



Armed Forces Compensation During a Lapse in Appropriations

Updated September 22, 2025

Compensation for members of the Armed Forces (i.e., Army, Navy, Marine Corps, Air Force, Space Force, and Coast Guard) is funded through annual appropriations to personnel-related line items in accounts of the [U.S. Department of Defense \(DOD\)](#), which is using “Department of War” as a “secondary title” under Executive Order 14347 dated September 5, 2025, and the [U.S. Department of Homeland Security \(DHS\)](#). These accounts include funding for pay and allowances of active and reserve component members, along with travel-related expenses.

In anticipation of, or during, previous lapses in appropriations, Congress has considered actions to ensure that certain members of the Armed Forces continue to receive pay and benefits. Since 2013, two lapses in appropriations affecting DOD and DHS generated particular congressional interest in Armed Forces compensation. In FY2014, a lapse in appropriations resulted in a [shutdown](#) of numerous government operations for 16 days, affecting both DOD and DHS. In FY2019, while DOD was not affected by a partial government shutdown, DHS—and thus the U.S. Coast Guard (USCG)—was among the entities affected by a 35-day lapse in appropriations.

Although military retirement is partially funded through annual appropriations, retired pay and survivor benefits are distributed from the [Military Retirement Fund](#). As such, retirees and survivor benefit plan beneficiaries generally continue to receive disbursements during a lapse in appropriations.

Selected Lapses in Appropriations

FY2014

Immediately preceding the FY2014 shutdown that affected DOD, on September 30, 2013, then-President Barack Obama signed the Pay Our Military Act (POMA; P.L. 113-39). This legislation provided an [automatic continuing resolution \(ACR\)](#) to cover FY2014 pay and allowances for members of the Armed Forces on active duty, including reservists on federal active duty, as well as certain DOD and DHS civilian personnel and contractors supporting military personnel. Section 3 of the POMA contained a termination provision, and the law is no longer in effect. In subsequent years, some Members have introduced similar legislation, such as the Pay Our Military Act of 2018 (H.R. 4871; S. 2328).

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In 2013, Congress debated the Obama Administration's interpretation of language in POMA. Some Members [questioned](#) the DOD's determination that POMA did not provide for expenses related to military personnel death gratuities and funeral expenses. On October 10, 2013, President Obama signed the Department of Defense Survivor Benefits Continuing Appropriations Resolution, 2014 (P.L. 113-44), which provided for the payment of such expenses.

On January 17, 2014, President Obama signed the Consolidated Appropriations Act, 2014 (P.L. 113-76), which included the Department of Defense Appropriations Act, 2014 (Division C) providing full-year appropriations for pay and allowances of members of the Army, Navy, Marine Corps, and Air Force; and the Department of Homeland Security Appropriations Act, 2014 (Division F) providing full-year appropriations for pay and allowances for USCG members.

FY2019

On September 28, 2018, President Trump signed the Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245), which included the Department of Defense Appropriations Act, 2019 (Division A), providing full-year appropriations for pay and allowances of members of the Army, Navy, Marine Corps, and Air Force. [DHS](#) was funded under continuing resolutions (Division C of P.L. 115-245; and P.L. 115-298) for a period through December 21, 2018. When neither a full-year appropriations act nor another continuing resolution was enacted after the expiration of the continuing resolution, [a 35-day funding gap](#) occurred, affecting DHS, as well as certain other departments and agencies.

On December 27, 2018, the USCG published a [document](#) stating Coast Guard members would not be paid "until we have an appropriation, continuing resolution (CR), or passage of an alternative measure." In January 2019, legislation was introduced to provide USCG pay and allowances during a lapse in appropriations (e.g., H.R. 350, H.R. 367). On January 15, then-Coast Guard Commandant Admiral Karl L. Schultz [said](#), "To the best of my knowledge, this marks the first time in our Nation's history that servicemembers in a U.S. Armed Force have not been paid during a lapse in government appropriations." On January 25, President Trump signed the Further Additional Continuing Appropriations Act, 2019 (P.L. 116-5), ending the partial shutdown. On February 15, President Trump signed the Consolidated Appropriations Act, 2019 (P.L. 116-6), which included the Department of Homeland Security Appropriations Act, 2019 (Division A) providing full-year appropriations for pay and allowances for USCG members.

Selected Guidance Documents

DOD Guidance

In November 2023, the Biden Administration issued "[Contingency Plan Guidance for Continuation of Essential Operations in the Absence of Available Appropriations](#)," a [biennial plan](#) "that provides instructions for continuing essential operations in the absence of appropriated funds." A [December 19, 2024 memorandum](#) from then-Deputy Secretary of Defense Kathleen Hicks explains that per the plan, "all military personnel performing active duty will continue in their normal duty status regardless of their affiliation with excepted or non-excepted activities. Military personnel will not be paid until such time as Congress appropriates funds available to compensate them for this period of service." The 2023 planning document is the most current publicly available guidance.

The document states that if no appropriation for military personnel accounts is available for obligation of death gratuity payments under [10 U.S.C. Ch. 75](#), "such payments may be charged to unobligated, unexpired '[Defense Health Program](#)' appropriations, pursuant to

section 8123 of the Department of Defense Appropriations Act, 2021.” It concludes, “Operations conducted to make such payments are excepted as a ‘necessarily implied’ activity.”

DHS Guidance

On March 3, 2025, DHS published [procedures](#) relating to a lapse in appropriations, consistent with prior planning documents. The [document](#) states that USCG servicemembers comprise an excepted category during a lapse in appropriations due to the “express statutory authority [under 37 U.S.C. §204] to incur obligations in advance of appropriations,” and active duty servicemembers “may perform normal duties during a lapse.” [emphasis in original] The guidance states that “payroll liability accrues on a monthly basis. Thus the pay of USCG members will depend on the timing of the appropriation lapse.”

Author Information

Kristy N. Kamarck
Specialist in Military Personnel

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