



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

## **House Armed Services Committee Minority Summary for the Fiscal Year 2025 National Defense Authorization Act**

To ensure we continue to recruit and retain the most talented and diverse military and civilian workforce we need, the Fiscal Year 2025 National Defense Authorization Act (FY25 NDAA) base text has been anchored by the yearlong work and final report of the bipartisan Quality of Life panel that focused on pay and compensation, housing, health care, childcare and spousal support. The result is a 19.5% pay raise for junior enlisted service members and 4.5% pay raise for all other service members. It invests over \$17.5 billion for military construction projects, including \$1.15 billion to improve the condition of housing across the military departments. It also authorizes funding to reverse the 5% reduction in Basic Allowance for Housing (BAH) and ensures that the BAH covers 100% of the calculated rate for the military housing area (MHA).

Innovation, technology, and modernization are prioritized along with our domestic industrial base and military readiness. It authorizes \$143.3 billion in research, development, test, and evaluation to meet the immediate and projected force protection challenges. That includes \$16.7 billion for science and technology programs. It authorizes investments in tactical air and land forces capabilities and seapower projection forces capabilities and across the munitions enterprise to increase capacity and accelerate development of key weapon systems and programs. That includes the investment of \$32.4 billion in shipbuilding funding for the procurement of six battle force ships, including restoring authorization for a second Virginia-class submarine to maintain the two-per-year build rate—sending a strong demand signal to suppliers. Further, it authorizes \$125 million for Historically Black Colleges and Universities and Minority Serving Institutions, an increase of \$25 million over the budget request.

As part of ongoing efforts to strengthen capability and readiness, the FY25 NDAA maintains rigorous oversight and, where appropriate, authorizes the divestment of legacy programs to allow for investment in modern systems. The bill also requires the development and implementation of a strategy for the Department of Defense (DoD) to resolve a series of deficiencies across the F-35 Joint Program.

To ensure the United States continues to address the interconnected nature of the challenges presented by the People's Republic of China and persistent threats posed by Russia, Iran, North Korea, and violent extremist groups, the FY25 NDAA reaffirms our commitments to allies and partners by resourcing both the European Deterrence Initiative and the Pacific Deterrence Initiative.



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**TABLE 1: FY25 NDAA Funding Levels**

| Budget Item                             | Amount (in billions of dollars) |
|---|---------------------------------|
| DoD Discretionary Base                  | 849.8                           |
| DoE Discretionary Base                  | 33.3                            |
| Defense-Related Activities              | 0.5                             |
| <b>FY25 NDAA Discretionary Topline*</b> | <b>883.7*</b>                   |

\*Does not include \$11.6 billion in national defense authorizations outside of HASC jurisdiction and other adjustments

## Summary of FY25 NDAA Provisions

### INVESTS IN PEOPLE

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Democratic priorities continue to be defined by the enduring belief that people—the service members and their families making enormous sacrifices every day so that we are safe, the workers powering America’s defense industrial base, the civil servants across the DoD working tirelessly to protect our country, and the scientists and researchers building technologies of the future—are the heart of America’s defense.

To ensure we can continue to recruit and retain the diverse and talented people needed to provide for our national defense, this year’s NDAA addresses quality of life needs by focusing on five core areas outlined by the bipartisan Quality of Life panel: pay and compensation, housing, health care, childcare, and spousal support.

#### Pay and Compensation

- 19.5% pay raise for junior enlisted service members (E-4 and below) and 4.5% basic pay increase for all other service members.
- Allocates funding to reverse the 5% reduction in Basic Allowance for Housing (BAH) and ensure BAH covers 100% of the calculated rate for the military housing area (MHA).



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- Requires the evaluation of the current calculation methods for Basic Allowance for Subsistence (BAS) to ensure that it offsets the costs of service members' meals.
- Raises the threshold for the Basic Needs Allowance (BNA) to 200% of federal poverty guidelines.
- Reevaluates how cost-of-living allowances are calculated so they include the appropriate costs of location-specific items such as food, tolls, and other fees that may be charged in the continental United States or outside the continental U.S.
- Allows service members and families to ship and store up to two privately owned vehicles during a permanent change of station move to certain overseas locations.
- Removes the 5-year time limitation on civilian employees serving in a competitive position overseas, allowing civilian employees to elect to stay in their position longer.

## **Housing**

- Requires the DoD's annual budget request to identify the cost to fully fund the Facility Sustainment, Restoration and Modernization (FSRM) accounts—which provide the funds to keep DoD facilities in good, working order—and reduce the backlog of required maintenance.
- Improves transparency and oversight of FSRM funds, including more congressional oversight.
- Requires DoD to designate personnel responsible for the oversight of unaccompanied housing, such as barracks.
- Requires a study on providing free wireless internet access to service members in all unaccompanied housing facilities.
- Requires a study that examines the life-cycle costs of service member housing through the lens of barracks policies for each military service.

## **Health Care**

- Assesses the effectiveness of current access standards to meet the healthcare needs of service members and their families.



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- Requires the Department to provide access to care data for all health care services available at each Military Treatment Facility with inpatient capabilities to have a better picture of where issues exist.
- Directs the Defense Health Agency to establish an access to care standard for beneficiaries who receive urgent referrals for specialty behavioral health care appointments.
- Expands access to specialty providers.
- Reevaluates hiring and retention authorities available for civilian medical providers.

## **Childcare**

- Fully funds childcare fee assistance programs to eliminate fee assistance wait lists for eligible families.
- It extends current maximum student-to-teacher ratios in Defense Department schools through the 2029-2030 school year.
- Authorizes \$50 million for local educational agencies with military dependent students and \$20 million for local educational agencies eligible to receive payment for children with severe disabilities.
- To recruit and retain DoD childcare personnel the FY25 NDAA:
  - Ensures pay for childcare staff at DoD childcare centers is competitive with private industry.
  - Implements additional benefits for childcare providers, including requiring all military services to provide free childcare to the first child of a childcare provider in a DoD Child Development Program and authorize the services to cover up to 100% of childcare fees for any additional children.
  - Assesses “Come Grow with Us,” a national childcare staff recruitment effort launched in 2021, which established partnerships with local colleges and universities to recruit students and recent graduates for childcare staff positions.
  - Directs the Government Accountability Office to conduct a study to determine the use and effectiveness of existing Non-Appropriated Fund employee hiring and retention authorities currently available for childcare workers.

## **Spousal Support**



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- Permanently authorizes the Military Spouse Career Accelerator Pilot which provides employment support to military spouses through a paid fellowship with employers across various industries.
- Permanently grants authority to DoD to make transferring professional licenses between states easier for military spouses.
- Reviews the Military Spouse Employment Partnership Program to make improvements.
- Expands eligibility for DoD Child Development Programs—both on and off-installation—for unemployed military spouses actively seeking employment.
- Extends the authority for noncompetitive appointments of military spouses by federal agencies until December 31, 2033.

## **INVESTS IN THE AMERICAN INDUSTRIAL BASE**

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The FY25 NDAA continues our commitment to building on federal investments in military readiness and our American industrial base by supporting infrastructure projects, industrial base resilience, and improving infrastructure that underpins defense innovation. As the U.S. continues to focus on force modernization, the FY25 NDAA builds on scientific and technological developments to ensure we can keep pace with key competitors while responding to emerging technologies and innovation. It strongly invests in modernization of both seapower and projection forces, tactical air and land forces, and strategic forces, ensuring readiness as well as promoting the fielding of more efficient and effective programs and systems.

### **Infrastructure**

- Authorizes over \$17.5 billion for military construction projects, including:
  - \$1.15 billion for the Pacific Deterrence Initiative,
  - \$300 million for new unaccompanied housing and child development centers,
  - \$500 million for improvement of government owned family housing including new construction, renovation, and design funds;
  - \$580 million for energy conservation and resiliency projects, and
  - \$75 million for environmental cleanup of remaining Base Realignment and Closure Site Act sites, for a total investment of more than \$521 million.
- Allows the Secretary of Defense to make grants or cooperative agreements with states to support public infrastructure projects that promote resilience of the Defense Industrial Base.



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- Requires the military departments to develop five-year plans for the improvement and modernization of defense innovation infrastructure including labs and other facilities focused on test, evaluation, research, and development.

### **Seapower and Projection Forces**

The FY25 authorizes \$32.4 billion in shipbuilding funding for the procurement of six battle force ships, including:

- Two Virginia-class submarines, restoring funding for a 2<sup>nd</sup> second Virginia class submarine to maintain the two-per-year build rate and ensure suppliers are not negatively impacted,
- Two DDG 51 Arleigh Burke destroyers,
- One amphibious transport dock ship (LPD),
- One Medium Landing Ship (LSM).
- Full funding of the Columbia class ballistic missile submarine program,
- Full funding of the B-21 Raider program,
- Funding for a new domestic built sealift ship,
- Funding for two C-130Js for the Navy Reserve, and
- Authorizing non-recurring engineering for the procurement of two C-130Js to support the polar airlift mission.

Further, the FY25 NDAA reauthorizes and raises the stipends for the Maritime Security Program and maintains sufficient force structure, capacity, and capability in part by divesting of aging and underperforming systems—including the divestment of 17 ships as requested by the Administration—freeing up more money and resources for more efficient and effective systems.

### **Tactical Air Land Forces**

Authorization for funding of key tactical and air and land forces procurements includes:

- 31 AH-64E Apaches, 24 H-60M Blackhawks, 12 CH-47 Block II Chinooks (two above the budget request), and 19 CH-53K King Stallion aircraft,
- Multi-year procurement authority for CH-53K aircraft and associated engines,
- 36 F-35A, 11 F-35B, and 11F-35C aircraft (10 fewer than requested),
- Funds freed up by the above reduction to F-35 procurement will be used to develop and test initiatives to improve the F-35 enterprise and allow for faster delivery in the future,
- 18 F-15EX aircraft in fiscal year 2025, and advanced procurement for 24 additional F-15 EX aircraft in fiscal year 2026, and



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- 89 armored multi-purpose vehicles, 33 M-10 Booker Combat Vehicles, 38 Stryker Combat Vehicles, 25 Paladins (five more than requested), 30 Abrams tanks, and 104 Marine Corps Amphibious Combat Vehicles.

### **Strategic Forces**

The FY25 NDAA authorizes increased missile defense capabilities by:

- Funding continued production of the Standard Missile-3 Block IB, after successful operational SM-3 engagements in the Middle East, and
- Including requested funding for interceptor procurements and supporting systems, such as the proliferated missile warning and track satellite architectures.

It supports the safety and security of the U.S. Nuclear Deterrent by:

- Requiring a “human-in-the-loop” for all actions critical to informing and executing decisions by the President with respect to nuclear weapon employment,
- Addressing the need for the Army Corps of Engineers and the National Nuclear Security Administration to coordinate on the location and removal of munitions and unexploded ordinance on tribal lands,
- Requiring the Department of the Air Force to submit a report with all Nunn-McCurdy documentation, including alternatives reviewed during the process, in accordance with the law,
- Requiring the DoD to provide cost estimates for Strategic Posture Commission recommendations being implemented, and
- Funding nuclear modernization efforts.

### **SCIENCE AND TECHNOLOGY**

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Science and technology are prioritized along with our domestic industrial base and military readiness. The FY25 NDAA authorizes \$143.3 billion in research, development, test, and evaluation to meet the immediate and projected force protection challenges. That includes \$16.7 billion for science and technology programs and includes provisions focused on cyber operations as well as efforts to adopt commercial capabilities with regards to the space domain and increase efforts to develop, improve and deploy regional missile defense capabilities. And the bill supports collaboration and partnerships with government, academia, and private companies. Specifically, the FY25 NDAA:



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- Allows DoD and U.S. companies and innovators to access NATO innovation ecosystems and investment opportunities by allowing DoD to participate in the NATO Innovation Fund, an over \$1 billion multi-sovereign investment venture capital fund which makes and leads equity investments in start-up ventures and venture funds.
- Makes it easier for colleges and universities to work with DoD by clarifying guidance for educational partnership agreements and requiring revised grant expenditure guidelines.
- Improves the Defense Innovation Unit's ability to attract and hire highly qualified staff.
- Requires DoD to create long-term investment strategies for key technologies in the fields of biotechnology and quantum information science.
- Establishes an organic capability within the DoD to test and evaluate commercially available dual use technologies, software-centric systems, and autonomous attritable systems rapidly, iteratively, and continuously prior to full system fielding – including testing and integration of novel concepts of operation and employment.
- Requires DoD to take actions directed at improving and streamlining authority to operate processes for software and information technology, a key enabler of more rapid and interactive development practices.
- Improves the ability of DoD to help innovative companies protect their intellectual property.

## **REAFFIRMS OUR COMMITMENT TO ALLIES AND PARTNERS**

As the rules-based international order continues to be challenged by the People's Republic of China (PRC), Russia, North Korea, Iran, and violent extremist organizations, the FY25 NDAA authorizes and builds on crucial investments in the United States' alliances and partnerships for the betterment of our national defense and to promote peace and stability around the world.

It resources both the European Deterrence and the Pacific Deterrence initiatives and assesses lessons learned from the recent coup in Niger and risk assessments for U.S. basing operations in each country in the Coastal West African region.

The FY25 NDAA looks to reinforce the United States' alliance with the Republic of Korea (ROK) and expresses the committee's support for U.S. cooperation with Taiwan in accordance with the Taiwan Relations Act. It examines U.S. military support and DoD





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roles and responsibilities throughout the Indo-Pacific, including in the Republic of Palau and Guam.

It authorizes the investment of \$3.9 billion in NATO support and for countering Russian aggression programs in the face of Vladimir Putin's brutal and unjustified war in Ukraine, making clear to all that the United States maintains its commitments and promises to friends and allies.

Additionally, the FY25 NDAA recognizes the importance of enhancing the ability of the procurement process to conclude and implement Non-Program of Record Contracting (NPOR) foreign military sale cases in a timely manner and requires a briefing on establishing a contracting office in the Army dedicated to processing NPOR cases. It also further extends the Defense Operational Resilience International Cooperation Pilot Program authority until 2027.

## **ADDRESSING CIVILIAN HARM AND PREVENTING CONFLICT**

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The FY25 NDAA builds on continuing efforts to reduce civilian casualties and prevent conflict. To that end, it requires a briefing on the progress toward full operational capability and the staffing and organization of the Civilian Protection Center of Excellence and Progress; it requires a feasibility study on establishing a Human Rights Office within U.S. Africa Command; and it encourages continued contributions to the Global Fragility Act (GFA) in fiscal year 2025 to include host country engagements and staffing in Washington, D.C. as well as a briefing on planned funding levels for GFA implementation in fiscal year 2025.

## **ENHANCES OVERSIGHT**

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The duty of Congress to provide oversight over the people and programs that provide for our national security and national defense as well as the support we provide to allies and partners is among the most important obligations we must fulfill for hardworking American taxpayers.

Oversight of major defense acquisition systems includes requirements for the Secretary of Defense to develop and implement a strategy to resolve a series of development and production deficiencies across the F-35 Joint Program. This includes a prohibition of the Secretary of Defense from accepting delivery of 10 of the 58 F-35 aircraft authorized in fiscal year 2025 until the Secretary certifies to Congress that all plans for the required acquisition strategy are complete and the department has begun implementation.