INSIGHT

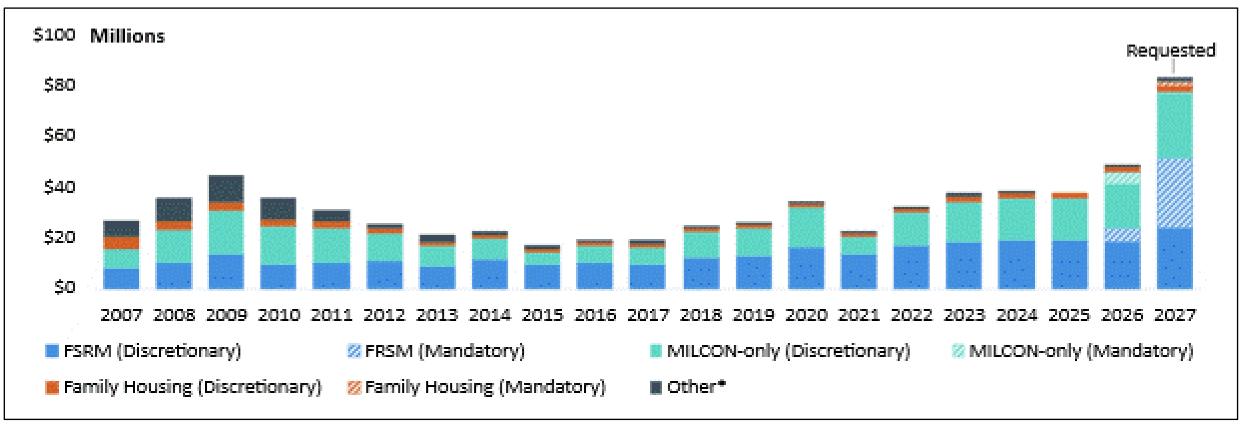
Defense Infrastructure Funding in the 119th Congress

August 19, 2026

The combination of discretionary and mandatory funding appropriations enacted for fiscal year (FY) 2026 has increased Department of Defense (DOD) infrastructure budgets to their highest level in at least 20 years. The Trump Administration's discretionary and mandatory funding request for FY2027, if enacted, would further increase infrastructure spending levels. See **Figure 1** and **Table 2**. (DOD is "using a secondary Department of War designation," under Executive Order 14347 dated September 5, 2025.)

Figure 1. Department of Defense Infrastructure Funding, FY2007 to FY2027

Includes funding for military construction (MILCON) accounts and Facilities, Sustainment, Restoration and Modernization (FSRM), in billions of dollars.



Source: Based on CRS analysis of budget data published by the Department of Defense, Office of the Under Secretary of Defense (Comptroller), Military Construction, Family Housing, and Base Realignment and Closure Program (C-1) and Operation and Maintenance Programs (O-1), FY2007 to FY2027, available at https://comptroller.war.gov/Budget-Materials/. Data for FY2007 through FY2025 reflect "actual" funding as executed by DOD and reported after the end of the fiscal year in C-1 and O-1 documents. Data for FY2026 reflect "enacted" funding as provided by the DOD Comptroller's office, and FY2027 data show funding levels requested by the Administration. Data available at https://comptroller.war.gov/Budget-Materials/.

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IN12731

Notes: The "MILCON" data show funding for line items with an Account Title for "Military Construction." "Family Housing" reflects account titles associated with Family Housing construction, Family Housing Operations, the Family Housing Improvement Fund and the Unaccompanied Military Housing Improvement Fund. The "Other" category includes additional line items contained within the DOD budget's Division B Military Construction and Family Housing accounts, including funding for Base Realignment and Closure (BRAC) activities, the NATO Security Investment Program, and, in some instances, the Homeowners Assistance Program.

For FY2026, Congress enacted both discretionary (P.L. 119-37) and mandatory (P.L. 119-21) funding appropriations that increased total funding levels about 25% above FY2025 for Military Construction (MILCON) accounts and for Facilities Sustainment, Restoration, and Modernization (FSRM) accounts.

For FY2027, the President's budget request seeks both discretionary and mandatory funding that would, if enacted, further increase funding levels for MILCON accounts by 26% over FY2026 enacted levels and further increase FSRM by 115% compared to FY2026 enacted levels.

Background

MILCON appropriations fund construction of new military infrastructure, such as barracks, piers, training facilities, and administrative buildings. FSRM appropriations fund the repair and modernization of existing infrastructure facilities.

MILCON and FSRM are separate and distinct accounts within the DOD budget. MILCON and Family Housing funding are typically authorized by the MILCON and Family Housing section of the budget, and budget authority is derived from an annual Military Construction, Veterans Affairs, and Related Agencies (MILCON-VA) Act. MILCON-VA appropriations are typically available for obligation for five years. FSRM funding is provided in the Operation and Maintenance (O&M) portion of DOD's budget and is appropriated annually in a Defense Appropriations Act. FSRM appropriations are typically available for obligation for one year.

Some infrastructure managers and budget planners may consider these two accounts as interrelated because both provide support for infrastructure and, in some instances, investment from one account may diminish the need for spending from the other. For example, when DOD identifies a need for additional infrastructure, DOD officials may evaluate whether the need is better met by planning a new MILCON project or investing FSRM funding in the improvement of an existing facility.

DOD's estimated "deferred maintenance and repairs" backlog—defined as the total estimated cost of maintenance and repairs that were not performed when needed or delayed for a future period—has increased in recent years (see **Table 1**). The total estimated cost of deferred maintenance and repairs more than doubled from FY2022 to FY2025.

Infrastructure in the 119th Congress

Some Members of the 119th Congress have asserted that military infrastructure has been underfunded in the past and have advocated for a funding increase to address a backlog in deferred maintenance and infrastructure needs. For example, at a Senate Armed Services Committee hearing in June 2025, Senator Mazie Hirono stated concerns about the condition of Army barracks and the Army's reported plans to "divert $1 billion of [FSRM] funding." At the same hearing, Senator Dan Sullivan said: "Simply put, our decaying facilities are causing significant issues with regard to our warfighters and the locations and resilience of our bases could serve as a detriment to our national security during wartime."

Construction projects in the FY2027 request for MILCON appropriations include a Navy drydock facility in Hawaii, authorized to cost a total of $3.6 billion, and projects related to Air Force's Sentinel nuclear-capable missile program, which may replace the Minuteman III.

One factor impacting FSRM budgets is a provision in the FY2025 NDAA (Section 2841), which set new minimum requirements for the military departments to invest certain levels of FSRM funding. The provision, codified in 10 USC §2680, requires the military departments to invest FSRM funds in an amount equal to a percentage of the total plant replacement value (PRV) of certain department facilities. The required investment is to 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 June 2026, the Trump Administration submitted to Congress a supplemental budget request for $87.6 billion, of which about $67 billion would address DOD needs related to Operation Epic Fury (OEF). The supplemental request did not specify a request for defense infrastructure funding.

Issues for Congress

Congress may consider various changes to the structure of the DOD budget related to infrastructure funding. During the FY2026 legislative process, the Senate-passed version of an FY2026 NDAA (S. 2296) would have moved FSRM funding out of the O&M accounts and placed it within the MILCON accounts. One effect of this change would have been to extend the window of obligation for FSRM authorizations and possibly allow DOD more flexibility to plan FSRM spending and execute contracts for multi-year construction projects.

Congress may consider moving funding for barracks (unaccompanied housing) operations in general, or FSRM for barracks in particular, into a separate appropriation line item, either within O&M accounts or within MILCON accounts. DOD officials have discussed a similar proposal, according to a 2023 Government Accountability Office (GAO) report.

In debating the FY2027 defense budget, Congress may consider whether or not the DOD request for discretionary and mandatory funding is sufficient to meet congressional concerns about infrastructure investments and the investment requirements under 10 USC §2680.

Table 1. Defense Department Infrastructure Value and Deferred Maintenance

(in millions of dollars)

Year	Plant Replacement Value (PRV)	Required Work (Deferred Maintenance and Repairs)	Deferred Maintenance and Repair as Percentage of PRV
FY2025	$2,453,933.5	$278,382.3	11%
FY2024	$2,231,844.1	$259,430.1	12%
FY2023	$1,814,444.3	$181,169.9	10%
FY2022	$1,488,699.5	$127,534.9	9%
FY2021	$1,225,670.8	$115,392.5	9%
FY2020	$1,443,367.2	$131,042.5	9%
FY2019	$1,273,363.1	$118,991.6	9%
FY2018	$1,235,640.3	$110,816.6	9%
FY2017	$1,241,402.5	$116,774.9	9%
FY2016	$1,205,044.9	$135,198.0	11%
FY2015	$1,087,075.8	$140,943.5	13%

Source: CRS analysis of DOD Agency Financial Reports, Table RSI-1, Real Property Deferred Maintenance and Repairs (Excluding Military Family Housing), available at https://comptroller.war.gov/odcfo/afr/.

Notes: Plant Replacement Value (PRV) is the approximate cost to replace infrastructure assets to achieve the same capability. Data excludes privatized military housing facilities. Deferred Maintenance and Repairs (DM&R) are maintenance and repairs that were not performed when needed or were scheduled to be and are delayed for a future period.

Table 2. Department of Defense Infrastructure Funding, FY2007 to FY2027

(in thousands of dollars)

Year	FSRM	MILCON-only	Family Housing	Other*	MILCON subtotal	Total
2007	$7,640,977	$8,039,040	$4,420,137	$6,334,262	$18,793,439	$26,434,416
2008	$9,858,823	$13,030,287	$3,460,974	$9,393,152	$25,884,413	$35,743,236
2009	$13,815,715	$16,782,376	$3,538,131	$9,966,490	$30,286,997	$44,102,712
2010	$9,456,371	$15,151,756	$2,343,709	$8,308,723	$25,804,188	$35,260,559
2011	$9,969,279	$13,788,409	$2,734,898	$3,927,275	$20,450,582	$30,419,861
2012	$10,495,843	$11,306,641	$2,016,162	$1,388,705	$14,711,508	$25,207,351
2013	$8,716,361	$8,005,577	$1,879,463	$2,392,510	$12,277,550	$20,993,911
2014	$11,452,699	$8,013,164	$1,496,728	$1,708,901	$11,218,793	$22,671,492
2015	$9,028,903	$5,360,060	$1,271,235	$1,090,026	$7,721,321	$16,750,224
2016	10,479,346	$6,829,593	$1,508,523	$726,858	$9,064,974	$19,544,320
2017	$9,691,721	$6,800,044	$1,359,166	$796,224	$8,955,434	$18,647,155
2018	$12,406,026	$9,939,074	$1,486,519	$731,679	$12,157,272	$24,563,298
2019	$12,925,654	$10,895,964	$1,632,396	$696,464	$13,224,824	$26,150,478
2020	$16,019,245	$16,239,161	$1,461,287	$628,550	$18,328,998	$34,348,243
2021	$13,267,174	$6,770,041	$1,535,790	$752,720	$9,058,551	$22,325,725
2022	$16,933,936	$12,769,439	$1,560,501	$813,742	$15,143,682	$32,077,618
2023	$18,061,419	$15,949,037	$2,399,300	$891,219	$19,239,556	$37,300,975
2024	$19,003,514	$16,214,760	$1,989,300	$1,206,667	$19,410,727	$38,414,241
2025	$19,126,033	$16,362,139	$2,187,101	$1,133,769	$19,683,009	$38,809,042
2026 (Mandatory)	$5,397,307	$4,895,903	$0	$0	$4,895,903	$10,293,210
2026 (Discretionary)	$18,458,136	$16,905,145	$1,884,862	$946,993	$19,737,000	$38,195,136
2026 Total Enacted	$23,855,443	$21,801,048	$1,884,862	$946,993	$24,632,903	$48,488,346
2027 (Mandatory) Request	$27,604,651	$407,000	$2,277,633	$0	$2,684,633	$30,289,284
2027 (Discretionary) Request	$23,795,735	$25,450,959	$2,138,136	$976,587	$28,565,682	$52,361,417
2027 Total Requested	$51,400,386	$25,857,959	$4,415,769	$976,587	$31,250,315	$82,650,701

Source: Based on CRS analysis of budget data published by the Department of Defense, Office of the Uder Secretary of Defense (Comptroller), Military Construction, Family Housing, and Base Realignment and Closure Program (C-1) and Operation and Maintenance Programs (O-1), FY2007 to FY2027, https://comptroller.war.gov/Budget-Materials/.

Notes: Data derived from C-1 and O-1 "Actuals" tabs for FY2007 to FY2025, Enacted data for FY2026, and Requested data for FY2027. The "MILCON" data show funding for line items with an Account Title for "Military Construction." "Family Housing" reflects account titles associated with Family Housing construction, Family Housing Operations, the

Family Housing Improvement Fund and the Unaccompanied Military Housing Improvement Fund. The "Other" category includes additional line items contained within the DOD budget's Division B Military Construction and Family Housing accounts, including funding for Base Realignment and Closure (BRAC) activities, the NATO Security Investment Program, and, in some instances, the Homeowners Assistance Program.

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