.5)
Highway System Maintenance (604)	2,398.3	2,554.2	\$ 155.9
Commonwealth Toll Facilities (606)	149.5	149.5	\$ 0.0
Financial Assistance to Localities (607)			
VDOT Programs	656.6	656.6	\$ 0.0
Regional Program	1,025.7	1,023.4	\$ (2.3)
Non-Toll Supported Transportation Debt Service (612)	405.8	405.8	\$ 0.0
Special Structures (614)	90.0	90.0	\$ 0.0
Administrative and Support Services (699)	383.7	377.6	\$ (6.1)
VDOT Capital Outlay (998)	40.0	40.0	\$ 0.0
<b>Total VDOT Programs</b>	<b>\$ 8,260.8</b>	<b>\$ 8,260.8</b>	<b>\$ 0.0</b>
Support to Other State Agencies	54.1	54.1	\$ 0.0
Support to DRPT/VPRA Programs	116.2	116.2	\$ 0.0
<b>Total</b>	<b>\$8,431.0</b>	<b>\$8,431.0</b>	<b>\$0.0</b>
<b>Total Operating Budget (Net Regional Programs)</b>	<b>\$7,405.3</b>	<b>\$7,407.6</b>	<b>\$ 2.3</b>

Note that the total change to Construction is \$136.8M, which includes a \$133.4M cut to the five formula programs included in Program 603 and Program 607 as well as the \$3.4M cut to the Construction Management Program in Program 603.

# Recommended Budget Adjustments

- **VDOT recommends implementation of the identified budget revisions and requests CTB approval of the Second Revised FY2026 Budget**

