

# FY2023 NDAA: Military Construction Authorizations

August 23, 2022

For the fiscal year 2023 National Defense Authorization Act (FY2023 NDAA), the [President's budget](#) requested [\\$12.2](#) billion for Department of Defense (DOD) Military Construction (MILCON) accounts. As deliberation over the FY2023 NDAA ([H.R. 7900](#); S. 4543) continues, Congress may debate additional funding authorizations for MILCON projects. The House-passed version of the bill would authorize \$4.3 billion more than requested, while the Senate Armed Services Committee-reported version of the bill would authorize \$5.1 billion more than requested. Both measures also include provisions that would address military housing issues, which have been of particular interest to Congress (see [Table 1](#)).

Congress typically authorizes funding for MILCON projects in Division B of the annual NDAA.

In general, DOD MILCON accounts fund military construction projects; major infrastructure improvements; land acquisition; construction and operation of military family housing; privatized housing through the Family Housing Improvement Fund and the Military Unaccompanied Housing Improvement Fund; construction and environmental cleanup projects required by the Base Realignment and Closure Commission ([BRAC](#)) process; and contributions to the North Atlantic Treaty Organization (NATO) Security Investment Program, which [funds](#) infrastructure projects and cost-sharing expenses for collective defense.

## President's Budget Request

The [President's](#) FY2023 [budget](#) requested [\\$12.2](#) billion to fund military construction, family housing, BRAC activities, and related discretionary funding—\$1.1 billion (8%) less than the [enacted](#) FY2022 level of \$13.3 billion. The [request](#) included \$9.9 billion in military construction authorities, \$2.0 billion in family housing accounts and \$284.6 million for BRAC activities. In terms of dollar value, some of the largest requested stand-alone projects included:

- [\\$621 million](#) to build a dry dock replacement at Joint Base Pearl Harbor-Hickam, HI;

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- [\\$503 million](#) for a multimission dry dock extension at the Portsmouth Naval Shipyard in Kittery, ME, which would support the maintenance and overhaul of the Navy's Virginia-class fast-attack submarines;
- [\\$329 million](#) for unspecified energy conservation and improvement programs;
- [\\$214 million](#) to construct a nuclear maintenance facility at Naval Submarine Base Kings Bay, GA; and
- [\\$201 million](#) to build a new maintenance hangar and airfield for F-35C aircraft at Naval Air Station Lemoore, CA.

## House-Passed FY2023 NDAA

The House-passed FY2023 NDAA (H.R. 7900) would authorize [\\$16.5 billion](#) for military construction projects and related funding—\$4.3 billion (35%) more than the President's request. The bill includes a total of \$3.5 billion in combined budget line item increases for inflation in the [Army](#), [Navy](#), [Air Force](#), [Defense-wide](#) and [reserve components'](#) budgets.

H.R. 7900 would authorize numerous projects not included in the President's budget request, including [\\$108.6 million](#) for new bachelor enlisted quarters at Marine Corps Base Kaneohe Bay, HI; [\\$89.0 million](#) for a Secure Integration Support Lab at Kirtland Air Force Base's remote experimental site located in Maui, HI; and [\\$61.0 million](#) for a new Joint Operations Center at Fort Polk, LA.

The House legislation would also authorize \$329 million to fund new power generation facilities, [microgrids](#) and other energy improvements at 18 specific military installations, part of an effort to improve energy resiliency gaps (H.Rept. 117-397).

The House version of the bill also includes 40 specific military construction projects listed among the [Community Project Funding Items](#), which were requested by individual lawmakers.

Congressional debate over military housing issues, in particular the privatization of transient lodging facilities, is also expected during NDAA consideration. The House-passed bill would require the Navy and Air Force to begin the process of privatizing all transient housing (i.e., housing occupied temporarily by servicemembers on travel for temporary duty). The Army initiated a [similar privatization](#) effort in 2009 with the aim of improving the condition of Army lodging.

## Senate Armed Services Committee-Reported FY 2023 NDAA

The Senate Armed Services Committee (SASC)-reported FY2023 NDAA (S. 4543) would authorize a total of [\\$17.3 billion](#) for military construction, family housing and related funding—\$5.1 billion (43%) more than the President's budget request. The bill would authorize [\\$14.7 billion](#) for military construction accounts and [\\$2.3 billion](#) total for family housing.

S. 4543 would add several projects not included in the President's budget request, including [\\$421 million](#) for construction of a Joint Intelligence Analysis Complex at Royal Air Force Molesworth in the United Kingdom. The bill would also authorize [\\$235 million](#) for Offutt Air Force Base, NE, to complete natural disaster recovery efforts following the [2019 flood](#) that damaged the installation.

The SASC-reported bill, similar to the House-passed version, would also authorize \$329 million to fund new energy conservation projects at 18 installations, according to CRS analysis of [Section 2402](#) of the legislation. The specific projects at the 18 installations listed in the SASC-reported bill are the same as the list of projects authorized in the House-passed version of the bill.

S. 4543 would also authorize additional appropriations for military construction cost increases due to inflation across numerous line items throughout the bill. The accompanying report (S.Rept. 117-130)

includes dozens of increases for inflation throughout the funding tables but does not include—unlike the House version of the bill—subtotals for the overall increase attributed to inflation.

**Table 1. FY2023 Military Construction Authorizations**

(in billions of current U.S. dollars of budget authority)

<b>MILCON Accounts</b>	<b>Enacted FY2022 NDAA (P.L. 117-81)</b>	<b>FY2023 President's Budget Request</b>	<b>House-passed FY2023 NDAA (H.R. 7900)</b>	<b>SASC-reported FY2023 NDAA (S. 4543)</b>
Military Construction	11.48	9.91	14.13	14.73
Family Housing	1.48	1.95	1.95	2.3
BRAC	0.38	0.28	0.38	0.29
Total Military Construction Authorization	13.35	12.15	16.47	17.33

**Source:** Figures are from funding tables published in the House and Senate Armed Services Committees' reports (H.Rept. 117-397 and S.Rept. 117-130) accompanying their versions of the FY2023 NDAA (H.R. 7900 and S. 4549). Figures in the "Enacted FY2022 NDAA" column are from the [Joint Explanatory Statement](#) accompanying the FY2022 NDAA (P.L. 117-81).

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