



FY25 House Appropriations Committee Defense Appropriations Act H.R. 8774

(Engrossed Bill Report)



As of July 11, 2024

This is an updated summary reflecting funding changes included in the engrossed bill
Updates are marked by asterisks (*)

Bill Status

	Passed in Committee	Passed in Chamber	Final Passage	Signed into Law
House	13 June 2024	28 June 24		
Senate				

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Executive Summary

This guide provides a summary of the House Appropriations Defense Subcommittee markup for the Defense Appropriations Act for Fiscal Year (FY) 2025. To obtain a complete understanding of any particular provision, users are encouraged to review the actual legislative language. Bill text and report language can be found on the LL website:

<https://www.nationalguard.mil/leadership/joint-staff/personal-staff/legislative-liaison/>.

Status:

On June 28th, 2024, the House of Representatives passed the FY25 Defense Appropriations Act by a vote of 217 to 198. The Defense Appropriations Bill provides a total discretionary allocation of \$833.053 billion, which is \$8.57 billion (one percent) above the FY 2024 level and consistent with the limit set in law by the Fiscal Responsibility Act.

Highlights:

- Funds a 4.5% military pay raise.
- Provides \$2.5B for an additional 15% pay increase for junior enlisted servicemembers
- Prohibits the use of funds to move Air National Guard missions, functions, or personnel to the Space Force unless all current laws are followed (i.e., Governor's consent)
- \$199M add for the National Guard Counterdrug Program
- \$248M for the ARNG and \$240M for the ANG National Guard and Reserve Equipment Account (NGREA)
- \$4.3M program increase for SPP

ARNG Funding highlights:

- \$240M add for eight MQ-1C Gray Eagle
- \$248M for NGREA
- \$60M add for UH-60M
- \$50M add for modernized ARNG HMMWVs
- \$70M add O&M program increase for Facilities sustainment, Restoration & Modernization
- \$20M add O&M program increase for Rotary Wing Flying Hours

ANG Funding highlights:

- \$261M add for two C-130J aircraft for the ANG
- \$240M for NGREA
- \$118M add for F100 Engines (ANG specific)
- \$20M add for Facilities Sustainment, Restoration & Modernization
- \$5M add for KC-135 test aircraft

National Guard Accounts Overview

(All Dollars in Thousands)

Army National Guard	FY25 President's Budget Request	FY25 HAC-D Mark	Delta from Request	FY25 SAC-D Mark	Delta from Request	FY25 Conference
ARNG Personnel	\$9,936,760	\$9,975,860*	\$39,100*			
ARNG O&M	\$8,646,145	\$8,591,745*	-\$54,400*			
NGREA	--	\$248,000	\$248,000			

Air National Guard	FY25 President's Budget Request	FY25 HAC-D Mark	Delta from Request	FY25 SAC-D Mark	Delta from Request	FY25 Conference
ANG Personnel	\$5,397,298	\$5,383,100*	-\$14,198*			
ANG O&M	\$7,403,771	\$7,270,145*	-\$133,626*			
NGREA	--	\$240,000	\$240,000			



Army National Guard

Army National Guard Personnel

(All Dollars in Thousands)

ARNG Personnel Appropriation	FY25 President's Budget Request	FY25 HAC-D Mark	Delta from Request	FY25 SAC-D Mark	Delta from Request	FY25 Conference
PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)	\$2,875,688	\$2,875,688	--			
PAY GROUP F TRAINING (RECRUITS)	\$600,719	\$600,719	--			
PAY GROUP P TRAINING (PIPELINE RECRUITS)	\$62,762	\$62,762	--			
SCHOOL TRAINING	\$532,632	\$532,632	--			
SPECIAL TRAINING	\$859,161	\$862,986 ^{1,2*}	\$3,825*			
ADMINISTRATION AND SUPPORT	\$4,926,256	\$4,926,256	--			
THRIFT SAVINGS PLAN MATCHING CONTRIBUTIONS	\$39,418	\$39,418	--			
EDUCATION BENEFITS	\$40,124	\$40,124	--			
TOTAL, BUDGET ACTIVITY 1 (BAC-01)	\$9,936,760	\$9,940,585	\$3,825			
UNDISTRIBUTED ADJUSTMENT	--	\$35,275 ³⁻⁵	\$35,275			
TOTAL, TITLE I, ARNG PERSONNEL	\$9,936,760	\$9,975,860	\$39,100			
HEALTH CARE CONTRIBUTION (RC)	\$953,525	\$953,525	--			
TOTAL, NATIONAL GUARD PERSONNEL, ARMY	\$10,890,285	\$10,929,385	\$39,100			

1. Special Training; Program increase – State Partnership Program \$1,800

2. Special Training; Program increase – Northern Strike \$2,025

3. Undistributed Adjustment; Historical unobligated balances -\$29,000

4. Undistributed Adjustment; Diversity, Equity, and Inclusion -\$83

5. Undistributed Adjustment; Program increase – Pay Raise for Junior Enlisted Servicemembers \$64,358

Army National Guard Operations & Maintenance

ARNG O&M Appropriation	FY25 President's Budget Request	FY25 HAC-D Mark	Delta from Request	FY25 SAC-D Mark	Delta from Request	FY25 Conference
MANEUVER UNITS	\$886,229	\$898,304 ^{1*}	\$12,075*			
MODULAR SUPPORT BRIGADES	\$200,417	\$200,417	--			
ECHELONS ABOVE BRIGADE	\$861,685	\$821,685 ²	-\$40,000			
THEATER LEVEL ASSETS	\$86,356	\$86,356	--			
LAND FORCES OPERATIONS SUPPORT	\$345,720	\$335,720 ³	-\$10,000			
AVIATION ASSETS	\$1,150,777	\$1,158,777 ^{4,5}	\$8,000			

FORCE READINESS OPERATIONS SUPPORT	\$737,884	\$717,884 ⁶	-\$20,000			
LAND FORCES SYSTEMS READINESS	\$34,262	\$34,262	--			
LAND FORCES DEPOT MAINTENANCE	\$221,401	\$221,401	--			
BASE OPERATIONS SUPPORT	\$1,247,797	\$1,247,797	--			
FACILITIES SUSTAINMENT, RESTORATION, & MODERNIZATION	\$1,147,554	\$1,217,554 ⁷	\$70,000			
MANAGEMENT AND OPERATIONAL HQ	\$1,322,621	\$1,322,621	--			
CYBERSPACE ACTIVITIES – CYBERSPACE OPERATIONS	\$5,287	\$5,287	--			
CYBERSPACE ACTIVITIES – CYBERSECURITY	\$20,869	\$20,869	--			
SERVICEWIDE TRANSPORTATION	\$7,849	\$7,849	--			
ADMINISTRATION	\$49,304	\$49,984 ⁸	\$680			
SERVICEWIDE COMMUNICATIONS	\$18,585	\$18,585	--			
OTHER PERSONNEL SUPPORT	\$297,594	\$297,594	--			
REAL ESTATE MANAGEMENT	\$3,954	\$3,954	--			
UNJUSTIFIED REQUEST	--	\$-155	-\$155			
HISTORICAL UNOBLIGATION	--	-\$48,000	-\$48,000			
PROJECTED OVERESTIMATION OF CIVILIAN COMPENSATION	--	-\$27,000	-\$27,000			
TOTAL, ARNG O&M	\$8,646,145	\$8,591,745	-\$54,400			

- *1. Maneuver Units; Program increase – Northern Strike \$12,075*
- 2. Echelons Above Brigade; Unjustified request -\$40,000
- 3. Land Forces Operations Support; Unjustified request -\$10,000
- 4. Aviation Assets; Program increase – Rotary wing flying hours \$20,000
- 5. Aviation Assets; Unjustified request -\$12,000
- 6. Force Readiness Operations Support; Unjustified request -\$20,000
- 7. Facilities sustainment, Restoration & Modernization; Program increase \$70,000
- 8. Administration; Program increase – State Partnership Program \$680



Air National Guard

Air National Guard Personnel

(All Dollars in Thousands)

ANG Personnel Appropriation	FY25 President's Budget Request	FY25 HAC-D Mark	Delta from Request	FY25 SAC-D Mark	Delta from Request	FY25 Conference
PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)	\$1,163,924	\$1,163,924	--			
PAY GROUP F TRAINING (RECRUITS)	\$78,601	\$78,601	--			
PAY GROUP P TRAINING (PIPELINE RECRUITS)	\$4,947	\$4,947	--			
SCHOOL TRAINING	\$361,790	\$361,790	--			
SPECIAL TRAINING	\$268,601	\$270,426 ^{1,2*}	\$1,825*			
ADMINISTRATION AND SUPPORT	\$3,475,160	\$3,475,160	--			
THRIFT SAVINGS PLAN MATCHING CONTRIBUTIONS	\$28,779	\$28,779	--			
EDUCATION BENEFITS	\$15,496	\$15,496	--			
TOTAL, BUDGET ACTIVITY 1 (BAC-01)	\$5,397,298	\$5,399,123	\$1,825			
UNDISTRIBUTED ADJUSTMENT	--	-\$16,023 ³⁻⁷	-\$16,023			
Total, Title I National Guard Personnel, Air Force	\$5,397,298	\$5,383,100	-\$14,198			
HEALTH CARE CONTRIBUTION (RC)	\$384,233	\$384,233	--			
Total, National Guard Personnel, Air Force	\$5,781,531	\$5,767,333	-\$14,198			

1. Special Training; Program Increase – State Partnership Program \$1,350
2. Special Training; Program Increase – Northern Strike \$475*
3. Undistributed Adjustment; Historical unobligated balances -\$3,200
4. Undistributed Adjustment; Program decrease – revised fiscal year 2025 request -\$15,431
5. Undistributed Adjustment; Projected underexecution -\$16,000
6. Undistributed Adjustment; Diversity, Equity, and Inclusion -\$546
7. Undistributed Adjustment; Program increase – Pay Raise for Junior Enlisted Servicemembers \$19,154

Air National Guard Operations & Maintenance

ANG O&M Appropriation	FY25 President's Budget Request	FY25 HAC-D Mark	Delta from Request	FY25 SAC-D Mark	Delta from Request	FY25 Conference
AIRCRAFT OPERATIONS	\$2,626,498	\$2,601,498 ^{1,2*}	-\$23,950*			
MISSION SUPPORT OPERATIONS	\$649,621	\$650,131 ³	\$510			
DEPOT PURCHASE EQUIPMENT MAINTENANCE	\$1,004,771	\$989,771 ^{4,5}	-\$15,000			
FACILITIES SUSTAINMENT,	\$458,917	\$478,917 ⁶	\$20,000			

RESTORATION & MODERNIZATION						
CONTRACTOR LOGISTICS SUPPORT AND SYSTEM SUPPORT	\$1,353,383	\$1,334,383 ⁷	-\$19,000			
BASE OPERATING SUPPORT	\$1,119,429	\$1,102,929 ^{8,9}	-\$16,500			
CYBERSPACE SUSTAINMENT	\$14,291	\$14,291	--			
CYBERSPACE ACTIVITIES	\$57,162	\$57,162	--			
ADMINISTRATION	\$71,454	\$71,454	--			
RECRUITING AND ADVERTISING	\$48,245	\$49,745 ¹⁰	\$1,500			
UNJUSTIFIED REQUEST		-186	-186			
HISTORICAL UNOBLIGATION	--	-\$25,000	-\$25,000			
PROJECTED OVERESTIMATION OF CIVILIAN COMPENSATION	--	-\$56,000	-\$56,000			
TOTAL, O&M, AIR NATIONAL GUARD	\$7,403,771	\$7,270,145	-\$133,626			

1. Aircraft Operations: Program increase – Northern Strike \$1,050

2. Aircraft Operations; Program decrease unaccounted for -\$25,000

3. Mission Support Operations; Program increase – State Partnership Program \$510

4. Depot Purchase Equipment Maintenance; Program increase – KC-135 test aircraft \$5,000

5. Depot Purchase Equipment Maintenance; Program decrease unaccounted for -\$20,000

6. Facilities Sustainment, Restoration & Modernization; Program increase \$20,000

7. Contractor Logistics Support and System Support; Program decrease unaccounted for -\$19,000

8. Base Operations Support; Program decrease unaccounted for -\$15,000

9. Base Operations Support; Transfer to 42J: recruiting vehicle lease -\$1,500

10. Recruiting and Advertising; Transfer from 11Z: recruiting vehicle lease \$1,500

Legislative Provisions

Sec. 8004 stipulates that no more than 20 percent of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year shall not apply to obligations for support of active-duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.

Sec. 8045 prohibits reducing the authorized positions for military technicians (dual status) of the ARNG, ANG, Army Reserve, and Air Force Reserve.

Sec. 8047 allows O&M funding reimbursements for National Guard and Reserve members providing intelligence or counter-intelligence support to Combatant Commands, Defense Agencies and Joint Intelligence Activities.

Sec. 8053 permits the CNGB to allow the use of equipment of the National Guard Distance Learning Project on a space-available, reimbursable basis.

Sec. 8054 prohibits retiring, preparing to retire, or placing in storage or on backup aircraft inventory status any C-40 aircraft.

Sec. 8059 allows a servicemember who is a member of the National Guard serving on full-time National Guard duty under section 502(f) of title 32, United States Code, to perform duties in support of the ground-based elements of the National Ballistic Missile Defense System.

Sec. 8061 allows the CNGB to waive payment of all or part of the consideration that otherwise would be required under section 2667 of title 10, USC, in the case of a lease of personal property for a period not in excess of 1 year to any organization specified in section 508(d) of title 32 USG or any other youth, social, or fraternal nonprofit organization.

Sec. 8102 prohibits the transfer of any Federal mission, covered member of the National Guard or covered space function of the National Guard from the National Guard to the United States Space Force in contravention of section 104 of title 32, United States Code, or section 18238 of title 10, United States Code.

Sec. 8164 prohibits divesting or prepare to divest any F-15 aircraft unless the Secretary of Defense certifies to the Committees on Appropriations of the House of Representatives and the Senate that such aircraft will be replaced in a manner that maintains the current total aircraft assigned at a given unit and the readiness of such unit.

Items of Interest

INTRODUCTION

The Committee recommendation builds on the investments in the Department of Defense Appropriations Act, 2024, to increase America's military superiority to counter China. The bill increases funding for International Security Cooperation Programs for Taiwan to \$200,000,000; provides a \$400,000,000 increase to accelerate the delivery of the E-7 airborne early warning aircraft; prohibits the decommissioning of three ships; and prohibits the divestiture of the U-2 high altitude reconnaissance aircraft and certain F-15 fighter aircraft. The bill adds aircraft like the F-35, C-130J, Combat Rescue Helicopter, Blackhawk Helicopter, and MQ-1C Gray Eagle for the National Guard.

PROHIBITION ON AIR FORCE DIVESTMENTS

The Committee notes with concern that the Air Force requested to divest 124 more aircraft than will be delivered in fiscal year 2025. This trend is projected to continue through fiscal year 2028 and would result in a fleet that, while more modern and capable, does not have the capacity to simultaneously defend the Homeland, meet combatant commander requirements, and execute combat operations against a near-peer adversary.

Specifically, the Committee believes that plans to divest the U-2 are premature given the range of airborne intelligence, surveillance, and reconnaissance (ISR) requirements, the timeline to field comparable space-based ISR capabilities, and the need for multi-domain collection-platforms to complicate the adversary's calculus and support the joint force across the range of military operations.

The Committee is also deeply concerned that the Air Force's current plan to replace F-15C/D model aircraft with F-15EX models will create a gap in capability at several Air National Guard units that, among other readiness impacts, will result in a lapse in pilot qualification. In future budget requests, the Committee expects the Secretary of the Air Force to better balance near-term readiness with modernization for the future.

MILITARY PERSONNEL OVERVIEW

The Committee recommendation provides \$183,699,327,000 for the military personnel accounts, which fund military pay and allowances, recruitment and retention initiatives, and overall quality of life programs for active duty, National Guard, and reserve personnel. The recommendation provides a 4.5 percent increase in basic pay for all military personnel, effective January 1, 2025, and \$2,500,000,000 in funding above the President's budget request in support of an additional 15 percent increase in pay for junior enlisted personnel. The Committee continues to encourage constructive evaluations of recruitment and retention programs, bonus and special pay incentives, and personnel benefit programs for fiscal year 2025. The

Committee remains supportive of programs intended to enhance the morale and quality of life of military personnel and their families.

REPROGRAMMING GUIDANCE FOR OPERATION AND MAINTENANCE ACCOUNTS

The Secretary of Defense is directed to submit the Base for Reprogramming (DD Form 1414) for each of the fiscal year 2025 appropriations accounts not later than 60 days after the enactment of this Act. The Secretary of Defense is prohibited from executing any reprogramming or transfer of funds for any purpose other than originally appropriated until the aforementioned report is submitted to the Appropriations Committees.

The Secretary of Defense is directed to use the normal prior approval reprogramming procedures to transfer funds in the Services' operation and maintenance accounts between O-I budget activities, or between subactivity groups in the case of Operation and Maintenance, Defense-Wide, in excess of \$15,000,000. In addition, the Secretary of Defense shall follow prior approval reprogramming procedures for transfers in excess of \$15,000,000 out of the following readiness activity groups or subactivity groups listed below:

Air National Guard:

Subactivity Group 011F Aircraft Operations

Subactivity Group 011W Contractor Logistics Support and System Support

Army National Guard:

Subactivity Group 131 Base Operations Support

Subactivity Group 132 Facilities Sustainment, Restoration, and Modernization

Subactivity Group 133 Management and Operational Headquarters

MQ-1C GRAY EAGLE 25M AIRCRAFT FOR THE ARMY NATIONAL GUARD

The MQ-1C Gray Eagle 25M unmanned aircraft system is essential for multi-domain operations (MDO) and a critical capability for the Army National Guard as the primary combat reserve of the Army. The National Defense Strategy calls for more than 16 MDO capable divisions. To meet this mandate, Army Guard Divisions must field MQ-1C 25M Gray Eagles to maintain training standards and to preserve the ability to deploy combat divisions.

The Committee is aware of a pending decision by the Army regarding the number of aircraft necessary to equip a full Army National Guard Gray Eagle company. While that decision is being finalized, the recommendation includes an increase of \$240,000,000 above the fiscal year 2025 President's budget request to procure eight MQ-1C Gray Eagle 25M aircraft only for the Army National Guard.

NATIONAL GUARD AND RESERVE EQUIPMENT ACCOUNT

The Committee recommends \$800,000,000 for the National Guard and Reserve Equipment Account. Of that amount, \$248,000,000 is for the Army National Guard; \$240,000,000 is for the Air National Guard; \$124,000,000 is for the Army Reserve; \$45,600,000 is for the Navy Reserve; \$18,400,000 is for the Marine Corps Reserve; and \$124,000,000 is for the Air Force Reserve to meet urgent equipment needs in the coming fiscal year. This funding will allow the National Guard and reserve components to procure high priority equipment used by these components for both their military missions and missions in support of State governors. The funding within this account is not to be used to procure equipment designated as high-density critical equipment, major weapon systems, aircraft, and other equipment central to a unit's ability to perform its doctrinal mission. The funding within this account is not to be used to procure equipment purchased by the senior Service, to expand or accelerate current Service procurement plans, to purchase expendable items, or to purchase facilities or equipment for any requirement able to be satisfied elsewhere.

The Committee directs the Secretary of Defense to ensure that the National Guard and Reserve Equipment Account is executed by the Chiefs of the National Guard and reserve components with priority consideration given to the following items: acoustic hailing devices; aircraft survivability equipment and weapons training aids; aviation status dashboards; cloud defense solutions; crash-survivable UH-60 helicopter gunner seats; degraded visual environment systems; improved thermal acoustic blanket; emergency response refuel

equipment kits for C-130/135 aircraft; internal auxiliary crashworthy, ballistically tolerant auxiliary fuel systems for UH-60 helicopters; KC-135 aircrew ground cooling units; land surveying systems; lightweight, rapidly deployable, computer-based artillery call for fire training and simulation; litter stabilization systems; modular small arms ranges and small arms training simulators and tools; secure enterprise, emergency, and social communication; software defined radios; UH-72 Lakota mission equipment modernization; and upgraded commercial-off-the-shelf ground mapping for C-130 aircraft.