National Guard Bureau Office of Legislative Liaison



Fiscal year 2026 House Appropriations Committee Defense Appropriations Act

Summary of H.R.4016 - Department of Defense Appropriations Act, 2026



As of June 16, 2025

Bill Status

| | Passed in Committee | Passed in Chamber | Final Passage | Signed into Law |
|--------|------------------------|----------------------|---------------|--------------------|
| House | 12 June 2025 | | | |
| Senate | | | | |

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Executive Summary

On June 12th, 2025, the House Appropriations Committee passed H.R. 4016 the Fiscal Year 2026 (FY26) Defense Appropriations Act by a vote of 36 to 27. The House Defense Appropriations Bill provides a total discretionary allocation of \$831.5 billion, which is the same as the FY25 enacted level.

This guide provides a summary of the House Appropriations Committee markup for the Defense Appropriations Act for FY26. To obtain a complete understanding of any particular provision, you are encouraged to review the actual legislative language. Bill text and report language can be found on the LL website: <u>https://www.nationalguard.mil/leadership/joint-staff/personal-staff/legislative-liaison/.</u>

Highlights:

<u>Joint</u>:

- \$440M funds a 3.8% military pay increase and junior enlisted pay raise
- \$10M add for the National Guard Counterdrug Program and \$3.8M for National Guard Counterdrug Schools
- \$250M for the ARNG and \$235M for the ANG National Guard and Reserve Equipment Account (NGREA)
- \$4.8M program increase for SPP

ARNG:

- \$240M add for eight MQ-1C Gray Eagle specifically for ARNG
- \$250M for NGREA
- \$100M add for modernized ARNG HMMWVs
- \$70M add O&M program increase for Facilities Sustainment, Restoration & Modernization
- \$167M add for UH-60M
- \$100M ARNG HMMMWV Modernization Program

<u>ANG</u>:

- \$261M add for two C-130J aircraft
- \$345M add for three F-15EX
- \$235M for NGREA
- \$20M add for Facilities Sustainment, Restoration & Modernization

National Guard Accounts Overview

| Army National Guard | FY26 President's Budget Request | FY26 HAC-D Mark | Delta from Request | FY26 SAC-D Mark | Delta from Request | FY26 Conference | | |
|---------------------------|--|-----------------------|-----------------------|-----------------------|--------------------------|--------------------|--|--|
| ARNG Personnel | \$11,600,000 | \$11,296,305 | -\$303,695 | | | | | |
| ARNG O&M | \$8,673,981 | \$8,209,300 | -\$464,681 | | | | | |
| NGREA | | \$250,000 | \$250,000 | | | | | |

(All Dollars in Thousands)

| Air National Guard | FY26 President's Budget Request | FY26 HAC-D Mark | Delta from Request | FY26 SAC-D Mark | Delta from Request | FY26 Conference |
|--------------------------|--|--------------------|-----------------------|-----------------------|--------------------------|--------------------|
| ANG Personnel | \$6,030,000 | \$5,671,499 | -\$358,501 | | | |
| ANG O&M | \$7,332,559 | \$7,152,065 | -\$180,494 | | | |
| NGREA | | \$235,000 | \$235,000 | | | |



Army National Guard Personnel

(All Dollars in Thousands)

| ARNG Personnel Appropriation | FY26 President Budget Request | FY26 HAC-D Mark | Delta from Request | FY26 SAC-D Mark | Delta from Request | FY26 Conference |
|---|--|--------------------------|-----------------------|-----------------------|--------------------------|--------------------|
| PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48) | | \$2,875,688 | | | | |
| PAY GROUP F TRAINING (RECRUITS) | | \$600,719 | | | | |
| PAY GROUP P TRAINING (PIPELINE RECRUITS) | | \$62,762 | | | | |
| SCHOOL TRAINING | | \$532,632 | | | | |
| SPECIAL TRAINING | | \$870,556 ¹⁻² | | | | |
| ADMINISTRATION AND SUPPORT | | \$4,926,256 | | | | |
| THRIFT SAVINGS PLAN MATCHING CONTRIBUTIONS | | \$39,418 | | | | |
| EDUCATION BENEFITS | | \$40,124 | | | | |
| UNDISTRIBUTED ADJUSTMENT | | \$258,150 ³⁻⁴ | | | | |
| TOTAL, TITLE I, ARNG PERSONNEL | \$ | \$10,206,305 | | | | |
| HEALTH CARE CONTRIBUTION (RC) | | \$1,090,305 | | | | |
| TOTAL, NATIONAL GUARD PERSONNEL, ARMY | \$ | \$11,296,305 | | | | |

1. Program increase from FY25 CR – State Partnership Program \$2,000

2. Program increase from FY25 CR - Exercise Northern Strike \$9,395

3. Historical unobligated balances from FY25 CR -\$43,850

4. Program increase from FY25 CR – 3.8 percent military pay increase & Junior Enlisted pay raise \$302,000

Army National Guard Operations & Maintenance

| ARNG O&M Appropriation | FY26 President Budget Request | FY26 HAC-D Mark | Delta from Request | FY26 SAC- D Mark | Delta from Request | FY26 Conference |
|--|--|--------------------------|--------------------------|---------------------------|--------------------------|--------------------|
| MANEUVER UNITS | | \$799,356 | | | | |
| MODULAR SUPPORT BRIGADES | | \$193,483 | | | | |
| ECHELONS ABOVE BRIGADE | | \$796,710 ¹ | | | | |
| THEATER LEVEL ASSETS | | \$81,921 | | | | |
| LAND FORCES OPERATIONS SUPPORT | | \$335,455 | | | | |
| AVIATION ASSETS | | \$1,127,350 | | | | |
| FORCE READINESS OPERATIONS SUPPORT | | \$710,072 | | | | |
| LAND FORCES SYSTEMS READINESS | | \$34,222 | | | | |
| LAND FORCES DEPOT MAINTENANCE | | \$216,390 | | | | |
| BASE OPERATIONS SUPPORT | | \$1,221,288 | | | | |
| FACILITIES SUSTAINMENT, RESTORATION, & MODERNIZATION | | \$1,217,554 ² | | | | |
| MANAGEMENT AND OPERATIONAL HQ | | \$1,206,973 | | | | |
| CYBERSPACE ACTIVITIES – CYBERSPACE OPERATIONS | | \$5,168 | | | | |
| CYBERSPACE ACTIVITIES – CYBERSECURITY | | \$20,397 | | | | |
| SERVICEWIDE TRANSPORTATION | | \$7,671 | | | | |
| ADMINISTRATION | | \$53,988 ³ | | | | |
| SERVICEWIDE COMMUNICATIONS | | \$18,165 | | | | |
| OTHER PERSONNEL SUPPORT | | \$293,787 | | | | |
| REAL ESTATE MANAGEMENT | | \$3,865 | | | | |
| UNJUSTIFIED REQUEST | | - | | | | |
| HISTORICAL UNOBLIGATION | | -\$67,660 | | | | |
| PROJECTED OVERESTIMATION OF CIVILIAN COMPENSATION | | - | | | | |
| OSD REQUESTED REDUCTION | | - | | | | |
| WORKFORCE ACCELERATION & | | -\$66,855 | | | | |

| RECAPITALIZATION INITIATIVE | | | |
|--------------------------------|-------------------|--|--|
| TOTAL, ARNG O&M | \$ \$8,209,300 | | |

Program increase from FY25 CR – Exercise Northern Strike \$12,921
 Program increase from FY25 CR – Facilities Sustainment, Restoration & Modernization \$70,000
 Program increase from FY25 CR – State Partnership Program \$1,300



Air National Guard Personnel

(All Dollars in Thousands)

| ANG Personnel Appropriation | FY26 President Budget Request | FY26 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 | | | | |
| PAY GROUP F TRAINING (RECRUITS) | | \$78,601 | | | | |
| PAY GROUP P TRAINING (PIPELINE RECRUITS) | | \$4,947 | | | | |
| SCHOOL TRAINING | | \$361,790 | | | | |
| SPECIAL TRAINING | | \$272,101 ^{1,2} | | | | |
| ADMINISTRATION AND SUPPORT | | \$3,475,160 | | | | |
| THRIFT SAVINGS PLAN MATCHING CONTRIBUTIONS | | \$28,779 | | | | |
| EDUCATION BENEFITS | | \$15,496 | | | | |
| TOTAL, BUDGET ACTIVITY 1 (BAC-01) | | \$5,398,648 | | | | |
| UNDISTRIBUTED ADJUSTMENT | | -\$48,903 ³⁻⁵ | | | | |
| Total, Title I National Guard Personnel, Air Force | | \$5,351,895 | | | | |
| HEALTH CARE CONTRIBUTION (RC) | | \$431,000 | | | | |
| Total, National Guard Personnel, Air Force | | \$5,782,858 | | | | |

1. Program Increase from FY25 CR – State Partnership Program \$1,000 2. Program Increase from FY25 CR – Exercise Northern Strike \$2,500

3. Historical unobligated balances from FY25 CR – \$18,933

4. Underexecution of strength from FY25 CR – \$167,970
5. Program Increase from FY25 CR – 3.8 percent military pay increase & junior enlisted pay raise \$138,000

Air National Guard Operations & Maintenance

| ANG O&M Appropriation | FY26 President Budget Request | FY26 HAC-D Mark | Delta from Request | FY25 SAC- D Mark | Delta from Request | FY25 Conference |
|---|--|--------------------------|--------------------------|---------------------------|--------------------------|--------------------|
| AIRCRAFT OPERATIONS | | \$2,535,639 | | | | |
| MISSION SUPPORT OPERATIONS | | \$654,894 ¹ | | | | |
| DEPOT PURCHASE EQUIPMENT MAINTENANCE | | \$967,407 | | | | |
| FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION | | \$467,263 ^{2,3} | | | | |
| CONTRACTOR LOGISTICS SUPPORT AND SYSTEM SUPPORT | | \$1,315,113 | | | | |
| BASE OPERATING SUPPORT | | \$1,078,592 | | | | |
| CYBERSPACE SUSTAINMENT | | \$14,291 | | | | |
| CYBERSPACE ACTIVITIES | | \$53,162 | | | | |
| ADMINISTRATION | | \$71,454 | | | | |
| RECRUITING AND ADVERTISING | | \$49,745 | | | | |
| UNJUSTIFIED REQUEST | | - | | | | |
| HISTORICAL UNOBLIGATION | | -\$47,700 | | | | |
| OVERESTIMATION OF CIVILIAN COMPENSATION | | - | | | | |
| OSD REQUESTED REDUCTION | | - | | | | |
| WORKFORCE ACCELERATION AND RECAPITALIZATION INITIATIVE | | -\$7,795 | | | | |
| TOTAL, O&M, AIR NATIONAL GUARD | | \$7,152,065 | | | | |

1. Program increase from FY25 CR – State Partnership Program \$510

Program increase from FY25 CR – \$20,000
 Program increase from FY25 CR – facility enhancements for future pilot training sites \$1,500

Legislative Provisions

<u>Sec. 8043</u> prohibits the use of funds to reduce authorized positions for military technicians (dual status) of the Army National Guard, Air National Guard, Army Reserve, and Air Force Reserve unless such reductions are a direct result of a reduction in military force structure.

<u>Sec. 8045</u> provides for reimbursement to the National Guard and reserve when members of the National Guard and reserve provide intelligence or counterintelligence support to the combatant commands, defense agencies, and joint intelligence activities.

Sec. 8051 provides conditions for the use of equipment of the National Guard Distance Learning Project on a space-available, reimbursable basis.

<u>Sec. 8057</u> provides for the use of National Guard personnel to support ground-based elements of the National Ballistic Missile Defense System.

Sec. 8059 provides for a waiver by the Chief of the National Guard Bureau or his designee for all or part of consideration in cases of personal property leases of less than one year.

Sec. 8119 provides funds to improve military readiness with transfer authority to the operation and maintenance accounts of the Army, Navy, Marine Corps, Air Force, and Space Force (including National Guard and Reserve).

Items of Interest

INTRODUCTION

The Committee recommendation for fiscal year 2026 Department of Defense discretionary funding is \$831,513,000,000 which is equal to the fiscal year 2025 enacted regular appropriation. The recommendation invests in America's military superiority, shapes a more efficient and effective Department of Defense, protects from threats at America's border, and takes care of servicemembers and their families.

The Committee recommendation is fiscally responsible and adheres to the discretionary budget topline put forward by the Administration in the abbreviated budget proposal. This recommendation was developed to complement the defense investments moving on a parallel legislative track through the reconciliation process. While these efforts are coordinated, the mandatory spending proposals in the Administration's budget fall outside the jurisdiction of this Committee. Taken together these spending proposals represent the first \$1 trillion budget request for defense.

These national security investments represent a historic step forward in enhancing readiness, modernizing the force, shoring up munitions stockpiles, revitalizing necessary shipbuilding capacity and production, protecting the nation's borders from illegal trafficking of people and dangerous drugs and materials, initiating a Golden Dome for America by enhancing our air and missile defense research and development, taking care of our service members, and fostering innovation in the industrial base.

Importantly, enhancing our investments in national defense is not just about additional funding, it is also about resourcing the right things. The Committee appreciates the Administration's shared dedication to eliminating waste and pursuing governmental efficiency within the Department of Defense and the Intelligence Community.

Furthermore, this recommendation realizes true budget savings resulting from the Administration's immediate and diligent efforts by legislating funding reductions and efficiencies. However, the Committee's effort to support this goal was hampered by the lack of a full budget proposal and detailed justification material. This lack of information meant that the Committee was unable to examine up-to-date program execution data, in the context of a full fiscal year 2026 request. Nonetheless, the Committee offers its recommendation on a timeline to allow for on-time consideration and enactment. Funding a program must be timely (Kelly Johnson's Rule #11).

Despite the lack of information, the Committee maintained its long-standing tradition of producing a bill in a bipartisan manner to ensure the appropriate use of valuable taxpayer funds. This Committee has produced a bill that meets our obligations to the warfighter and to keep this nation safe from ever-growing threats by making tough choices.

GOLDEN DOME

On January 27, 2025, the President signed an executive order creating the Iron Dome for America, more commonly called the Golden Dome for America, to develop a next-generation missile defense shield to protect the American people from the growing threat of attack by ballistic, hypersonic and cruise missiles, and other advanced weapon systems. Providing for the common defense of the Nation is a fundamental responsibility of the United States Government and the Committee strongly supports the goals and objectives of Golden Dome. Importantly, such an ambitious endeavor will require a comprehensive national effort and a clear common understanding between the Department of Defense and the Committee of the detailed plans, cost, tradeoffs, and risks involved in developing and fielding such a complex system.

To date, the Department of Defense has yet to provide information on what exactly it entails and how it intends to implement Golden Dome or to make the case that it is feasible or affordable. The Committee applauds the Department for naming a highly qualified senior military officer to lead this effort, but the Committee will need a detailed understanding of the overall architecture and capabilities envisioned for Golden Dome, both in the near term—the next three years—and at full operational capability. The Department of Defense must clearly articulate to the Committee what current programs across the Department are part of Golden Dome and how they will be augmented and integrated to support it. Furthermore, the Committee will require detailed proposals, realistic cost estimates, and risk assessments of new investments and new technologies for Golden Dome. In addition, the Committee needs to understand the role, responsibility, and resources provided by key allies and partners in Golden Dome.

Therefore, the Committee directs the Secretary of Defense to provide the House and Senate Defense Appropriations Committees, not later than 90 days after the enactment of this Act and quarterly updates thereafter, with a comprehensive plan, in classified form if necessary, that addresses the reference architecture, capabilities-based requirements, and an implementation plan for the next-generation missile defense shield. In addition, the Committee directs the Secretary of Defense to provide a separate budget justification volume with the fiscal year 2027 budget request specifically detailing the program descriptions, justifications, and budget requests associated with Golden Dome, including a crosswalk of funds requested for Golden Dome-related programs executed across the Department.

ARMY TRANSFORMATION INITIATIVE

In pursuit of transformation and acquisition reform, on April 30, 2025, the Secretary of Defense directed the Secretary of the Army to implement a comprehensive transformation strategy to accelerate delivery of critical capabilities, optimize force structure, and divest of programs deemed obsolete or inadequate to meet the requirements of future fights.

While the Committee supports the Army's intent to become a leaner, more lethal, and adaptive force; the Committee is disconcerted by the manner in which the Army has chosen to present its plans and rationale to achieve the objectives set out in the Army Transformation Initiative (ATI) to the congressional defense committees.

To date, the Army has yet to provide complete budgetary details, tradeoffs, and risk assessments of proposed divestments and investments of capabilities and programs associated with ATI. In addition, the Committee must be informed of the Army's future force structure and end strength targets in its pursuit of eliminating waste and optimization. Consequently, in drafting its recommendation, the Committee is unable to take the Army Transformation Initiative proposal into full consideration until further details have been provided.

Therefore, the Committee directs the Secretary of the Army and the Chief of Staff of the Army to provide a briefing to the House and Senate Defense Appropriations Committees, not later than July 31, 2025, that addresses fiscal year 2026 budgetary impacts and funding requirements across the future years defense program, capability-based requirements and identification of capability gaps as a result of planned divestments, and an implementation plan for Army Transformation Initiative efforts. In addition, the Committee directs the Secretary of the Army to inform the congressional defense committees, not later than 30 days prior to implementation, of any additional proposed changes taking place as part of the Army Transformation Initiative or broader transformation efforts.

MILITARY PERSONNEL OVERVIEW

The Committee recommendation provides \$176,171,154,000 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 an increase in basic pay for all military personnel by 3.8 percent, effective January 1, 2026. The Committee continues to encourage constructive evaluations of recruitment and retention programs, bonus and special pay incentives, and personnel benefit programs for fiscal year 2026. The Committee remains supportive of programs intended to enhance the morale and quality of life of military personnel and their families.

OPERATION AND MAINTENANCE BUDGET EXECUTION DATA

The Secretary of Defense and Service Secretaries are directed to provide the congressional defense committees with quarterly budget execution data. Such data should be provided not later than 45 days after the close of each quarter of the fiscal year and should be provided for each O-1 budget activity, activity group, and subactivity group for each of the active, defense-wide, reserve, and National Guard components. For each O-1 budget activity, activity group, these reports should include the budget request and actual obligations amount, the distribution of unallocated congressional adjustments to the budget request, all adjustments made by the Department in establishing the Base for Reprogramming (DD Form 1414) report, all adjustments resulting from prior approval reprogramming requests.

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 2026 appropriation 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 House and Senate Defense Appropriations Sub-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–1 budget activities, or between sub-activity 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 sub-activity groups listed below:

Air National Guard: 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

MATERNAL CARE RESPONSE DURING EMERGENCIES

The Committee recognizes the critical role that the National Guard plays in support of local, state, and federal agencies in preparing for and responding to public health emergencies and domestic disasters. To better prepare National Guard members, the Committee encourages the Department of Defense within 120 days after the enactment of this Act to convene a meeting of federal; state, local, or territorial public health officials; Tribal public health officials; and public stakeholders representing maternity care providers, maternal health focused community based organizations, and patient voices to discuss measures to detect maternal and child health needs and measures to facilitate access and delivery of maternal and child healthcare during public health emergencies and domestic disasters. Additionally, the Department should consider a process for the routine creation,

dissemination, and update of materials related to safe maternity care during public health emergencies and domestic disasters.

NATIONAL GUARD AND RESERVE EQUIPMENT ACCOUNT

The Committee recommends an appropriation of \$800,000,000 for the National Guard and Reserve Equipment Account. Of that amount, \$250,000,000 is for the Army National Guard; \$235,000,000 is for the Air National Guard; \$115,000,000 is for the Army Reserve; \$46,000,000 is for the Navy Reserve; \$22,000,000 is for the Marine Corps Reserve; and \$132,000,000 is for the Air Force Reserve to meet urgent equipment needs. 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; controlled humidity preservation; crash-survivable UH–60 helicopter gunner seats; degraded visual environment systems; emergency response refuel equipment kits for C-130/135 aircraft; heavy dump trucks; high mobility multi-purpose wheeled vehicle modernization: improved thermal acoustic blankets; internal auxiliary crashworthy, ballistically tolerant auxiliary fuel systems for UH-60 helicopters; KC-135 aircrew ground cooling units; land survey 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; NSA compliant, multiple network configurable, secure tactical voice bridge; secure enterprise, emergency, and social communication; software defined radios; UH-72 Lakota mission equipment modernization; upgraded commercial off the shelf ground mapping for C-130 aircraft; and vehicle-mounted, man-portable radiological nuclear detection systems.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

The Committee remains concerned regarding the scourge of illicit fentanyl and other synthetic opioids that kill thousands of Americans every year. The Department of Defense has a key role in helping to combat this crisis through its drug-interdiction and counterdrug programs. The Committee, therefore, has increased funding for the program over the fiscal year 2025 enacted levels. This includes additional funding for the National Guard and to facilitate interdiction efforts by United States Southern Command. The Secretary of Defense is directed to ensure that international programs requested and supported by this account do not duplicate programs funded by the Defense Security Cooperation Agency in the Operation and Maintenance, Defense-Wide account. Any congressional notification submitted pursuant to 10 U.S.C. 284 shall identify any resources within the Operation and Maintenance, Defense-Wide account that are allocated for similar or related purposes.