



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

Adam Smith, Ranking Member

Summary of the Fiscal Year 2025 National Defense Authorization Act

December 7, 2024

The Fiscal Year 2025 National Defense Authorization Act (FY25 NDAA) was anchored by the yearlong work and final report of the bipartisan Quality of Life panel, which focused on pay and compensation, housing, health care, childcare, and spousal support. The result is a 14.5% pay raise for junior enlisted service members and 4.5% pay raise for all other service members along with provisions focused on health care, housing, childcare, military spousal support, and civilian workforce benefits. Additionally, the FY25 NDAA supports reproductive healthcare by eliminating copays for contraceptives and establishes a demonstration program for cryopreservation and storage.

While adhering to budget levels set by the Fiscal Responsibility Act (FRA), the NDAA prioritizes innovation, technology, and modernization along with our domestic industrial base and military readiness. The FY25 NDAA authorizes \$143.8 billion in research, development, test, and evaluation to meet immediate and projected force protection challenges, \$17.5 billion for science and technology programs, \$33.5 billion in shipbuilding funding and for the procurement of seven battle force ships. Further, the bill authorizes over \$100 million for Historically Black Colleges and Universities and Minority Serving Institutions.

The FY25 NDAA maintains oversight and, where appropriate, authorizes divestment of aging and costly legacy programs to boost investment in modern systems. It 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. The bill further affirms our commitments to allies and partners by resourcing both the European Deterrence Initiative and the Pacific Deterrence Initiative and improving security cooperation.

House Armed Services Democrats were successful in blocking provisions that attacked DEI programs, the LGBTQ community, and women's access to reproductive health care. Also blocked were provisions that would have restricted support to Ukraine, prohibited DoD from supporting Palestinian refugees or the people of Gaza, further militarized our southern border, and lifted all restrictions on the controversial 1033 program, which provides excess military equipment to law enforcement agencies. However, the final text includes a provision that would prohibit medical intervention—which could result in sterilization—for military dependents under the age of 18 who are diagnosed with gender dysphoria.



TABLE 1: FY25 NDAA Funding Levels

Budget Item	Amount (in billions of dollars)
DoD Discretionary Base	849.9
DoE Discretionary Base	33.3
Defense-Related Activities	.5
FY25 NDAA Discretionary Topline*	883.7*

*Does not include national defense authorizations outside of HASC jurisdiction and other adjustments.

Summary of FY25 NDAA Provisions

INVESTS IN PEOPLE

Pay and Compensation

- 14.5% pay raise for junior enlisted service members (E-4 and below) and 4.5% basic pay increase for all other service members.
- Requires the evaluation of the current calculation methods for Basic Allowance for Subsistence (BAS) to a realistic allowance for 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.
- Authorizes funding for a comprehensive marketing, recruiting, and public relations campaign to expand the maritime workforce.
- Expands Junior Reserves Officers' Training Corps programs.



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Health Care

- Eliminates copays for eligible TRICARE beneficiaries for contraceptives acquired through retail pharmacies and the national mail-order pharmacy.
- Establishes a 3-year Demonstration Program on Cryopreservation and Storage.
- Continues the expansion and oversight of DoD's Defense Warfighter Brain Health Initiative.
- Expands efforts to mitigate and treat blast overpressure-related injuries.
- Requires the Department to provide access to specialty medical providers.
- Establishes an Indo-Pacific Medical Readiness Program.
- Expands license portability for health care providers who provide medical services to reservists.
- Establishes a program to prevent and manage perinatal mental health conditions.
- Provides tele-mental health care services to service members and their dependents regardless of the location of the provider or patient.
- Continues oversight with respect to the medical malpractice claims process,
- Improves medical recruiting through an increase in the Health Professions Scholarship bonus.
- Addresses backlogs in recruit medical processing by providing reimbursement for medical exam costs during military entrance processing and accelerates review of medical records.

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.
- Sets a statutory minimum level of investment for each military department to ensure adequate investment in facilities maintenance, sustainment, restoration, and modernization.
- Adds \$177 million in military construction design funds to accelerate replacement of poor and failing unaccompanied housing and barracks.
- Amends FY24 NDAA to require the DoD to provide a digital maintenance system to residents in unaccompanied housing which allows them to submit maintenance work orders, similar to what is required of military family housing.



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- Requires DoD to develop and implement standard criteria for a digital facilities management system that will track individual facility maintenance conditions as well as required and planned maintenance actions at the individual building level.
- Requires Secretary of Defense to develop a policy for the military services to provide free internet to service members living in barracks.

Childcare

- Fully funds childcare fee assistance programs to eliminate fee assistance wait lists for eligible families.
- Requires DoD to initiate a pilot program to establish inclusive playgrounds at military installations to support service members with dependents in the exceptional family member program for children with special needs.
- 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,
 - Requires the Department of Defense Education Activity (DODEA) to develop an overseas educator transfer policy to teachers can transfer between schools overseas and requires a feasibility analysis on creating a DoDEA fellowship for education support professionals (which includes clerical service workers, custodial staff, and paraeducators within DoDEA) who are interested in becoming qualified educators with DoDEA, and
 - Requires local educational agencies to provide military recruiters the same access provided to any prospective employer, institution of higher education, or other recruiters.

Spousal Support

- Extends 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.



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- Expands eligibility for DoD Child Development Programs—both on and off-installation—for unemployed military spouses actively seeking employment.

National Guard

- Requires the U.S. Air Force to transfer certain space functions of the Air National Guard to the U.S. Space Force.

INVESTS IN THE AMERICAN INDUSTRIAL BASE

Infrastructure

- Authorizes over \$17.5 billion for military construction projects, including:
 - \$2 billion for the Pacific Deterrence Initiative,
 - \$377 million for new unaccompanied housing and child development centers,
 - \$683 million for improvement of government owned family housing through new construction,
 - \$674 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.

Further, the FY25 NDAA 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 and it 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 NDAA authorizes \$33.5 billion in shipbuilding funding for the procurement of seven battle force ships, including:

- One Virginia-class submarine, with incremental funding authority for a second ship and funding for additional material and support,
- Three DDG 51 Arleigh Burke destroyers, one above the budget request,
- One amphibious transport dock ship (LPD),
- One Medium Landing Ship (LSM),



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- Authorizes advanced procurement for a block buy of amphibious ships saving nearly \$1 billion,
- 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
- Funding of two C-130Js to support the polar airlift mission.

Further, the FY25 NDAA achieves several billion dollars in savings by allowing the Department to divest aging and underperforming systems—including the decommissioning of outdated ships and aircraft 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:

- 92 strike/fighter aircraft (F-15EX, F-35A/B/C),
- 93 rotary-wing aircraft (AH-64E, CH-47F, CH-53K, MH-139, UH-60), and
- 306 combat vehicles (Abrams, ACV, AMPV, M-10, PIM, Stryker).

The bill also maintains sufficient force-structure by:

- Requiring the Secretaries of the Air Force and the Navy to report to Congress on the sufficiency of inventory of air-to-air missiles through FY29, including an assessment of the capability of existing missile systems to meet known combatant commander requirements against known threats,
- Requiring a Federally Funded Research and Development Center to analyze the Air Force's fighter aircraft procurement, fielding, and divestment plan, comparing that plan to known combatant commander requirements, and then providing an operational risk assessment of the plan,
- Reversing the Air Force's plan to retire F-15E aircraft, and prohibiting retirement of any of these aircraft until September 30, 2027, and
- Authorizing the retirement of A-10 aircraft per the President's Budget request.

Strategic Forces

The FY25 NDAA addresses space as a critically important defense and commercial domain by continuing to push DoD to adopt and integrate commercial capabilities into government systems. This includes:



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- Establishing a hybrid architecture pilot, which would allow the linking of DoD, government, private sector, and commercial satellite ground stations,
- Allowing for a commercial augmentation space reserve, and
- Requiring a yearly assessment on implementation of the 2024 commercial space strategy.

It 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,
- Requesting funding for interceptor procurements and supporting systems, such as the proliferated missile warning and track satellite architectures, and
- Requiring the Assistant Secretary of the Air Force for Space Acquisition and Integration to maintain a contractor responsibility watch list and hold contractors accountable for poor performance.

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

- Establishing a Statement of Policy regarding artificial intelligence and the employment of nuclear weapons, emphasizing the requirement of positive human interaction in decisions by the President to launch such weapons,
- Requiring more oversight and increased competition in the Sentinel program, seeks to modernize the land-based leg of the U.S. nuclear triad, and
- Funding nuclear modernization efforts.

INVESTS IN SCIENCE AND TECHNOLOGY

Science and technology are prioritized along with our domestic industrial base and military readiness. The FY25 NDAA authorizes \$143.8 billion in research, development, test, and evaluation to meet the immediate and projected force protection challenges. It authorizes \$17.5 billion for science and technology programs, including \$100 million for research at HBCU and Minority Serving Institutions. The bill also elevates the Joint Force Headquarters-Department of Defense Information Network under U.S. Cyber Command and requires the establishment of a working group to develop and coordinate an artificial intelligence initiative among allies and partners. It also supports collaboration and partnerships with government, academia, and private companies and looks to adopt commercial capabilities to develop, improve and deploy defense capabilities.

Specifically, the FY25 NDAA:



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- Allows defense laboratories to provide direct financial assistance for educational partnership agreements,
- Accelerates the DARPA Quantum Benchmarking Initiative to rapidly expand and support development of key quantum capabilities available to DoD,
- Requires DoD to review obligation and expenditure policies for basic and applied research at academic institutions to mitigate friction caused by mismatched academic and fiscal years,
- Requires measures to improve the cybersecurity of mobile devices used by DoD, including mitigating risks to DoD from cyber attacks against mobile devices,
- Requires the creation and implementation of a strategy to use modern data formats across DoD,
- Improves and streamlines the Authority to Operate process for information technology, and
- Requires the creation of a DoD biotechnology roadmap.

INVESTS IN ENVIRONMENT AND ENERGY

The FY25 NDAA includes provisions designed to promote energy efficient practices and lessen environmental impacts while focusing on threats to the environment and the health of service members by requiring DoD to procure PFAS-free cleaning products to the extent practicable and repealing the limitation on procurement of drop-in biofuels/sustainable available fuel.

REAFFIRMS OUR COMMITMENT TO ALLIES AND PARTNERS

The FY25 NDAA resources both the European Deterrence and the Pacific Deterrence initiatives. It improves DoD's ability to execute security cooperation by extending the availability of funds for security cooperation programs over three years. It extends the Defense Resilience International Cooperation (DORIC) pilot program through 2027 with increases of the annual cap on expenditures under the authority to \$15 million per year. DORIC authorizes engagement with military forces of partner countries on defense-related environmental and operational energy issues.

It authorizes a Taiwan Security Cooperation Initiative, modeled after the Ukraine Security Assistance Initiative, to enable Taiwan to maintain sufficient self-defense capabilities consistent with the Taiwan Relations Act.

It also authorizes the Secretary of Defense to support the Coast Guard in executing existing maritime laws agreed upon between the U.S. and friendly countries to combat transnational crimes, including illegal, unreported, and unregulated fishing.



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ADDRESSING CIVILIAN HARM AND PREVENTING CONFLICT

The FY25 NDAA builds on continuing efforts to reduce civilian casualties and enhance stability by extending the annual report on civilian casualties in connection with U.S. military operations by five years and extending the Women, Peace, and Security program by two years.

ENHANCES OVERSIGHT

Oversight of major defense acquisition systems in the FY25 NDAA include requirements for the Secretary of Defense to develop and implement a plan to resolve a series of development and production deficiencies across the F-35 Joint Program to facilitate delivery of the final 20 of 68 F-35 aircraft authorized in fiscal year 2025. It also requires greater oversight and increased competition in the Sentinel Program and increases oversight for lethal autonomous weapon systems.

The FY25 NDAA creates a team to implement recommendations of the Commission on Planning, Programming, Budgeting, and Execution Reform.

Oversight of U.S. assistance to allies and partners includes amending reporting on DoD's assessment, monitoring, and evaluation of security cooperation programs and activities to include challenges associated with executing such programs. It requires an updated plan for DoD to modernize and streamline information technology systems to improve tracking of defense equipment transfers and end-use monitoring functions. Additionally, it establishes an enduring Continuous Process Improvement Board to serve as a structure within DoD to find ways to improve DoD's foreign military sales (FMS) process and requires an assessment on the feasibility and advisability of establishing a dedicated contracting capacity to support the FMS process.