

## Defense Appropriations Act, 2026

The Defense Appropriations bill for Fiscal Year (FY) 2026 provides a base discretionary total of \$838.7 billion, of which \$838.5 billion is categorized as defense spending and \$180 million as nondefense spending. The bill seeks to address growing adversarial alignment, adversaries' growing defense investments, current U.S. capability gaps, readiness challenges compounded by high operational tempos, and the need to maintain American military superiority and deter aggression. The bill also provides funding to help address critical munitions shortfalls and the harm caused by the stagnant defense budgets and significant inflation during the previous Administration. In July 2025, the Senate Appropriations Committee advanced the bill by a vote of 26-3. In that same month, the House passed its companion bill by a vote of 221-209.

### **Key Takeaways**

- **Munitions:** Provides an increase of \$3 billion for munitions production and research and development:
  - \$2.1 billion for additional quantities above the request, including \$500 million for PATRIOT PAC-3 missiles, \$300 million for THAAD interceptors, and \$475 million for Standard Missile-3 IB, which reflect critical investments in near-term air/missile defense and Golden Dome requirements;
  - \$650 million to expand production capacity of solid rocket motors;
  - \$115 million to accelerate development of Multi-Mission Affordable Capacity Effector - an advanced, hypersonic air-to-surface missile; and
  - Authorizes multi-year procurement authority for eight critical munitions and includes an additional \$1.9 billion to accelerate production and increase capacity.
- **Administration priorities requested after the FY 2026 budget submission:** Provides an increase of \$7.5 billion to address Department-identified needs after passage of OBBBA and emergent requirements to include:
  - \$1.9 billion for ship operation costs;
  - \$1.9 billion for the Virginia-class submarine program;
  - \$500 million for the F-47;
  - \$485 million for the completion of prior-year shipbuilding programs and outfitting;
  - \$166 million for C-130-J and CV-22 safety improvements;
  - \$283 million for submarine and ship improvements;
  - \$130 million for Marine Corps barracks revitalization;
  - \$100 million for a used sealift vessel;
  - \$800 million for two Medium Landing ships;
  - \$648 million to fund the one percent civilian pay raise;
  - \$300 million to address wage increases in the shipyard workforce; and
  - \$242 million to procure long lead-time material for the FF(X)-Frigate.
- **Unfunded requirements:** Supports an increase of \$9.4 billion to address critical unfunded requirements requested by the military services and combatant commands to include:
  - \$897 million for F/A-XX the Navy's sixth generation fighter aircraft;

- \$500 million for four additional KC-130J aircraft for the Navy Reserve;
- \$320 million for two additional Ship-to-Shore Connectors;
- \$313 million for additional CH-53K aircraft;
- \$220 million for preposition material in support in special operation forces;
- \$140 million for four additional YRBM barge craft;
- \$79 million for additional Auxiliary Personnel Lighter barge craft; and
- \$40 million for Sonobuoy procurement.

- **Cost Savings:** Rescinds \$5.7 billion in unobligated funds from multiple underperforming or cancelled programs and realigns \$28.0 billion largely due to schedule delays, excess growth, and inexecutable funding in various programs.

### **Bill Highlights**

**Military Personnel:** \$193.3 billion for basic pay, allowances, special and incentive pay, and permanent change of station costs.

- Funds end strength for a total of 1,302,800 active component and 764,900 reserve and guard component.
- Funds the President's request for a 3.8 percent pay raise for servicemembers.
- Funds a 10 percent additional pay raise for junior enlisted servicemembers authorized in the FY 2025 National Defense Authorization Act (NDAA).

**Operations and Maintenance (Readiness):** Provides \$294.4 billion to begin to restore military readiness degraded under the FY 2025 full-year continuing resolution. The bill addresses critical gaps and advances national security requirements. Notably, the bill includes targeted increases of \$1.9 billion for ship operations and \$130 million for Marine Corps facilities restoration.

- \$3.7 billion for security cooperation funding for allies and partners – from the Baltics to the Middle East to the Indo-Pacific. The bill supports the President's budget request of \$1.0 billion for the Taiwan Security Cooperation Initiative. Like the FY 2026 NDAA, the bill supports additional funding for the Baltic Security Initiative for security assistance to Estonia, Latvia, and Lithuania. The bill provides an increase for security assistance efforts for the Philippines, Jordan, Bahrain, and Lebanon.
- Increase of \$50 million for Impact Aid and \$20 million for Impact Aid for children with disabilities.

**Additional Defense Investments:** \$313.4 billion for the research, development, and procurement of weapons systems and Defense capabilities to include:

- Full funding for the Sentinel program;
- Increase of \$5.9 billion for Columbia- and Virginia-class submarine programs;
- Increase of \$1.5 billion for eight Air National Guard C-130J aircraft;
- Increase of \$1.6 billion for air and missile defense capabilities;
- Increase of \$1.0 billion for a third FY 2027 Destroyer;
- Funding in the amount of \$1.1 billion for up to three E-2D Advanced Hawkeye aircraft;
- Increase of \$963 million for energetics manufacturing within the Army's Organic Industrial Base;

- Increase of \$900 million to continue the E-7 Wedgetail early warning and control and battle management mission aircraft;
- Increase of \$897 million for F/A-XX, the Navy's sixth generation fighter aircraft;
- Increase of \$800 million for Medium Landing Ship;
- Increase of \$474 million for two EA-37B Compass Call aircraft to expand the Air Force's electronic attack capacity;
- Increase of \$465 million for Paladin Integrated Management;
- Increase of \$450 million for DDG 51 shipyard infrastructure and \$300 million for DDG 51 wage enhancements;
- Increase of \$401.6 million to enable the Air Force to fully fund 24 F-35A aircraft;
- Increase of \$360 million for an additional twelve AH-64E Apache helicopters;
- Increase of \$308 million for Accelerate the Procurement and Fielding of Innovative Technologies (APFIT);
- Increase of \$299 million for Joint Light Tactical Family of Vehicles (JLTV);
- Increase of \$280 million for F-135 spare engines;
- Increase of \$242 million for FF(X)-Frigate and \$100 million for Frigate industrial base support and workforce development;
- Increase of \$203 million for U.S. and Israel Combating Terrorism Technology Support programs;
- Increase of \$145 million for Auxiliary Vessels (Used Sealift);
- Increase of \$175 million for Improved Turbine Engine Program (ITEP);
- Increase of \$167 million for an additional five UH-60M Black Hawk helicopters;
- Increase of \$160 million for F-35 spare parts;
- Increase of \$100 million for the Army National Guard HMMWV Modernization program;
- Increase of \$59 million for Abrams Upgrade Program; and
- Increase of \$50 million to continue development of Space Development Agency's Warfighter centric capability.

**Other Department of Defense Programs:** \$46.9 billion for the Defense Health Program, Counter-Drug activities, Chemical Agents and Munitions Destruction programs, revolving and management funds, and the Intelligence Community Management Account, including \$897 million for the Congressional Directed Medical Research Program.

**General Provisions:** \$6 billion in transfer authority for the Department of Defense and \$1.5 billion for the Intelligence Community (IC), providing flexibility for the Department and the IC to address unforeseen costs and contingencies. The bill includes an increase of \$25 million for emerging requirements within the U.S. Africa Command region. The bill supports the E-7 and UH-60 aircraft by prohibiting funds for the cancellation of these programs. Finally, the bill retains provisions that prohibit funding for Wuhan Institute of Virology and EcoHealth Alliance in China, ensure Guantanamo Bay Detention Facility remains open and prohibits the transfer of detainees to the United States.