



FY2022 NDAA: President's Budget Request

November 19, 2021

The annual National Defense Authorization Act (NDAA) typically authorizes discretionary funding for nearly all Department of Defense (DOD) programs and for certain other defense-related activities. While the NDAA does not appropriate funding (i.e., provide *budget authority*), the legislation establishes or continues defense programs, projects, or activities, and provides guidance on how appropriated funds are to be used in carrying out those efforts. (The statutory requirement for annual authorization of appropriations for defense programs is codified at [10 U.S.C. §114](#).)

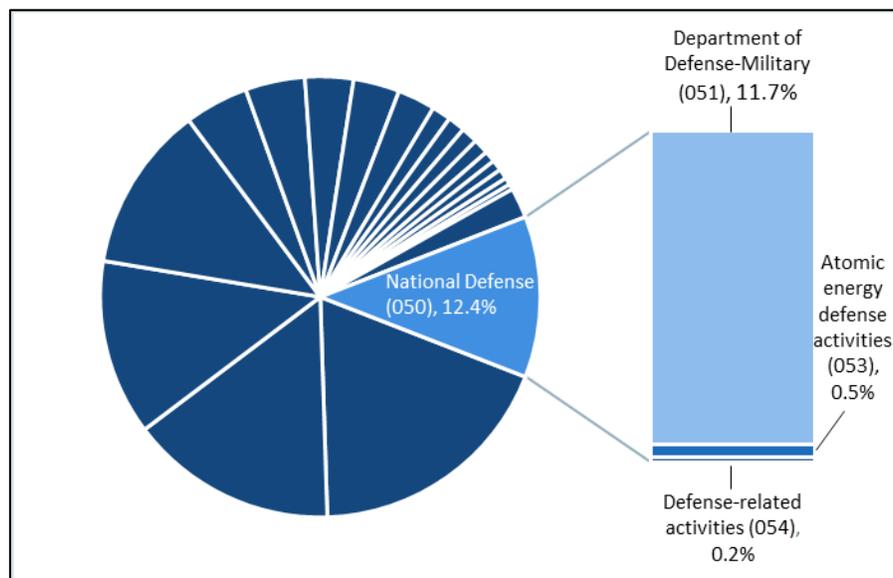
The FY2022 President's budget requested more than \$6 trillion in discretionary and mandatory funding, of which **\$768.3 billion** (12.4%) was for activities within the national defense budget function. The latter is \$14.3 billion (1.9%) more than the FY2021 level, excluding funds provided by the Emergency Security Supplemental Appropriations Act, 2021 ([P.L. 117-31](#)).

National defense is one of 20 major functions used by the Office of Management and Budget (OMB) to organize budget data and the largest in terms of discretionary funding. Identified by the numerical notation 050, the [national defense budget function](#) is the broadest measure by which the U.S. government categorizes defense funding. The function comprises the following subfunctions:

- **Department of Defense (DOD)-Military (identified by the notation 051)**, which includes military and intelligence activities of the DOD;
- **Atomic energy defense activities (053)**, which includes nuclear weapons and reactor programs of the Department of Energy; and
- **Defense-related activities (054)**, which includes national security activities of several other agencies, such as Federal Bureau of Investigation counterintelligence activities.

[Historically](#), DOD has accounted for the bulk—approximately 95%—of funding within the national defense budget function. For FY2022, the Administration [requested](#) \$727.9 billion for DOD-Military (11.7% of the federal budget); \$29.9 billion for atomic energy defense activities (0.5%); and \$10.5 billion for defense-related activities (0.2%) (see [Figure 1](#)).

Figure I. FY2022 Budget Request by National Defense Budget Function and Subfunctions
(in percentages of total budget authority)



Source: CRS analysis of GPO, *Budget of the U.S. Government Fiscal Year 2022*, Analytical Perspectives, Table 20.1, “Policy Net Budget Authority by Function, Category, and Program,” at <https://www.govinfo.gov/content/pkg/BUDGET-2022-PER/pdf/BUDGET-2022-PER-8-5-1.pdf>.

Notes: Includes discretionary and mandatory funding.

The national defense budget request included \$752.9 billion in discretionary funding and \$15.4 billion for mandatory funding. In general, funding for discretionary programs is provided in appropriations acts; while funding for mandatory programs (e.g., Social Security, Medicare, and Medicaid) is controlled by other laws. For DOD, most discretionary programs are funded in major appropriation titles, such as operation and maintenance (O&M), military personnel (MILPERS), procurement, and research, development, test, and evaluation (RDT&E); while mandatory programs include, among other things, certain retirement benefits (e.g., *concurrent receipt* payments to the military retirement fund for disabled military retirees to receive both retirement pay and VA disability compensation pay).

The vast majority (approximately 97%) of funding in the national defense budget request falls within the scope of the NDAA. The legislation generally authorizes discretionary funding for almost all programs in the 051 and 053 subfunctions, and relatively few programs in the 054 subfunction. The latter includes certain Department of Transportation (DOT) Maritime Administration (MARAD) activities (e.g., Maritime Security Program).

The national defense budget request included approximately \$743 billion for discretionary programs within the scope of the NDAA, according to page 350 of the House Armed Services Committee (HASC) report (H.Rept. 117-118) accompanying its version of the FY2022 NDAA (H.R. 4350) and page 381 of the Senate Armed Services Committee (SASC) report (S.Rept. 117-39) accompanying its version of the legislation (S. 2792). (The reports include a slight difference in total amounts listed in the column for “FY 2022 Request” because HASC typically authorizes appropriations for the aforementioned MARAD activities. While the SASC does not typically authorize appropriations for these activities, the final version of the NDAA typically does.)

The House-passed NDAA would authorize a total of \$768.1 billion—\$25 billion (3.4%) more than the request, according to H.Rept. 117-118 and CRS analysis of the legislation. The Senate Armed Services

Committee (SASC)-reported version of the bill ([S. 2792](#)) would authorize a similar level, \$767.7 billion—\$25 billion (3.4%) more than the request, according to (S.Rept. 117-39) (see [Table 1](#)).

Table 1. Discretionary Authorizations within the FY2022 National Defense Authorization Act (NDAA; H.R. 4350, S. 2792)

(in billions of dollars of budget authority)

Budget Subfunction Name	Notation	FY2022 Request	House-passed NDAA (H.R. 4350)	SASC-reported NDAA (S. 2792)	FY2022 Enacted NDAA
Department of Defense-Military	051	\$714.8	\$739.5	\$740.0	
Atomic Energy Defense Programs	053	\$27.9	\$28.2	\$27.7	
Defense-Related Activities (MARAD programs)	054	\$0.4	\$0.4	\$0.0 ^a	
National Defense, Total	050	\$743.1	\$768.1	\$767.7	

Source: House Armed Services Committee (HASC) report ([H.Rept. 117-118](#)) accompanying its version of the FY2022 NDAA ([H.R. 4350](#)), “National Defense Budget Authority Implication,” p. 350; and SASC report ([S.Rept. 117-39](#)) accompanying its version of the FY2022 NDAA ([S. 2792](#)), “Summary of National Defense Authorizations for Fiscal Year 2022,” p. 381.

Notes:

- a. For the defense-related activities budget subfunction (054), HASC typically authorizes appropriations for certain Department of Transportation (DOT) Maritime Administration (MARAD) activities (e.g., Maritime Security Program). While the Senate Armed Services Committee typically does not authorize appropriations for these activities, the final version of the NDAA does.

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