



FY2025 NDAA: Military Construction and Housing Authorizations

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In 2024, the House passed the Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025 (FY2025 NDAA; H.R. 8070). The Senate reported a draft FY2025 NDAA (S. 4638). Then-President Biden signed it into law (P.L. 118-159) on December. 23, 2024. The law authorized \$17.545 billion for Department of Defense (DOD) military construction (MILCON) and family housing programs, an amount equal to the Biden Administration's request for FY2025. The requested amount was 6% less than the \$18.675 billion enacted for MILCON and family housing for FY2024. A joint explanatory statement accompanied the enacted bill.

Details of the funding levels for selected MILCON and family housing accounts are contained in **Table 1**. The table compares the enacted version of P.L. 118-59 with the President's FY2025 request and earlier versions of an FY2025 NDAA that had been passed by the House; (H.R. 8070). and reported in the Senate (S. 4638).

Table 1. FY2025 NDAA Authorizations for Selected Military Construction Accounts (in thousands of dollars of discretionary budget authority)

	FY2025 Request	House-passed H.R. 8070	Senate- reported S. 4638	P.L. 118- 59Error! Reference source not found.
Military Construction, Army	\$2,311,157	\$2,149,957	\$2,361,328	\$2,485,657
Military Construction, Navy	\$4,540,899	\$4,104,429	\$6,547,616	\$4,089,622
Military Construction, Air Force	\$3,187,126	\$3,410,837	\$3,568,766	\$3,532,416
Military Construction, Defense-wide	\$3,733,163	\$3,636,722	\$3,735,946	\$3,187,950
Military Construction, Army National Guard	\$362,129	\$448,529	\$555,181	\$477,329
Military Construction, Air National Guard	\$190,792	\$238,792	\$314,192	\$296,692

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	FY2025 Request	House-passed H.R. 8070	Senate- reported S. 4638	P.L. 118- 59Error! Reference source not found.
Military Construction, Army Reserve	\$255,032	\$429,032	\$352,632	\$351,032
Military Construction, Navy and Marine Corps Reserve	\$29,829	\$114,829	\$104,829	\$39,829
Military Construction, Air Force Reserve	\$69,263	\$121,263	\$96,283	\$137,863
NATO Security Investment Program	\$433,864	\$433,864	\$463,864	\$463,864
Family Housing ^b	\$1,983,864	\$1,933,864	\$1,965,864	\$1,809,864
Base Realignment and Closure (BRAC)	\$447,961	\$522,961	\$447,961	\$522,961
INDOPACOM MILCON Pilot ^c	\$0	\$0	\$150,000	\$150,000
Total Military Construction, Family Housing and BRAC	\$17,545,079	\$17,545,079	\$20,664,462	17,545,079
Disaster Recovery, Navy (Guam)	\$1,224,771d	\$0	\$4,566,940	\$0
Disaster Recovery, Air Force (Guam)	\$71,1 97 d	\$0	\$7,938,000	\$0
Total Division B, Military Construction	\$17,545,079	\$17,545,079	\$33,169,402	17,545,079

Source: P.L. 118-159, Sec. 4601; President's Budget Request FY2025, Office of the Under Secretary of Defense (Comptroller), Construction Programs (C-1), March 2024; the House-passed version of H.R. 8070, Sec. 4601; and the Senate-reported version of S. 4368, Sec. 4601 and 4602.

Notes:

- Amounts in this column reflect those in the explanatory statement to accompany House amendment to Senate amendment to H.R. 5009, p. 500.
- b. Family Housing budget numbers reflect amounts provided for Family Housing Construction accounts, Family Housing Operation and Maintenance accounts, the Family Housing Improvement Fund (FHIF), and the Unaccompanied Housing Improvement Fund (UHIF).
- c. The INDOPACOM MILCON Pilot provides dedicated funding for unspecified minor military construction projects in the Indo-Pacific Command Area of Responsibility.
- d. The Biden Administration's request for disaster recovery was not included in the President's Budget Request submitted to Congress in March 2024, but was submitted under a separate supplemental request, first in October 2023 and resubmitted in June 2024.

Policy provisions

The FY2025 NDAA included policy provisions that may impact DOD's management and congressional oversight of military installations, basing decisions, military construction programs, and military housing. Selected provisions are summarized below.

Section 2801 extends the notification requirements for basing decisions under Title 10, Section 483(f)(4), regarding major headquarters and major weapons systems, to include all military bases worldwide, not just those in the United States and its territories.

Section 2802 expands eligibility for Defense Community Infrastructure Program (DCIP) grants to include not-for-profit, member-owned utility services.

Section 2803 codifies the Air Force Strategic Basing process and places limits on the Secretary of the Air Force's decisionmaking authority.

Section 2804 amends the statutes governing unspecified minor military construction (UMMC), 10 U.S.C. §§2805 and 2663 to authorize the Secretary of Defense to acquire land with up to \$4 million of UMMC appropriations.

Section 2807 amends Section 2810 of the FY2024 NDAA to raise the temporary threshold from \$15 million to \$30 million for unspecified minor military construction projects carried out by the commander of the United States Indo-Pacific Command.

Section 2811 codifies a requirement that DOD and the military departments enter into a contract for executing the congressionally directed design of a MILCON project within 150 days of the date when the MILCON funding for such design work is appropriated.

Section 2841 sets new minimum requirements for the military departments to invest certain levels of facilities sustainment, restoration, and modernization (FSRM) funding. A subcomponent of the services' Operation and Maintenance (O&M) accounts, FSRM funding is intended to improve the condition of existing infrastructure. Specifically, the provision in Section 2841 will require the military departments to invest FSRM funds in an amount equal to a percentage of the total plant replacement value (PRV) of all department facilities. The required investment would begin in FY2027 at 1.75% of total PRV and increase incrementally each year until FY2030, when the requirement would reach 4% of total PRV. The law requires DOD to maintain the investment level of 4% for each subsequent fiscal year. In response to a similar provision in S. 4638, then-Secretary of Defense Lloyd Austin wrote in a letter to congressional defense committees stating that DOD "strongly opposes" required FSRM investments and the requirements would "present an unfunded bill to the military departments" that would range between \$12 billion during the initial year and \$50 billion for FY2030 when the required investment level is to reach 4%. The new requirements were codified in Title 10, Section 2680, of the *United States Code*.

Military Housing Reforms

The General Accountability Office (GAO) published its report, "Poor Living Conditions Undermine Quality of Life and Readiness," in September 2023 (GAO-23-105797). Quality and condition of military unaccompanied housing (also known as barracks or dormitories) was an issue of legislative interest during the 118th Congress. The House Armed Services Committee (HASC) issued a report in April 2024 that included recommendations regarding housing and other issues. Several housing-related provisions were included in the FY2025 NDAA.

Section 2821 amends Title 10 of the *U.S. Code* to include a requirement that the secretaries of the military departments provide annually to the congressional defense committees a "budget justification display" that provides information about plans for supporting unaccompanied military housing with FSRM funding.

Section 2825 amends Section 2894a of the *U.S. Code* to include additional requirements for DOD's database of information about complaints related to military housing.

Section 2826 amends Section 2837(b) of the FY2024 NDAA and requires the Secretary of Defense to issue guidance for creation of a digital system through which residents of unaccompanied housing can submit requests for maintenance work for unaccompanied military housing facilities.

Section 2827 amends Section 3001(a)(2) of the FY2020 NDAA to revise the definition "privatized military housing."

Section 2829 requires DOD to create a digital facilities management system that can track the condition of military facilities and support planning for maintenance actions.

Section 2830 directs the secretaries of the military departments to develop and submit to the congressional defense committees a strategy for using existing leasing authorities to address shortages in

military unaccompanied housing. The strategy is to include an identification of the locations with the largest unaccompanied housing shortages.

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