

FY2025 Defense Appropriations: Summary of Funding

September 18, 2024

Congress annually determines whether to [authorize and/or appropriate](#) funds for the Department of Defense and related activities at amounts greater than, less than, or equal to a presidential administration's requests. The Department of Defense Appropriations Act is one of 12 appropriations measures typically reported by the House and Senate Committees on Appropriations. The act funds U.S. Department of Defense (DOD) military programs except for military construction and family housing. It also funds certain activities of the [intelligence community \(IC\)](#). This product summarizes funding levels in House (H.R. 8774; H.Rept. 118-557) and Senate (S. 4921; S.Rept. 118-204) versions of a Department of Defense Appropriations Act, 2025. See **Table 1**.

On March 11, 2024, the Biden Administration released an FY2025 budget requesting a total of \$7.484 trillion in new budget authority. Of this total, DOD requested \$849.8 billion (11.35% of the federal request) in discretionary funding and \$22.4 billion (or 0.3%) in mandatory funding. Of the discretionary total, DOD identified [\\$832.2 billion](#) associated with the Department of Defense Appropriations Act, 2025, including \$11.0 billion in mandatory [contributions](#) to the Medicare-Eligible Retiree Health Care Fund (MERHCF) that are scored as DOD discretionary spending. According to H.Rept. 118-557 and S.Rept. 118-204, the portion of the President's budget request associated with the annual defense appropriation act totaled [\\$833.4 billion](#). In addition to MERHCF, these figures include DOD's discretionary contribution of \$0.6 billion to an IC Management Account administered by the Director of National Intelligence and a mandatory contribution of \$0.5 billion to the Central Intelligence Agency (CIA) Retirement and Disability System.

DOD's FY2025 discretionary budget request—often called the *base budget*—presented the Biden Administration's view of the funds required to implement the National Defense Strategy under acceptable risk and “consistent with the mandatory caps approved by Congress under the Fiscal Responsibility Act of 2023” (FRA; P.L. 118-5). The base budget request *excluded* DOD [unfunded priorities](#) submitted to Congress in accordance with [10 USC §222a](#), [10 USC §222b](#) and [10 USC §222e](#), along with any [supplemental funding requests](#).

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IN12425

Statutory Spending Limits: FRA

The FRA amended the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA; P.L. 99-177) to set limits on new defense and non-defense discretionary budget authority for FY2024 and FY2025. Under FRA for FY2025, new discretionary budget authority is capped at \$895.2 billion for national defense programs, or 4.3% above enacted FY2023 base funding levels. Because multiple appropriations bills provide funding for national defense programs, funding totals in the Department of Defense Appropriations Act, 2025 must be aligned with totals in other appropriations bills.

To comply with statutory provisions of the FRA and BBEDCA, along with [congressional procedures](#) under the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344), the House Appropriations Committee (HAC) on May 23, 2024 voted on [initial allocations](#) of budget authority across all 12 appropriations measures. Under these “302(b) allocations,” the Department of Defense Appropriations Act, 2025 would appropriate \$833.1 billion in new discretionary budget authority. The House-passed version of H.R. 8774 would appropriate this discretionary amount, [\\$833.1 billion](#) (see below), excluding the CIA Retirement Fund (\$0.5 billion) and including MERHCF (\$11.0 billion).

The Senate Appropriations Committee (SAC) released 302(b) allocations on July 10 (S.Rept. 118-190), July 24 (S.Rept. 118-197), and July 31, 2024 (S.Rept. 118-203). S.Rept. 118-204 accompanying the SAC-reported S. 4921 reflects July 31 suballocations, with [\\$830.7 billion](#) allocated for new defense discretionary budget authority.

If Congress were to seek to increase appropriations for DOD military programs beyond the applicable FRA spending limits, it would typically be accomplished by designating new budget authority as for “emergency requirements” under the BBEDCA. SAC-reported S. 4921 took this approach, designating an additional [\\$20.8 billion](#) in new budget authority as emergency requirements. As a result, the SAC-reported version of S. 4921 includes \$830.7 billion in discretionary defense authority subject to FRA limits, plus \$20.8 billion in emergency requirements, \$0.2 billion in non-defense discretionary transfers to other agencies, and \$0.5 billion in mandatory funding, for a total of [\\$852.2 billion](#).

House-passed H.R. 8774

The House-passed version of H.R. 8774 included \$833.0 billion in discretionary budget authority for DOD military programs and \$0.5 billion for mandatory programs (see **Table 1**.) The discretionary total is “\$8.57 billion (1%) above the Fiscal Year 2024 [enacted] level and consistent with the limit set in law by the Fiscal Responsibility Act,” according to HAC. The House-passed version of the bill did not contain funding designated for emergency requirements, which would be exempt from FRA and BBEDCA spending limits.

In terms of major DOD appropriation titles, and accounting for floor amendments not included in H.Rept. 118-557, the House-passed version of H.R. 8774 provided more funding than requested for military personnel (MILPERS, +\$1.8 billion, or +1.0%) and research, development, test, & evaluation (RDT&E, +\$3.4 billion, or +2.3%); and less funding than requested for procurement (-\$1.3 billion, or -0.8%) and operation and maintenance (O&M, -\$2.7 billion, or -0.9%). The bill also included [\\$1.2 billion](#) in *rescissions*, which cancel available budget authority for unspent funds from prior years.

SAC-reported S. 4921

The SAC-approved version of S. 4921 included \$830.9 billion in discretionary budget authority subject to FRA limits, plus \$0.5 billion for mandatory programs and [\\$20.8 billion](#) in emergency requirements exempt from FRA limits, for a total of \$852.2 billion, which is a “[\\$27.2 billion, or 3.3% increase over fiscal year 2024](#)” enacted totals from Division A of the Further Consolidated Appropriations Act, 2024 (see **Table 1**), according to SAC.

The SAC-reported version of S. 4921 provided more funding than requested for O&M (+\$4.3 billion, or +1.4%), procurement (+\$8.5 billion, or +5.1%), and RDT&E (+\$2.0 billion, or 1.4%); and less funding than requested for MILPERS (-\$1.2 billion, or -0.7%). The bill included **\$0.6 billion** in rescissions of available prior year budget authority, but added a total of \$20.8 billion in emergency-designated requirements across MILPERS (\$0.1 billion), O&M (\$4.8 billion), procurement (\$9.1 billion), RDT&E (\$3.4 billion), other DOD programs (\$0.1 billion), and General Provisions (\$3.2 billion) bill titles.

Table I. Department of Defense Appropriations Act, 2025 summary funding
(in billions of nominal dollars of budget authority, by title)

Appropriations Bill Title ^a	FY2024 Enacted (P.L. 118- 47, Div. A)	FY2025 Request	FY2025 House- passed (H.R. 8774)	SAC- approved (S. 4921)
Title I: Military Personnel ^b	\$176.2	\$181.9	\$183.7	\$180.7
TRICARE for Life ^c	\$10.6	\$11.0	\$11.0	\$11.0
Title II: Operation and Maintenance (O&M) ^d	\$287.2	\$296.3	\$293.6	\$300.6
Title III: Procurement	\$172.0	\$166.8	\$165.4	\$175.2
Title IV: RDT&E	\$148.3	\$143.2	\$146.5	\$145.1
Title V: Revolving and Management Funds ^e	\$1.8	\$1.7	\$1.7	\$1.8
Title VI: Other DOD Programs [including O&M Defense Health Program] ^f	\$42.7	\$42.5	\$43.6	\$43.0
Title VII: Related Agencies ^g	\$1.1	\$1.2	\$1.2	\$1.1
IC Mgmt. Account	\$0.6	\$0.7	\$0.6	\$0.6
(Mandatory) CIA Retirement Fund	\$0.5	\$0.5	\$0.5	\$0.5
Title VIII: General Provisions	\$-4.4	\$-0.2	\$-2.2	\$4.5
Rescissions	\$-2.6	-	\$-1.2	\$-0.6
Total, Discretionary	\$824.5	\$832.9	\$833.1	\$851.6
Emergency-designated discretionary	-	-	-	\$20.8
Total, Mandatory	\$0.5	\$0.5	\$0.5	\$0.5
Grand Total (including scorekeeping adjustments)	\$825.0	\$833.4	\$833.6	\$852.2

Source: CRS analysis of Department of Defense, *Defense Budget Overview: United States Department of Defense Fiscal Year 2025 Budget Request*, March 2024, p. A-7; H.R. 8774; S. 4921; H.Rept. 118-557; and S.Rept. 118-204.

Notes: FY2024 Enacted excludes \$67.3 billion in emergency supplemental funding provided by P.L. 118-50. FY2025 House-passed values account for floor amendments adopted after publication of H.Rept. 118-557 and appearing in the enrolled

bill text. “RDT&E” means research, development, test, and evaluation; “IC” means intelligence community; “Misc.” means miscellaneous. Grand Totals include CBO scorekeeping adjustments.

- a. H.Rept. 118-557 accompanying H.R. 8774 lists eight bill titles and depicts TRICARE for Life accrual payments as part of Title I, Military Personnel.
- b. Military Personnel appropriation totals *include* TRICARE for Life accrual payments.
- c. “[TRICARE for Life](#)” here refers to Medicare-Eligible Retiree Health Care Fund accrual payments, scored as discretionary spending but appropriated (or transferred from the Treasury General Fund) pursuant to standing law ([10 U.S.C. Chapter 56](#)).
- d. O&M funding is often presented in DOD budget request [documents](#) as including Defense Health Program funding. By contrast, funding tables in congressional appropriations measures typically present the Defense Health Program in a separate title of the bill from the O&M title. As a result, different primary sources may appear to display contradictory values for O&M requested or enacted amounts. This table presents FY2025 Requested in a manner consistent with legislative titles in congressional appropriations measures.
- e. “Revolving and Management Funds” include Defense Working Capital Fund and National Defense Stockpile Transaction Fund.
- f. “Other DOD Programs” includes the Defense Health Program; Chemical Agents and Munitions Destruction, Defense; Drug Interdiction and Counter-Drug Activities, Defense; and Office of the Inspector General activities.
- g. H.Rept. 118-557 (p. 254) indicates that Title VII of the bill (“Related Agencies”) includes account adjustments for “National and Military Intelligence Programs” located “in a separate, detailed, and comprehensive classified annex.” The report further indicates that this classified annex details funding for “the Central Intelligence Agency (CIA), Defense Intelligence Agency, National Reconnaissance Office, National Security Agency, National Geospatial-Intelligence Agency, the intelligence services of the Departments of the Army, Navy, and Air Force, and the CIA Retirement and Disability Fund.” (Similar language exists in S.Rept. 118-204.) Funding amounts for classified programs detailed in the annex are incorporated into budget displays within the unclassified bill text. As noted, funds appropriated to the CIA Retirement and Disability Fund are mandatory spending.

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