# MILITARY CONSTRUCTION, VETERANS AFFAIRS, AND RELATED AGENCIES 2027

The Military Construction, Veterans Affairs, and Related Agencies appropriations bill for Fiscal Year 2027 provides a base discretionary total of $173.2 billion. The bill fully funds veteran medical care and benefits, provides for critical improvements to VA infrastructure and technology systems, and makes a generational investment in military facilities, while improving readiness and quality of life for service members and their families.

## Key Takeaways

- **Veterans Medical Care**: Provides $175.5 billion for veteran medical care. This includes $123.4 billion in discretionary funding and $52.1 billion from the Toxic Exposures Fund.
- **Veterans Benefits:** Provides $283.9 billion for mandatory veteran benefits, including disability compensation programs, education benefits, vocational rehabilitation, and employment training.
- **Military Construction:** Provides $28.6 billion for the Department of Defense military construction program. This funding supports more than 280 projects at military installations within the United States and around the world to deliver modern and resilient infrastructure that enhances warfighter readiness and quality of life.

## Bill Highlights

**Military Construction:** Provides $28.6 billion for military construction and family housing projects, an increase of $8.8 billion (45%) over the FY2026 enacted level and equal to the Administration's request.

- **Warfighter Readiness:** Provides 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:** Invests nearly $7 billion to build and upgrade infrastructure supporting the integration, deployment, and beddown of emerging capabilities and missions, such as the B-21 Raider, F-47 fighter, and Sentinel ICBM system.
- **Shipyards:** Provides $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, including Portsmouth Naval Shipyard in Kittery, Maine.

- **NATO Security Investment Program:** Provides $604 million, equal to the Administration's request, for the U.S. share of NATO-funded projects supporting facilities and capabilities for the alliance's collective defense.
- **Housing and Quality of Life:** Provides $2.2 billion for military family housing and $1.5 billion for barracks, dorms, and unaccompanied housing. The bill also includes $1 billion for quality-of-life facilities, including hospitals, schools, child development centers, and dining facilities.

**Department of Veterans Affairs (VA):** $144.2 billion in discretionary funds for VA, $11.1 billion (8.3%) over the FY2026 enacted level. This is augmented by a total of $54.6 billion for the Toxic Exposures Fund (TEF), of which $52.1 billion directly supports veteran medical care.

- **VA Medical Care:** $123.4 billion for discretionary VA medical care, including $60 billion for direct care at VA facilities, $39.7 billion for care from community providers, $11.1 billion for the management and administration of the VA health care system, and $12.7 billion for the operation and maintenance of Veterans Health Administration facilities. Within these amounts, the bill provides:
    - $17.7 billion for mental health;
    - $6.7 billion for telehealth services;
    - $3.8 billion for veterans homelessness programs;
    - $3.5 billion for the Caregivers Program;
    - $1.4 billion for health care specifically for women veterans;
    - $922 million for medical and prosthetic research;
    - $655 million for opioid misuse prevention and treatment; and
    - $349 million for rural health initiatives.

- **Toxic Exposures Fund (TEF):** $54.6 billion to implement the PACT Act and provide healthcare for veterans exposed to environmental hazards during their service, including burn pits.
- **VA Construction:** $3.7 billion for VA construction of new VA hospitals, veteran cemeteries, and minor construction projects, an increase of $2 billion (115%) over the FY2026 enacted level.
- **VA Electronic Health Record:** $4.1 billion for the VA electronic health record, an increase of $720 million (21%) over the FY2026 enacted level, to support the continued accelerated rollout of the program following a record year of deployments to VA facilities.
- **VA Mandatory Funding:** $283.9 billion for mandatory veteran benefits, including veteran disability compensation programs, education benefits, and vocational rehabilitation and employment training.
- **Advanced Appropriations:** $138.2 billion in FY2028 advance discretionary funding for veteran health care and $307.5 billion in FY2028 advance mandatory

funding for mandatory veteran benefits, including veteran disability compensation programs, education benefits, vocational rehabilitation, and employment training.

- **American Battle Monuments Commission:** $108 million to support 26 permanent American military cemeteries and 31 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:** $50.3 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**: $77 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 service members 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 the VA from referring a veteran who has an appointed fiduciary to the NICS system without the order or finding of a judge.

**Chinese IT Ban**: Retains the 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.

**Highly Rural Transportation Grants Program:** Includes a new provision that provides for expanded access to such grants by permitting the program to include rural areas, as defined by the Department of Agriculture.