

Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2026

The Military Construction, Veterans Affairs (VA), and Related Agencies Appropriations bill for Fiscal Year (FY) 2026 provides a base discretionary total of \$153.3 billion, including \$19.7 billion in defense funding and \$133.5 in nondefense funding. The bill provides support for critical housing, infrastructure, and facilities for U.S. military forces and their families, as well as increased funding for veterans health care and benefits. Earlier this year, the Senate Appropriations Committee advanced the Military Construction, VA, and Related Agencies bill by a vote of 26 to 3, and the full Senate passed the bill by a vote of 87 to 9 on August 1, 2025.

Key Takeaways

- **Veterans Medical Care:** Provides \$115.1 billion for veterans medical care. Combined with \$52.6 billion from the Toxic Exposures Fund, VA will have \$167.7 billion to care for veterans, a top priority for Congress and the Trump Administration.
- **Veterans Benefits:** Provides \$263.7 billion for mandatory veterans benefits, including disability compensation programs, education benefits, and vocational rehabilitation and employment training.
- **Military Construction:** Provides \$19.7 billion for the Department of Defense military construction program. This funding supports approximately 300 projects at military installations within the U.S. and around the world to deliver modern and resilient infrastructure that enhances warfighter readiness and quality of life.

Bill Highlights

Military Construction: \$19.7 billion for military construction and family housing projects.

- **Warfighter Readiness:** More than \$7 billion for the construction and modernization of military infrastructure critical to warfighter readiness, supporting a wide range of projects, including training ranges, maintenance and logistics facilities, storage warehouses, munitions magazines, airfield control towers and pavement upgrades.
- **Emerging Capabilities:** More than \$2 billion to build and upgrade infrastructure that supports the integration and deployment of new and emerging technologies, including the construction of next generation hangars tailored to support advanced platforms.
- **Shipyards:** \$1.5 billion to support the U.S. Navy's Shipyard Infrastructure Optimization Program, the initiative to modernize and revitalize the Navy's four public shipyards.
- **NATO Security Investment Program:** \$482 million for the U.S. share of projects that provide for facilities and capabilities to support the collective defense of the NATO Alliance.

- **Housing and Quality of Life:** \$1.9 billion for construction and operation and maintenance of military family housing; \$1.3 billion for design, renovation, and construction of barracks, dorms, and other unaccompanied housing; and \$1.3 billion for projects that improve quality of life for servicemembers, including hospitals, schools, child development centers, fitness centers, dining facilities and mess halls.

Department of Veterans Affairs (VA): \$133.2 billion for VA, augmented (as requested by the Administration) by \$52.6 billion for the Toxic Exposures Fund (TEF).

- **VA Medical Care:** \$115.1 billion for VA medical care, including \$59.2 billion for direct care at VA facilities, \$34 billion for care from community providers, \$12.1 billion for the management and administration of the VA health care system, and \$9.9 billion for the operation, maintenance, and upkeep of Veterans Health Administration facilities. Within these amounts, the bill provides:
 - \$18.9 billion for mental health;
 - \$6.4 billion for telehealth services;
 - \$3.5 billion for veterans homelessness programs;
 - \$3.5 billion for the Caregivers Program;
 - \$709.6 million for opioid misuse prevention and treatment;
 - \$945 million for medical and prosthetic research;
 - \$1.4 billion for health care specifically for women veterans; and
 - \$342.5 million for rural health initiatives.
- **Toxic Exposures Fund (TEF):** \$52.6 billion to implement that PACT Act and provide health care for veterans exposed to environmental hazards during their service, including burn pits.
- **VA Construction:** \$1.4 billion for VA major construction to support construction of new VA hospitals and veterans cemeteries.
- **VA Electronic Health Record:** \$3.4 billion for the veterans electronic health record program to support VA's plan to resume new site deployments at 13 locations in 2026, growing to 27 facilities in 2027.
- **VA Mandatory Funding:** \$263.7 billion for mandatory veterans benefits, including veteran disability compensation programs, education benefits, and vocational rehabilitation and employment training.
- **Advanced Appropriations:** \$122.3 billion in FY 2027 advance discretionary funding for veterans health care and \$271.4 billion in FY 2027 advance mandatory funding for veterans benefits.

Related Agencies: \$357.8 million for the related agencies:

- **American Battle Monuments Commission:** \$110 million to support 26 permanent American military cemeteries and 32 Federal memorials, monuments and markers that honor the service and sacrifice of American military personnel who died overseas.
- **U.S. Court of Appeals for Veterans Claims:** \$49 million to support the review and arbitration of disability eligibility decisions by the Board of Veterans Appeals.
- **Arlington National Cemetery:** \$118.8 million to support the cemetery's 7,000 burial services, 3,000 public wreath laying ceremonies, and three million visitors.
- **Armed Forces Retirement Home:** \$80 million to support operations at two communities in Washington, D.C., and Gulfport, Mississippi, that provide affordable resident services and care to retired and former enlisted servicemembers and their spouses.

Guantanamo Bay: Retains provisions preventing the realignment or closure of the Naval Station and preventing construction of a new facility in the U.S. to house Guantanamo detainees.

VA NICS Reporting: Retains the provision prohibiting VA from referring a veteran who has an appointed fiduciary to the NICS system without an order or finding of a judge that the veteran is a danger to himself or herself or others.

Chinese IT Ban: Includes a new provision prohibiting the VA from purchasing technology equipment manufactured by any Chinese companies included on lists maintained by the Departments of Defense, Treasury, Commerce, or Homeland Security.