OFFICE OF THE

UNDER SECRETARY OF DEFENSE

COMPTROLLER/CHIEF FINANCIAL OFFICER

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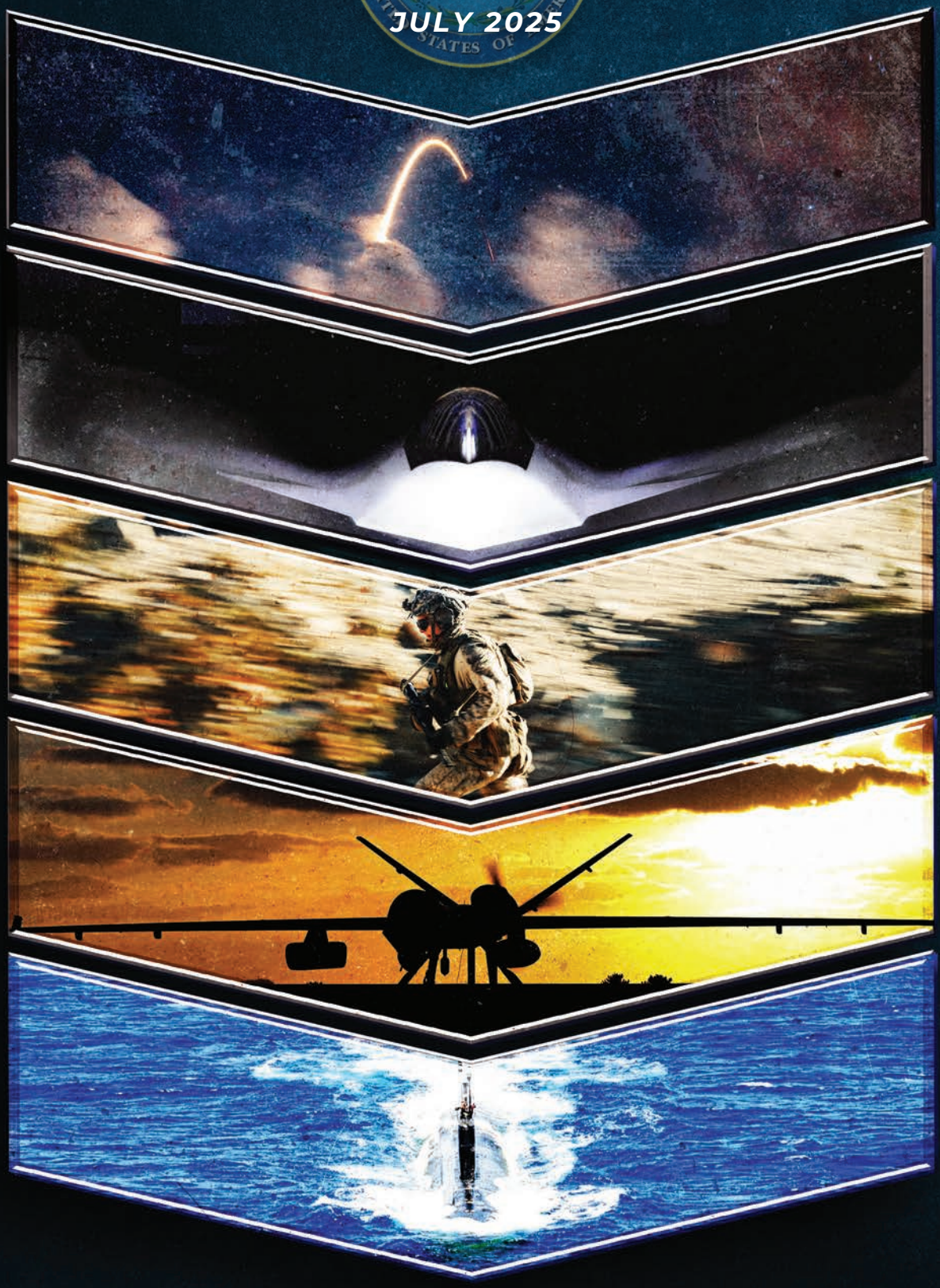

Defense Budget Overview

UNITED STATES DEPARTMENT OF DEFENSE

FISCAL YEAR 2026 BUDGET REQUEST

Preface

The Overview Book has been published as part of the President's Annual Defense Budget since FY 2009. From FY 1969 to FY 2005, OSD published the "Annual Defense Report" (ADR) to meet 10 USC section 113 requirements. Subsequently, the Overview began to fill this role.

The Overview is one part of an extensive set of materials that constitute the presentation and justification of the President's Budget for FY 2026. This document and all other publications for this and previous DoD budgets are available from the public website of the Under Secretary of Defense (Comptroller): https://comptroller.defense.gov.

The Press Release and Budget Briefing, often referred to as the "Budget Rollout," and the Program Acquisition Costs by Weapons System book, which includes summary details on major DoD acquisition programs (i.e., aircraft, ground forces programs, shipbuilding, space systems, etc.), are especially relevant.

Notable accomplishments and updates will be summarized in the forthcoming 2024 Annual Performance Report (APR). Unclassified versions of the Annual Performance Plan (APP) and APR will be posted at https://dam.defense.gov/Performance-Mgmt/ when available.

Other background information can be accessed at www.defense.gov.

The estimated cost of this report or study for the Department of Defense is approximately $42,000 for the 2025 Fiscal Year. This includes $11,000 in expenses and $31,000 in DoD labor.

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1. FY 2026 BUDGET SUMMARY

"The President gave us a clear mission: achieve Peace through Strength. We will do this in three ways — by restoring the warrior ethos, rebuilding our military, and reestablishing deterrence."

- Secretary of Defense Peter B. Hegseth, Message to the Force, January 2025

STRATEGIC OVERVIEW

The United States faces one of the most dangerous strategic environments in our Nation's history. This environment is characterized by:

- A U.S. Homeland vulnerable from years of unsecured borders and increasingly capable air and missile threats;
- China's unprecedented military buildup and the direct threat that it poses to America's security and economy; and
- A range of other threats, including Russia, Iran, North Korea, and select terrorist organizations.

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In the face of these threats, President Trump has charged the Department with supporting his America First defense policy agenda and achieving his vision of peace through strength.

The scale and urgency of the challenges we face demand clear prioritization, strategic discipline, and fiscal responsibility, all of which are reflected in this budget.

INTERIM NATIONAL DEFENSE STRATEGIC GUIDANCE

This budget is built around advancing the priorities of the Interim National Defense Strategic Guidance and the Secretary of Defense's Message to the Force:

- ***Reestablish deterrence*** against those who would threaten the American people by:
  - Defending the Homeland, including by sealing our borders; repelling forms of invasion including illegal immigration and narcotics trafficking; advancing America's interests in the Western Hemisphere; modernizing and diversifying nuclear forces; bolstering cyber capabilities; conducting resource-sustainable counter-terror operations focused on organizations that possess capability and willingness to strike the homeland; and, defending the American people through President Trump's Golden Dome next-generation missile shield.

- Deterring China in the Indo-Pacific by prioritizing combat credible military forces and capabilities postured forward in the Western Pacific. This includes funding the President's priorities of shipbuilding, strengthening our space capabilities, and the development of the next generation fighter aircraft, the F-47.
- Empowering allies and partners to do more in recognition that we will put America's interests first, while ensuring the United States can provide critical but more targeted support where required around the globe.

- ***Rebuild the military*** and revitalize America's defense industrial base by:
  - Realizing savings through reform and optimization that can be applied directly towards increased lethality. In partnership with the Department of Government Efficiency (DOGE), the Department continues to assess its workforce requirements across the enterprise and implement strategic reforms to our acquisition processes and business practices.
  - Investing in our industrial base for critical requirements, such as munitions, ships, and submarines, in a manner consistent with President Trump's intent to use the Department's limited resources responsibly.
- ***Restore the warrior ethos*** by refocusing the Department on core warfighting missions, giving a pay raise to our military personnel, and making investments to increase their quality of life.

FY 2026 BUDGET REQUEST OVERVIEW

The Department of Defense (DoD) Fiscal Year (FY) 2026 budget request of $961.6 billion represents a 13.4 percent increase over FY 2025 and delivers on the President's promise to achieve peace through strength by providing the resources to rebuild America's military, reestablish deterrence, and restore the warrior ethos.

Figure 1.1 DoD Budget

$ in billions	FY 2024 Actuals	FY 2025 Enacted	FY 2026 Request
Discretionary	842.3	848.3	848.3
Mandatory [1]	-	-	113.3
Supplemental [2]	67.3	11.8	-
Total	**909.6**	**860.1**	**961.6**

Discretionary Budget Authority *Numbers may not add due to rounding*

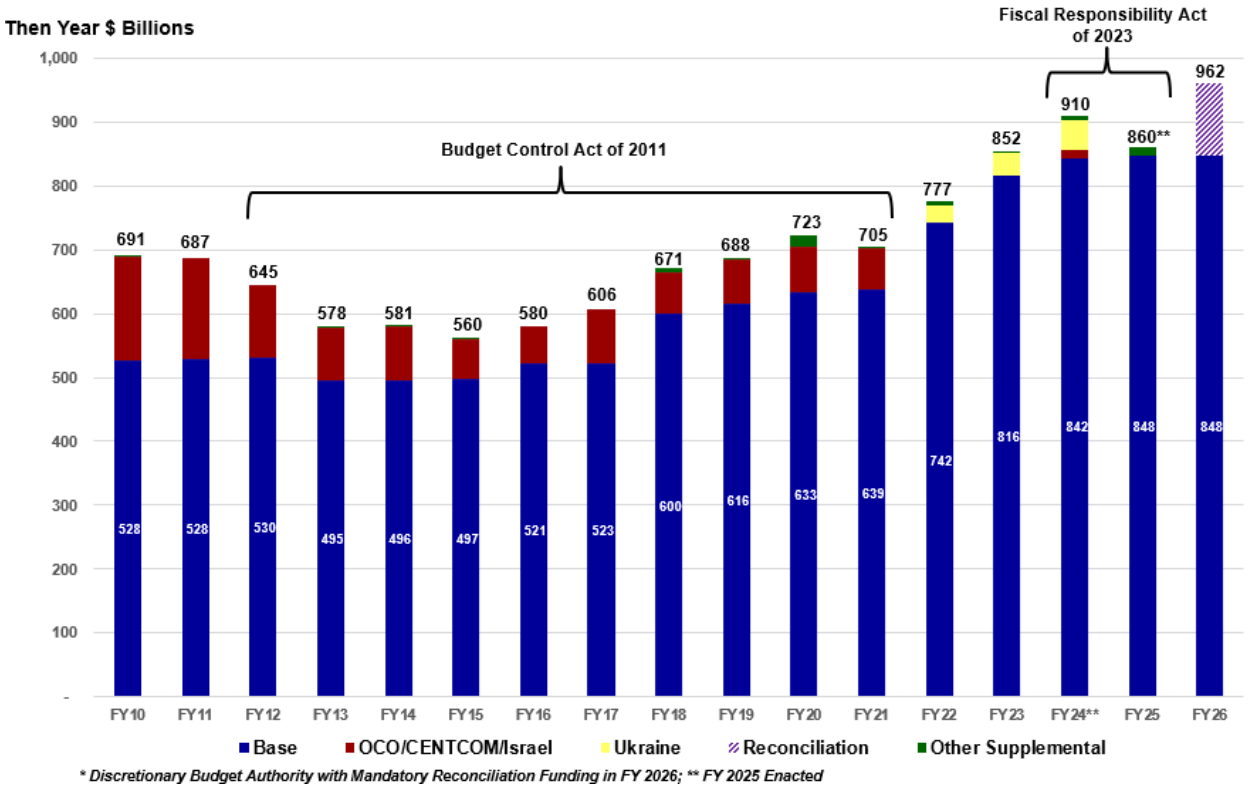
[1] In addition to discretionary resources, the Administration assumes at least $150 billion for defense will be enacted in a mandatory reconciliation bill later this fiscal year with approximately $113.3 billion spent in FY 2026 for DoD activities.

[2] FY 2024 includes supplemental funding for Ukraine ($48.4 billion), Israel ($13 billion), and Indo-Pacific/U.S. Submarine Industrial Base (SIB) ($5.9 billion). FY 2025 includes supplemental funding for Virginia-class cost increases and SIB ($5.7 billion), National Security System risk reduction ($913 million), and Natural Disasters ($5.2 billion).

As Secretary Hegseth has highlighted to Congress, for FY 2026, "*we have two bills and one budget*." The $961.6 billion request is made up of an $848.3 billion discretionary budget request and $113.3 billion in mandatory funding from the reconciliation bill. Passing both the discretionary budget and the mandatory reconciliation bill is essential to properly resource our military.

Figure 1.2 provides a historical look at the overall DoD budget back to FY 2010 and breaks out the base budget amounts from Overseas Contingency Operations (OCO) and other supplemental funding received. The decade-long Budget Control Act (BCA), which lasted

Figure 1.2. DoD Budget FY 2010 – FY 2026*



** Discretionary Budget Authority with Mandatory Reconciliation Funding in FY 2026; ** FY 2025 Enacted*

through FY 2021, significantly reduced Defense budgets after the previous decade of build-up in both the base and OCO funding related to operations in Iraq and Afghanistan following the events of 9/11. Emerging from the BCA, the FY 2022 budget eliminated the separate OCO request, but funds were retained for continued support of the U.S. Central Command area of responsibility to deter Iran and to provide for over-the-horizon operations for Afghanistan. The FY 2024 base budget aligned with funding levels agreed to in the Fiscal Responsibility Act of 2023, and FY 2025 reflects the enactment of the first-ever full-year continuing resolution (CR) for the Department.

The *FY 2026 budget realigns the military to the historic strength* that began in President Trump's first term and makes generational investments in the President's priorities, including developing the Golden Dome for America, sealing the Southern Border, investing in the F-47 fighter, revitalizing our shipbuilding industry, and shaping end strength to match the threats we face.

These investments are amplified by the savings and efficiencies that the Department found during the FY 2026 Budget Relook and in collaboration with the DOGE. Shortly after his confirmation, Secretary Hegseth directed a budget relook to ensure the FY 2026 President's Budget will "*resource the fighting force we need, cease unnecessary spending, reject excessive bureaucracy, and drive actionable reform, including progress on the audit*." Through this process, the Department identified and realigned nearly $30 billion in resources to high-priority programs, increasing lethality and readiness by eliminating wasteful and unnecessary spending, targeting bureaucratic excess, and reducing redundant, low-impact programs.

RESOURCE ALIGNMENT

This overview document illustrates how the FY 2026 budget request aligns resources to the *Interim National Defense Strategic Guidance's* three priority lines of effort and is guided by Secretary Hegseth's "three ways" outlined in his *Message to the Force* to carry out President Trump's mission of achieving peace through strength.

Reestablishing Deterrence by defending our homeland, enabled by combat-credible forces backstopped by a safe, secure, and effective nuclear deterrent.

- $5.0 billion to achieve the Department's mission to secure 100 percent operational control of the Southern Border
- $25 billion for Golden Dome for America – a next-generation missile defense system to protect Americans from the threat of nuclear, hypersonic, and conventional weapons
- ~$60 billion across the nuclear enterprise to sustain nuclear forces and fund a major recapitalization across all three legs of the nuclear triad, including:
  - $11.5 billion for the Columbia-class ballistic missile submarine and the submarine industrial base, including $10.9 billion for the new buy and $0.6 billion for supporting equipment and Research, Development, Test, and Evaluation (RDT&E)
  - $10.3 billion for the B-21 bomber
  - $4.2 billion for the Sentinel/Ground Based Strategic Deterrent (GBSD)
  - $2.0 billion for the Nuclear Sea Launched Cruise Missile (SLCM-N)
  - $1.1 billion for the Long Range Stand-Off Weapon (LRSO)
- Deter China by prioritizing combat credible forces and capabilities postured forward in the Western Pacific, including:
  - $10.0 billion for the Pacific Deterrence Initiative (PDI), providing critical investments and activities that enhance U.S. force posture, infrastructure, presence, and readiness exercises and training, specifically in the Indo-Pacific region
  - $2.4 billion in support for Taiwan, including
    - $1.0 billion in the Taiwan Security Cooperation Initiative (TSCI) to strengthen Taiwan's self-defense capabilities;
    - $1.0 billion to replace U.S. stocks for equipment and services provided to Taiwan via Presidential Drawdown Authority; and
    - $400 million to support an U.S. Indo-Pacific Command-led training effort for Taiwan and Modular Mission Environment (MME), a Joint Force requirement to enable interoperability with Taiwan's communication equipment

Rebuilding Our Military by matching capabilities to threats, reviving our defense industrial base, reforming our acquisition process, and rapidly fielding emerging technologies and new weapons so our warfighters can meet the challenges of the evolving nature of warfare.

- $68.3 billion for Air Power focused on fourth (21 F-15 EX), fifth (47 F-35s), and sixth (F-47) generation aviation programs to ensure we appropriately pace our competitors, the B-21 bomber, mobility aircraft, KC-46A tankers, and unmanned aircraft systems
- $65.0 billion for Sea Power investments with new construction of 19 battle force fleet ships, including one Columbia-class ballistic missile submarine; two Virginia-class attack

submarines; two DDG-51 Arleigh Burke-class destroyers; one America-class amphibious assault ship; one LPD-17 San Antonio-class amphibious transport dock; nine McClung-class medium landing ships; two T-AO replenishment oilers; and one T-AGOS 25-class ocean surveillance ship

- $11.6 billion for Land Power to modernize Army and Marine Corps combat equipment, including the Amphibious Combat Vehicle (ACV) and development of both the M1E3 Abrams and the XM30 Mechanized Infantry Combat Vehicle (MICV)
- $10.4 billion for key Long-Range Weapons, including:
  - $6.5 billion for conventional non-hypersonic munitions such as Joint Air-to-Surface Standoff Missile Extended Range (JASSM-ER), Long Range Anti-Ship Missile (LRASM), Joint Strike Missile, Tomahawk, and SM-6 IA
  - $3.9 billion for hypersonic weapons such as Air-launched Rapid Response Weapon (ARRW), Hypersonic Attack Cruise Missile (HACM), Long Range Hypersonic Weapon (LRHW), Conventional Prompt Strike (CPS), and SM-6 IB
- $34.0 billion in vital space capabilities, resilient architectures, and enhanced space command and control
- $15.1 billion for cyberspace activities to defend and disrupt the efforts of advanced and persistent cyber adversaries, accelerate the transition to Zero Trust cybersecurity architecture, and increase defense of U.S. critical infrastructure and defense industrial base partners against malicious cyber attacks
- Innovation and modernization investments:
  - $20.3 billion for Science and Technology (S&T), 8 percent more than FY 2025 enactment
  - $13.4 billion for autonomous and remotely operated systems across air, land, and above and below the sea
  - $979 million for the Defense Innovation Unit (DIU) for rapidly prototyping and fielding dual-use technologies, and $1.2 billion for the Strategic Capabilities Office (SCO)
- Defense Industrial Base (DIB) investments:
  - Nearly $5.7 billion for the submarine industrial base (SIB)
  - $2.6 billion in Industrial Base Analysis and Sustainment (IBAS) and Defense Production Act Title III funds to mitigate cross-cutting supply chain risks throughout the DIB, including strategic materials, critical minerals, microelectronics, batteries, and casting and forging

    $0.3 billion for the Office of Strategic Capital to use federal credit tools to attract private capital investors to invest alongside the DoD in national security projects

Restore the Warrior Ethos with a laser focus on warfighting, lethality, meritocracy, standards, and readiness.

- Investing in the Quality of Life for our Warriors and their families is essential to revive the warrior ethos and restore trust in our military. The FY 2026 budget request includes:
  - 3.8 percent military pay raise, effective on January 1, 2026, and fully funds the FY 2025 junior enlisted pay increase of 10 percent on average
  - $42.5 billion for the Defense Health Program, a $2.1 billion or 5.3 percent increase over FY 2025, including medical facility improvements, additional tele/virtual health

investments to increase access to clinical care and mental health, and staffing increases at casualty receiving locations to address chronic understaffing

  - $10.5 billion for support programs to care for and keep our Warriors and their Families ready, including Child Care and Youth Programs, Morale, Welfare, and Recreation (MWR) programs, Warfighter and Family Services, Commissary benefits, and DoD Education Activity Schools

- $159.7 billion for readiness operations, training, and maintenance is a historic high and a 7.8 percent increase over FY 2025, with increases across each of the military departments
- $47.1 billion in facilities investments, including $19.8 billion in Military Construction and Family Housing programs and $27.3 billion for Facilities Sustainment, Restoration, and Modernization (FSRM)
  - $7.2 billion is specifically targeted at improving unaccompanied troop housing (barracks), with $1.2 billion for new construction and $6 billion in FSRM
- Our personnel deserve fair treatment and a positive work environment that is free from unlawful discrimination and harassment, with qualified leaders empowered to make tough decisions, enforce standards, and restore good order and discipline through balanced accountability. The FY 2026 budget includes:
  - $1.1 billion for sexual assault prevention programs
  - $0.5 billion for suicide prevention and response programs
  - $0.2 billion to return individuals to the military who were involuntarily separated for refusing to take the COVID-19 vaccine, with back pay

***Reform and Optimization*:** In addition to the Secretary's "three ways," one of the key tenets of this Administration is that reform and optimization efforts will guide, prioritize, and maximize efficiency in securing what we need now and in the future. To this end, the FY 2026 budget request includes:

- ~$30 billion in efficiencies and reductions garnered by eliminating wasteful and unnecessary spending, targeting bureaucratic excess, and reducing redundant, low-impact programs, and reinvests these savings into high-priority programs, increasing lethality and readiness
- $1.5 billion for audit-related investments to ensure the Department achieves its commitment to receiving an unmodified audit opinion by December 31, 2028
- Planning, Programming, Budgeting, and Execution (PPBE) reforms such as:
  - Increasing the period of availability from 1 to 2 years for military Permanent Change of Station (PCS) moves, and 5 percent of Operation and Maintenance (O&M) funding
  - Standardizing and consolidating multiple budget line items (BLIs) in procurement and RDT&E accounts
  - Establishing Lifecycle Software funding to allow O&M, RDT&E, and procurement funding to be available for the entire software lifecycle
  - Increasing prior approval reprogramming thresholds consistent with historical percentages of inflation

CONCLUSION

The Department of Defense FY 2026 budget request delivers on President Trump's promise to the American people to achieve peace through strength. The threats we face are serious. Our investments to counter them must also be serious. That is what this budget does: it matches capabilities to threats. This overview book is submitted to support our enduring promise to serve as responsible stewards of taxpayer funds and provide open and transparent information.

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2. REESTABLISH DETERRENCE

INTRODUCTION

Sections

The Secretary of Defense has directed DoD to reestablish deterrence against those who would threaten the American people by allocating resources towards:

- Defending the homeland, including sealing our borders; repelling forms of invasion including illegal immigration and narcotics trafficking; advancing America's interests in the Western Hemisphere; modifying and diversifying nuclear forces; bolstering cyber capabilities; conducting counterterror operations focused on organizations that possess capability and willingness to strike the homeland; and defending the American people through President Trump's Golden Dome next-generation missile shield.
- Deterring China in the Indo-Pacific by prioritizing combat credible military forces and capabilities postured forward in the Western Pacific. This includes funding the President's shipbuilding priorities, strengthening our space capabilities, and developing the next-generation fighter aircraft, the F-47.
- We should empower our allies and partners to do more for their defense while ensuring the United States can provide critical but more targeted support where required around the globe.

DEFENDING THE HOMELAND

Homeland Border Security Initiatives

On January 20, 2025, the President of the United States declared a National Emergency at the Southern Border of the United States (Proclamation 10886). Under Executive Order 14159 "Protecting the American People Against Invasion", Executive Order 14165 "Securing Our Borders", and Executive Order 14167 "Clarifying the Military's Role in Protecting the Territorial Integrity of the United States", he directed the United States to seal the U.S. southern border and maintain the sovereign territorial integrity and security of the United States.

DoD's homeland border security initiatives aim to protect Americans' safety and security while preserving the United States' territorial sovereignty to defend the homeland. Defending the homeland is one of DoD's most fundamental and historic missions. As such, DoD is working closely with the Department of Homeland Security (DHS) to secure the southern border through a multi-pronged approach to both deter individuals from unlawfully entering the United States and detaining and removing those who have unlawfully crossed into the United States.

To achieve operational control of the border, DoD has deployed military personnel to the southern border to work alongside the U.S. Customs and Border Protection (CBP) and U.S. Immigration and Customs Enforcement (ICE). Together, they monitor and secure the border utilizing surveillance and reconnaissance technology to support detections and CBP/ICE apprehension of individuals unlawfully crossing the border. National Defense Areas have been established to further DoD's ability to implement the President's mission to seal and secure the border.

The DoD is also executing its mission to counter narcotics trafficking and transnational organized crime by supporting DHS in temporarily holding individuals who have crossed illegally and have a nexus to such illegal activities at continental United States (CONUS) sites and Naval Station Guantanamo Bay. These actions show real consequences, such as removing those remaining

unlawfully in the United States and deterring those seeking to enter illegally. In addition, DoD is executing the construction of a permanent border barrier, authorized under DoD authorities, along the southern border, reinforcing physical deterrence. Through these efforts, DoD remains committed to defending the homeland and supporting DHS in its evolving requirements to execute the President's orders and secure the border.

Golden Dome

> ***"I promised the American people that I would build a cutting-edge missile defense shield to protect our homeland from the threat of foreign missile attack, and that's what we're doing today."***
>
> - President Donald J. Trump, Oval Office Briefing, May 2025

President Trump signed Executive Order 14186 on January 27, 2025, calling for the development and fielding of a Golden Dome for America (GDA), a next-generation missile defense shield to defend citizens and critical infrastructure against ballistic and hypersonic weapons, advanced cruise missiles, and other next-generation aerial attacks. This effort will require a whole-of-government approach, with leadership selected by and accountable directly to the Deputy Secretary of Defense.

The GDA architecture aims to build upon existing capabilities to provide a thorough layered defense for the U.S. homeland and regional defenses. It will incorporate advanced technologies, including space-based sensing, warning, and interceptors, and a seamless command and control to ensure complete interoperability with current and future capabilities.

The FY 2026 President's Budget will identify initiatives for the GDA program while advancing the development, testing, and fielding of reliable, increasingly capable, advanced missile defenses. These investments aim to strengthen the Nation's ability to effectively address diverse threats while establishing a robust and resilient industrial supply chain.

Missile Defeat and Defense

The Department will continue to develop an integrated missile defense built on flexibility and adaptability to address new threats, promote tighter interoperability, and dominance in space. The FY 2026 budget request supports prior requests to develop and field diversified missile defeat and defense (MDD) capabilities to counter the advancing threat.

The FY 2026 budget builds on previous enhancements to U.S. MDD capabilities to defend the homeland and deployed forces/allies/partners against an increasingly complex adversary missile threat. This budget request maintains missile defense capacity and capability to keep pace with advancing threats. The FY 2026 budget request includes $43.3 billion for MDD, including $13.1 billion for the Missile Defense Agency (MDA), $15.2 billion in regional and strategic missile defense capabilities outside of MDA, and $14.9 billion for advanced technology missile defeat efforts and other left-of-launch activities.

In FY 2026, the Next Generation Interceptor (NGI) program will continue developing, integrating, and testing a highly capable, survivable, and reliable strategic interceptor to protect the homeland against projected ballistic missile threats from all adversaries.

The Ground-Based Midcourse Defense (GMD) budget will enable a future deployment fleet of Ground-Based Interceptors (GBIs) and NGIs. In FY 2026, MDA will continue testing the Long-Range Discrimination Radar (LRDR) in Alaska as part of the transition to the United States Space Force. The LRDR improves Missile Defense System (MDS) threat discrimination capability, enabling more efficient use of the GMD interceptor inventory.

Improvements to current regional defense systems will involve a continued assessment of the Sea-Based Weapons System, Aegis Ballistic Missile Defense (BMD), and Standard Missile-3 (SM-3) Block IIA missiles fielding. The SM-3 Block IIA interceptor, designed to defeat midcourse and intercontinental ballistic missile (ICBM) threats, will be modified with increased engagement battle space, improved performance against a broader range of threats, and the ability to engage on remote. The budget continues production procurement in FY 2026.

Furthermore, the budget reflects the Department's commitment to building integrated regional missile defenses that are interoperable with systems deployed by international partners to protect deployed forces, allies, and international partners against Short Range Ballistic Missiles (SRBM), Medium Range Ballistic Missiles (MRBM), and Intermediate Range Ballistic Missiles (IRBM).

For U.S. missile defense capabilities, the FY 2026 budget request:

- Continues NGI All-Up Round (AUR) development to enhance homeland defense interceptor capability and capacity to increase current fleet size to 64 interceptors (44 GBIs and 20 NGIs) as early as the decade's end.
- Supports five activities within the Hypersonic Defense budget to develop and field hypersonic missile defense capabilities: 1) identifying and developing new technology and capabilities within industry; 2) conducting systems engineering activities required to evolve the Missile Defense System to address hypersonic threats; 3) analyzing and upgrading existing capabilities to defend against hypersonic threats; 4) demonstrating an operational defensive capability to engage and defeat hypersonic threats; and 5) participating and collecting data during flight test events.
- Accelerates the Glide Phase Intercept (GPI) hypersonic defense prototype development, supporting the Golden Dome initiative.
- Continues increasing BMD capability and capacity of the Aegis Fleet to be deployed on Aegis BMD ships and at Aegis Ashore; continues the integration of the SM-3 Block IIA into the Aegis BMD Weapon Systems; procures additional SM-3 Block IIA missiles ensures the maturation of the manufacturing process; and continues development of the Sea Based Terminal capability to protect the Fleet and forces ashore.
- Provides funding for Terminal High Altitude Area Defense (THAAD) development efforts and software upgrades such as debris mitigation, remote launcher capabilities, and continued integration of the THAAD Battery capability into the Army's Integrated Air and Missile Defense Battle Command System (IBCS) planning process. The FY 2026 THAAD budget also includes funding for additional THAAD Interceptors and support, maintenance, and upkeep of BMD unique items for fielded THAAD Batteries and training devices.

- Provides funding for continued collaboration between MDA and the Services to develop and field a land-based persistent 360-degree system for the Defense of Guam. Existing missile defense systems (i.e., AEGIS, PATRIOT, THAAD) will be leveraged to expedite the development and fielding of Guam defenses.

- Provides funding to perform the systems engineering required to design, build, test, assess, and field the integrated MDS.
- Continues refinement of the Cruise Missile Defense Homeland Architecture and demonstrates cruise missile defense capabilities using MDA's Joint Tactical Integrated Fire Control (JTIFC) capability in coordination with the U.S. Air Force.
- Provides funding to execute a comprehensive, highly integrated, complex, cost-effective series of flight tests, ground tests, cybersecurity tests, modeling and simulations, war-games, and exercises to ensure that MDS capabilities are credibly demonstrated and validated before delivery to the warfighter.
- Continues funding in support of development and production of Israeli Cooperative BMD Programs, to include United States funding for the Iron Dome system to defeat short-range missiles and rockets, and co-development and co-production of the David's Sling Weapon System and Arrow-3 System.
- Outside of MDA, the Department invests over $15.2 billion in integrated air and missile defenses, as well as regional and strategic missile defense capabilities, including:
    - Over $7.4 billion of Army investments that bolster integrated air and missile defense capability. The FY 2026 investments include procuring 245 PAC-3/MSE missiles and 44 Maneuver Short Range Air Defense (M-SHORAD) battalions and investing in Lower-Tier Air and Missile Defense System (LTAMDS) and the Indirect Fire Protection Capability (IFPC) Increment 2.
    - Department of the Navy investments total $2.9 billion, focusing on ship-based defense for regional and strategic threats. These investments include Aegis Ballistic Missile Defense Weapon System; Standard Missile procurement for cruise, ballistic, and hypersonic missile defense; close-in weapons systems; air defense radars; and E-2D sensor capabilities.
    - Air Force and Space Force investments total $4.0 billion for advanced missile defense technologies, including Wide Area Surveillance in the National Capital Region, and long-range radar improvements.
    - Space Force investments upgrade and sustain strategic and tactical missile warning and tracking systems. These investments include the Next Generation Overhead Persistent Infrared, Resilient Missile Warning, Missile Tracking Low Earth Orbit and Medium Earth Orbit, Upgraded Early Warning Radars, and service life extension of legacy early warning systems.
    - Includes Space Development Agency (SDA) missile defense investments to develop and demonstrate a hypersonic missile tracking layer. In addition, SDA is developing a data transport layer to enhance several mission areas, including missile defense.
    - Continues collaboration between the United States Space Force, Missile Defense Agency, and the SDA on space sensors to provide low-latency tracking data for weapons engagement. With the February 2024 launch of the Hypersonic and Ballistic Tracking Space Sensor (HBTSS) prototypes, FY 2026 funding continues to support on-orbit testing and demonstrations to defend against adversary hypersonic missiles.
    - Defense-Wide investments focus on joint air and missile defense research and development, advanced innovation technologies, and missile defense technology demonstrations.

Finally, the Department plans to invest significantly in left-of-launch capabilities involving cyber

operations, hypersonic strike and defense capabilities, and advanced innovation technologies.

Counter-Unmanned Systems (C-UXS)

The rapid development and proliferation of small, unmanned aircraft systems (UAS) have changed the character of conflict and influenced the development of similar unmanned systems in the maritime (surface and underwater) and ground domains. The Department's high priority is accelerating capabilities for the warfighter that provide a layered defense to mitigate and defeat unmanned threats.

The Department recently released a classified Strategy for Countering Unmanned Systems and an accompanying classified Implementation Plan. The strategy builds on major DoD initiatives, including the Joint Counter-Small UAS (C-sUAS) Office's stand-up, establishing a Warfighter Senior Integration Group, and launching the Replicator 2 initiative. The Department's priority is countering unmanned systems across the full spectrum of warfare, but to date, most of the activity has been focused on C-sUAS.

The Senior Integration Group for C-UXS will focus on accelerating efforts to rapidly field capabilities to counter the threat of unmanned systems. The Replicator 2 Program will aim to deliver meaningfully improved C-sUAS protection to critical assets. Replicator 2 will assist with overcoming challenges faced in production capacity, technology innovation, authorities, policies, open systems architecture, system integration, and force structure.

Figure 2.1. C-UXS *($ in millions)*

Program	FY 2024 Actuals	FY 2025 Enacted	FY 2026 Request	FY25 – 26 Change
C-UXS	2,681	2,247	3,187	940
Total	**2,681**	**2,247**	**3,187**	**940**

Biodefense

This budget request supports implementing the 2025 Interim National Defense Strategic Guidance by maintaining biodefense investments to enable the Joint Force to operate through biologically contaminated environments, thereby increasing warfighter readiness. This budget matches capabilities to deliberate adversary biological threats.

To address a rapidly evolving biothreat landscape, this budget bolsters the Department's intelligence collection and analytic capabilities to better detect and identify emerging threats of potential operational significance, including advancements in adversary biotechnology capabilities. Additionally, the budget delivers state-of-the-art research using high-performance computing, artificial intelligence, and machine learning dedicated to accelerating the fielding of cutting-edge capabilities in areas such as threat characterization, materials science, integrated early warning, and rapid medical countermeasures in support of deterring aggression in the Indo-Pacific and in defense of the homeland. These investments will enhance the defense industrial base and enable manufacturing optimization. Modernizing the Department's biodefense capabilities is necessary to protect the Joint Force and continue operating in the face

of deliberate, adversarial bioweapons attacks.

Guided by the Secretary of Defense, this budget enhances warfighter lethality and readiness through a multi-layered biodefense strategy, including health surveillance via wastewater, threat response, force health protection, funding for medical countermeasures/infectious disease research/development, essential supplies, and comprehensive healthcare. These activities are critical for maintaining a healthy and ready force capable of operating in any environment and fighting through any biological incident.

Modernize the Nuclear Triad

The Nation's nuclear forces and supporting infrastructure remain the foundation of deterrence and defense against the growing threats to the homeland and our interests abroad. The President's budget continues to affirm and support full scope modernization of U.S. nuclear forces and nuclear command, control, and communication capabilities, as well as modernization of the complementary defense industrial base and the Department of Energy's nuclear production enterprise. For the foreseeable future, nuclear weapons will continue to provide unique deterrence effects that no other element of U.S. military power can replace. The Department is committed to delivering the nuclear modernization program of record while continuing to sustain legacy systems and exploring future adaptations to mitigate risk.

Most of the Nation's nuclear deterrence delivery systems were built in the 1980s and prior. Currently fielded systems will require service life extensions to maintain system effectiveness and reliability until their replacements are fielded. The Department has steadily received strong, bipartisan congressional support for nuclear modernization, and these programs are funded in the FY 2026 budget request. Replacement programs are underway to ensure no gaps in capability when the legacy systems age out. Still, there is very little schedule space between the fielded system's age-out and the fielding of the replacement systems. Recapitalizing nuclear platforms, delivery systems, and the associated support systems will require significant investment over the next 20 years. The following table reflects the funding for 12 critical weapons systems.

Figure 2.2. Nuclear Modernization FY 2026 Funding[1] (DoD Funding only) *($ in millions)*

Weapon Systems	FY 2024 Actuals	FY 2025 Enacted	FY 2026 Disc.	FY 2026 Mand.	FY 2026 Total	FY25 – 26 Change
Sentinel ICBM	4,336	2,022	2,658	1,500	4,158	+2,136
Long Range Stand-Off Weapon	924	804	1,051	0	1,051	+246
Columbia-Class Submarines[2]	8,195	9,905	9,554	1,926	11,480	+1,575
Trident II Missile Mods	1,872	2,393	3,742	0	3,742	+1,349
Nuclear-Armed, Sea-Launched Cruise Missile	134	126	0	1,932	1,932	+1,806
B-21 Bomber	6,217	5,261	5,802	4,491	10,293	+5,032
F-35A Dual Capable Aircraft	21	22	22	0	22	0
E-4C Survivable Airborne Operations Center (SAOC)	718	1,617	1,826	8	1,834	+217
Evolved Strategic Satellite Communication	474	919	1,295	0	1,295	+376
E-130J Take Charge and Move Out (TACAMO)	200	755	1,244	0	1,244	+489
Next Generation OPIR (GEO/Polar/Ground)	2,331	1,920	980	918	1,898	-22
Resilient Missile Warning and Tracking (LEO/MEO/Ground)	2,181	2,454	2,721	823	3,544	+1,090

[1] Includes Procurement and RDT&E dollars

[2] FY 2026 budget request reflects $10.9 billion for the new buy and $0.6 billion for supporting equipment and RDT&E.

LGM-35A Sentinel ICBM (formerly Ground Based Strategic Deterrent (GBSD))

The Sentinel ICBM program will modernize and replace the Minuteman III ICBM weapon system of 400 operationally deployed missiles and 450 launch facilities. The program includes a new missile, refurbishment of command/control/communications capability, and hundreds of infrastructure projects (i.e., hardening facilities spread across thousands of miles in five States). Sentinel will maintain the triad's land-based leg's responsive and stabilizing attributes while providing increased capability, enhanced security, and improved reliability. The funding reflects the restructuring of the program to address the root causes of the cost and schedule growth that inform the program's revised acquisition strategy.

Long Range Stand-Off (LRSO) Weapon

The LRSO effort will develop a weapon system to replace the bomber-delivered AGM-86B Air Launched Cruise Missile (ALCM), which entered service in 1982. The LRSO weapon system will be capable of penetrating and surviving advanced Integrated Air Defense Systems from significant stand-off ranges to hold strategic targets at risk. The LRSO is also a hedge against risks in other deterrence systems and enhances the credibility of U.S. deterrence to assure U.S. allies. The program is in the EMD phase and on track to meet Initial Operational Capability (IOC).

Columbia-Class Ballistic Missile Submarine (SSBN)

The Columbia-class SSBN is currently in production and will replace the Ohio-class SSBNs. The Navy will sustain the Ohio-class SSBNs to ensure a smooth transition for the sea-based leg of the triad to the Columbia-class SSBN. The Columbia-class program completed Milestone B in January 2017. In September 2020, the Defense Acquisition Executive (DAE) authorized the Navy to begin full ship construction for the first hull (SSBN 826), as well as advanced procurement and advanced construction efforts for the second hull (SSBN 827). In September 2023, the DAE authorized full ship construction of the second hull (SSBN 827) to begin in FY 2024. The FY 2026 budget request includes the procurement of the third ship of the class (SSBN 828) and advanced procurement for future submarines.

Trident II (D5) Submarine-Launched Ballistic Missile (SLBM) Life Extension (D5LE)/(D5LE2)

The D5LE2 investment will maintain and modernize the most survivable leg of the triad. The D5LE, initially deployed in 2017, will remain in service through the service life of the Ohio-class (early 2040s), and is planned for initial deployment on the Columbia-class and the United Kingdom's Dreadnaught-class SSBNs. The D5LE2 will replace D5LE on the Columbia-class starting in FY 2039 on Columbia Hull 9. The D5LE2 will leverage the D5LE2 solid rocket motor design and couple it with updated avionics electronics and guidance systems. D5LE2 will ensure a credible, adaptable, responsive sea-based deterrent in a dynamic threat environment.

Nuclear-Armed, Sea-Launched Cruise Missile (SLCM-N)

The SLCM-N program will provide an additional regional nuclear deterrent capability. The National Defense Authorization Act (NDAA) for FY 2024, as amended, directed the establishment of both an Acquisition Category (ACAT)-1D program for SLCM-N and initiation of a nuclear warhead project, with IOCs directed no later than FY 2034. The Navy has established a program office that is compliant with these requirements.

B-21 Raider Strategic Bomber

The B-21 Raider low-rate initial production began in FY 2024. It will be an affordable, long-range, penetrating aircraft that incorporates proven, mature technologies when fielded. This bomber represents a key component of the joint portfolio of conventional and nuclear deep-strike capabilities.

F-35A Dual-Capable Aircraft (DCA)

The F-35A DCA is replacing Allied legacy 4th-generation fighter aircraft, including the Air Force's F-15E, for the North Atlantic Treaty Organization (NATO) nuclear deterrence mission. Selected U.S. and Allied F-35As in the U.S. European Command Theater achieved operational nuclear certification in early FY 2024.

E-4C Survivable Airborne Operations Center

The E-4C is a replacement for the E-4B National Airborne Operations Center, which is rapidly reaching the end of its service life. The E-4C serves as the Survivable Airborne Operations Center (SAOC). It is a key component of the National Military Command System for the President, the Secretary of Defense, and the Chairman of the Joint Chiefs of Staff (CJCS). In case of a national emergency or destruction of ground command and control centers, the aircraft provides a highly survivable Nuclear Command, Control, and Communications (NC3) center to direct U.S. forces, execute emergency war orders, and coordinate actions by civil authorities. The E-4C, a militarized version of the Boeing 747-8i, is a four-engine, swept-wing, long-range, high-altitude airplane capable of refueling in flight. The E-4C includes protections against electromagnetic pulse and other nuclear and thermal effects. To provide direct support to the President, the Secretary of Defense, and the CJCS, at least one E-4C will be on alert 24 hours a day, 7 days a week, with a global watch team at one of the many bases selected worldwide. The Air Force Global Strike Command is the single source manager for the E-4C and will provide aircrew, maintenance, security, and communications support. E-4C operations are directed by the JCS and executed through U.S. Strategic Command (USSTRATCOM). The USSTRATCOM also provides personnel for the SAOC battle staff.

Evolved Strategic Satellite Communication

The Evolved Strategic Satellite Communications (ESS) system will provide space and mission control segments for global DoD strategic, secure, jam-resistant, nuclear-survivable communications for ground, sea, and air assets. The overall mission of the ESS system supports strategic mission requirements such as Presidential and National Voice Conferencing (PNVC), nuclear command and control (NC2) strategic networks, terminal report back, and emergency action message (EAM) dissemination. The delivered integrated system will provide the national command authority (NCA) and Combatant Commanders with highly reliable, secure military satellite communications (MILSATCOM) to execute the Operations Plan, and command and control strategic forces at all levels of conflict. The ESS will support 2032 strategic demand in all operational environments (nuclear, contested, and benign) with satellites at geostationary Earth orbits and in highly elliptical (polar) orbits. The ESS system will also satisfy emerging requirements and capabilities for enhanced resilience and improved cybersecurity.

E-130J Take Charge and Move Out

The E-130J program was established on December 13, 2024, and is a replacement for the "Take Charge and Move Out" (TACAMO) mission hosted on the E-6B Mercury aircraft is rapidly reaching the end of its service life. The E-130J TACAMO provides survivable communications links for nuclear warfare to maintain communications between the decision makers (the National Command Authority) and the triad of strategic nuclear weapon delivery systems. This mission is critical in the deterrence and management of a large-scale nuclear conflict; therefore, the TACAMO platform must be able to get and remain airborne to execute its mission with little or no notice.

Next Generation Overhead Persistent Infrared (Next Gen OPIR)

The Next Gen OPIR program, consisting of a constellation of geostationary earth orbit (GEO) and polar orbit satellites and its associated ground segment, is the modernization effort that replaces the current on-orbit Space Based Infrared System (SBIRS) constellation at GEO and highly elliptical orbit (HEO). The Next Gen OPIR program will provide improved missile warning, missile defense, battlespace awareness, and technical intelligence collection capabilities that are more survivable against emerging adversary threats. The program will deliver satellites in GEO and polar (HEO) orbits to meet mission coverage needs and a modular, extensible, and cyber-hardened ground system to operate and process mission data downlinked from on-orbit assets.

Resilient Missile Warning and Tracking (Resilient MWT)

The Resilient MWT program, consisting of a constellation of low Earth orbit (LEO) and medium Earth orbit (MEO) OPIR satellites and their associated ground segments, delivers a resilient, multi-orbit, multi-plane architecture to counter threats such as advanced missiles, hypersonic glide vehicles, and fractional orbital bombardment systems. The Resilient MWT LEO and MEO programs will deploy space assets in multiple tranches and epochs to allow incremental capability delivery and ensure competition throughout the program's lifecycle. The ground segment will provide constellation management; ground-based data processing, dissemination, and management; space-to-ground verification; and ground-based interoperability testing.

Nuclear Command, Control, and Communications (NC3) Tech Accelerator

Modern threats from peer adversaries shorten the U.S. decision-making timeline required to counter nuclear threats, specifically, threats that hinder the timely execution of Presidential NC2. The NC3 Tech Accelerator aims to achieve technological advantage against modern threats to ensure Presidential nuclear command and control. It will accomplish this through high-tempo iterations of rapid technology insertion into NC3 systems. This includes developing new, asymmetric Concepts of Operations arising from these technologies and advancing innovations from many technology providers: industry, academia, start-ups, and non-profits. The NC3 Tech Accelerator accelerates capabilities that are adaptable to mission needs, resilient through multi-spectrum/multi-domain operations, interoperable through dynamic integration and reconfiguration, secure through novel cyber means, and scalable using technology insertion.

DETERRING CHINA

The United States faces one of the most dangerous strategic environments in our Nation's history, characterized by China's unprecedented military buildup and its intent to seize control of the Indo-Pacific. U.S. Forces face an unprecedented threat from China's resurgence and the advancement of increasingly capable air and missile threats. The Department is focused on deterring China by prioritizing combat credible military forces postured in the Western Pacific to deter by denial and demanding regional allies and partners to increase their defense efforts significantly.

Pacific Deterrence Initiative (PDI)

The FY 2026 PDI investments fund targeted requirements that enhance U.S. force posture, infrastructure, presence, readiness, and U.S. allies' and partners' capacity and capabilities, specifically in the Indo-Pacific region. The DoD is focused on maintaining and extending our military advantage in the region, paced to threats posed by China; the Department's investments and activities demonstrate U.S. commitment to deterring China.

The FY 2026 PDI request of $10.0 billion includes investments for exercise, training, experimentation, and air and missile defense activities. Additional investments to improve the capabilities of U.S. Indo-Pacific Command (USINDOPACOM) include cyber operations technology support and other advanced innovative technologies. The PDI investment increases are also included for security cooperation programs and the design and construction of infrastructure west of the International Date Line.

The DoD has excluded from the PDI display investments or activities that are:

- Designed to address or deter broader strategic threats;
- Easily transferrable between theaters; or
- Routine activities and exercises.

These guidelines intend to ensure PDI serves as a regionally focused and helpful framework for understanding and measuring specific investments. Additionally, consistent with legislation, the DoD has organized PDI investment displays into the six categories identified in Figure 2.3.

Figure 2.3. Costs by Major Category *($ in billions)*

Major Category	FY 2026 Request
Modernized and Strengthened Presence	2.0
Improved Logistics/Maintenance Capability & Equip/Munitions/Fuel/Materiel Prepositioning	0.6
Exercises, Training, Experimentation, and Innovation	3.4
Infrastructure Improvements to Enhance Responsiveness and Resiliency of U.S. Forces	2.7
Building Defense/Security Capabilities, Capacity & Cooperation of Allies and Partners	0.6
Improved Capabilities Available to U.S. Indo-Pacific Command	0.6
Total USINDOPACOM	**10.0**

Numbers may not add due to rounding.

Support for Taiwan

The FY 2026 budget request includes $2.4 billion in support for Taiwan, including $1.0 billion in the Taiwan Security Cooperation Initiative (TSCI) to strengthen Taiwan's self-defense capabilities and $1.0 billion to replace U.S. defense articles and services provided to Taiwan via the Presidential Drawdown Authority. The FY 2026 budget request also includes $400.0 million for Other Support to Taiwan to deter Chinese aggression in the Indo-Pacific.

EMPOWERING ALLIES AND PARTNERS

As the Department prioritizes defending the U.S. homeland and deterring China, other threats posed by Russia, Iran, North Korea, and terrorism endure, and in many cases are growing. In recognition that we will always put America's interests first, we are empowering our Allies and partners to do more for their defense, while ensuring the United States can provide critical but more targeted support where required around the globe.

> ***"America First' does not mean 'America Only' or 'America Alone,' ignoring allies and partners. It means that our military-to-military relationships must make sense for the United States and for our friends."***
>
> - Secretary of Defense Peter B. Hegseth, Asia Pacific Center for Security Studies, March 2025

The Department continues to address significant security challenges in the Middle East and beyond, supporting our regional partners and allies. In Iraq, Syria, and Lebanon, the Combined Joint Task Force – Operation INHERENT RESOLVE (CJTF-OIR) continues to advise, assist, and enable vetted partner forces in designated areas to achieve the enduring defeat of the Islamic State of Iraq and Syria (ISIS). This includes assisting our partner forces with the safe and humane detention of ISIS fighters and enhancing security to prevent their resurgence.

The Department also conducts a range of other military operations in the Middle East and South Asia, including global counterterrorism operations in the U.S. Central Command (USCENTCOM) area of responsibility, and operations outside the region, such as CJTF-Horn of Africa (U.S. Africa Command) and Joint Task Force (JTF) Guantanamo (U.S. Southern Command).

Figure 2.4 breaks out the FY 2026 USCENTCOM request by operations and activities, and Figure 2.5 displays associated force levels.

Figure 2.4. Costs Operation/Activity *($ in billions)*

Major Category	FY 2024 Actuals	FY 2025 Enacted	FY 2026 Disc.	FY 2026 Mand.	FY 2026 Total	FY25 – 26 Change
Operation INHERENT RESOLVE (OIR)	5.4	5.4	4.5	0.0	4.5	-0.9
Other Theater Requirements and Related Missions[1]	14.6	11.3	10.8	0.0	10.8	-0.5
Total	**20.0**	**16.7**	**15.3**	**0.0**	**15.3**	**-1.4**

[1] Amounts include operations outside USCENTCOM, such as CJTF-Horn of Africa and JTF-Guantanamo costs.

Numbers may not add due to rounding.

Figure 2.5. U.S. Force Level Assumptions in DoD Budget (Average Annual Troop Strength)

Operation/Location	FY 2024 Actuals	FY 2025 Estimate	FY 2026 Request	FY25 – 26 Change
Deployed strength for USCENTCOM operations	38,274	40,998	39,729	-1,269
Forces Afloat (USCENTCOM)	5,186	9,000	6,000	-3,000
Total USCENTCOM	**43,460**	**49,998**	**45,729**	**-4,269**

Numbers may not add due to rounding.

The FY 2026 budget request of $15.3 billion for USCENTCOM, excluding international border security and coalition support funding, reflects a $1.4 billion decrease from the FY 2025 enacted amount of $16.7 billion. The decrease is primarily driven by reduced costs in the USCENTCOM area of responsibility as DoD continues to right-size its forward military presence per the 2025 Interim National Defense Strategic Guidance. This budget request maintains our forces' readiness level with operations, training, and maintenance funding. The FY 2026 budget prioritizes exercises and campaigning for priority theaters to meet the pacing challenge and to strengthen relationships.

These requirements also include funds for critical contingencies and other support for personnel in-theater, including support from units and forces outside Iraq and Syria. Within this category are incremental costs such as surveillance systems capabilities; production and replacement of payloads, retrofits, and spare parts to support combat operations; counter-small unmanned aerial system platforms and launcher systems; medical equipment support; fire support, and other capabilities located elsewhere that support operations in Iraq, Syria, and other important missions. Support for intelligence, surveillance, and reconnaissance (ISR) capabilities is also included.

The FY 2026 request also funds the replacement of equipment and munitions used in combat operations. When military personnel return from deployments, they repair their equipment to a condition that allows them to conduct training exercises to maintain readiness, preparing them for future deployments. As personnel and equipment return from the theater to their home stations, the need for equipment reset continues.

Additionally, the FY 2026 request includes $358 million for the Counter-ISIS Train and Equip Fund (CTEF) to strengthen the capabilities of DoD's counter-ISIS partner forces, including the provision of secure and humane detention of ISIS fighters, to achieve the enduring defeat of ISIS. The request includes $130 million to assist the Vetted Syrian Groups and individuals in Syria, $213 million to assist security forces in Iraq, and $15 million to support the Lebanese Armed Forces.

The FY 2026 budget request provides for continued military operations, force protection, and deterrence in the USCENTCOM region related to current operations in support of Israel, including operations to protect shipping in the Red Sea from attacks by Iran-backed Houthi forces. The Department will continue supporting Israel's defense through security assistance, deterring any malign actors in the region, and staying vigilant to any threats to U.S. forces.

DoD Support to NATO

The FY 2026 budget request includes $656.7 million within the Operation and Maintenance, Army account for NATO common funding requirements associated with the NATO military budget. This budget increases by $70.1 million over the FY 2025 enacted budget to support the NATO International Military Headquarters for requirements such as Airborne Early Warning and Control

Force, Alliance Ground Surveillance Force, and Alliance Operations and Mission. The Administration has committed to reaffirming, investing in, and modernizing NATO, and member countries have also committed to increasing common funding. The FY 2026 budget request reflects this commitment.

NATO Security Investment Program (NSIP)

The United States has an abiding national security interest in a stable, integrated European region. The political and military presence of the U.S. and NATO allies fosters the conditions necessary to ensure that democratic and market-based institutions can flourish across the region. The NSIP meets various Alliance military capability requirements, including communication and information systems, military headquarters for the integrated command structure, critical maritime, airfield, fuel systems, and Reception, Staging, Onward Movement, and Integration (RSOI) infrastructure. The NSIP remains a key funding source for infrastructure to support U.S. forces in Europe, restoring and upgrading existing U.S. operational facilities supporting NATO operations and providing new operational facilities. The Department's FY 2026 NSIP budget request is $481.8 million, which supports requirements based on the current FY 2026 program and reflects the funding increase agreed to by leaders at the June 2022 NATO Summit and subsequent agreement in 2023 on indexing contributions to inflation.

Figure 2.6. Costs by Operation/Activity *($ in billions)*

Operation/Activity	FY 2024 Actuals	FY 2025 Enacted	FY2026 Request	FY25 – 26 Change
DoD Support to NATO	0.6	0.6	0.7	+0.1
NATO Security Investment Program	0.5	0.3	0.5	+0.2
Total	**1.1**	**0.9**	**1.2**	**+0.3**

Numbers may not add due to rounding.

Security Cooperation

Security Cooperation (SC) funding and authorities enable the United States to build partner capacity to address shared national security threats globally and conduct operations in tandem with or in place of U.S. forces. The FY 2026 request reflects realignment of security cooperation programs with the President's priorities and goal to increase burden-sharing with allies and partners. The Security Cooperation request below includes requirements for the International Security Cooperation Program account and international border security funding.

Figure 2.7. Security Cooperation *($ in billions)*

Category	FY 2024 Actuals	FY 2025 Enacted	FY2026 Request	FY25 – 26 Change
Security Cooperation	2.2	1.8	1.4	-0.4
Total [1]	**2.2**	**1.8**	**1.4**	**-0.4**

[1] Amounts include Border Security and Coalition Support funding in addition to the International Security Cooperation Programs account.

Numbers may not add due to rounding

The International Security Cooperation Programs (ISCP) account is the Department's primary building partner capacity to advance ally and partner capabilities in ways that directly buy down risk to U.S. forces and build deterrence through increased partner lethality. These efforts promote partner burden-sharing through train-and-equip programs to enable partners to operate across various mission areas and institutional capacity building to strengthen governance and absorption

capacities necessary for full-spectrum capability development.

For FY 2026, the Department has requested funds for the ISCP account to build partner capacity and incorporate allied and partner defense strategies and capabilities to address shared security challenges and buy down risk to U.S. forces. The ISCP account will fund activities including those authorized by 10 U.S.C. section 332 (Institutional Capacity Building), section 333 (Train-and-Equip), section 335 (Training Expenses), and P.L. 114-92 section 1263 (Indo-Pacific Maritime Security Initiative). The account reflects the Department's continued efforts to consolidate funding for SC authorities into a single appropriation focused on the programming, coordination, and execution of available resources to meet the Department's objectives.

The SC request also includes international border security funding for $192 million, which provides support to select allies and partner nations on a reimbursement basis for expenses incurred by these countries to develop and sustain increased security capabilities along their borders adjacent to conflict areas to prevent the free movement of weapons and narcotics, as well as ISIS and other violent extremist organizations. In addition, the FY 2026 SC request eliminates funding for the Coalition Support Fund to reflect the Department's ongoing effort to reprioritize spending to the highest priority capabilities that align with the administration's priorities.

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3. REBUILD THE MILITARY

INTRODUCTION

As directed by the Secretary of Defense, this budget will rebuild the military and revitalize America's defense industrial base by:

Sections

Realizing savings through reform and optimization that can be applied directly towards increased lethality. In partnership with the Department of Government Efficiency (DOGE), the Department continues to assess its workforce requirements across the enterprise and implement strategic reforms to the acquisition processes and business practices.

Investing in the industrial base for critical requirements, such as munitions, ships, and submarines, in a manner consistent with President Trump's intent to use the Department's limited resources responsibly.

MAJOR WEAPONS PROGRAMS

The performance of U.S. weapon systems is unmatched, ensuring that U.S. military forces have a tactical combat advantage over the growing multi-domain threat posed by China, the acute threat of Russia, and the persistent threats from North Korea, Iran, and violent extremist organizations.

Figure 3.1. Major Weapons Programs[1] *($ in billions)*

Weapon Systems		FY 2025		FY 2026[2]	
		Qty	Enacted	Qty	PB Request
Aircraft					
F-35A/B/C	Joint Strike Fighter	74	$13.3	47	$13.1
F-15EX	Eagle II	18	$1.9	21	$3.1
F-47	Next Generation Air Dominance	-	$2.4	-	$3.5
KC-46A	Tanker	15	$3.1	15	$3.3
F/A-18E/F	Super Hornet	-	$1.7	-	$2.0
CH-53K	King Stallion Helicopter	20	$3.0	12	$2.5
E–2D	Advanced Hawkeye (AHE)	-	$0.6	4	$2.1
AH–64E	Apache Helicopter	31	$0.7	-	$0.2
UH–60	Black Hawk Helicopter	26	$1.0	24	$0.8
V–22	Osprey	-	$0.6	-	$0.8
MV-75	Future Long-Range Assault Aircraft (FLRAA)	-	$1.3	-	$1.2
MQ-4C	Triton Unmanned Aerial Vehicle	-	$0.7	-	$0.7
MQ-25A	Stingray Unmanned Aerial Vehicle	-	$0.4	3	$1.1
MQ-9	Reaper	-	$0.3	-	$0.3
E-7A	Wedgetail	-	$0.8	-	$0.2
OA-1K	Skyraider II	12	$0.3	6	$0.2
Missile Defense/Nuclear Deterrent					
MDD	Missile Defeat and Defense	-	$27.6	-	$43.3

Weapon Systems		FY 2025		FY 2026[2]	
		Qty	Enacted	Qty	PB Request
Golden Dome		-	-	-	$25.0
B-21	Raider	-	$5.3	-	$10.3
SSBN	Columbia-Class Submarine[3]	-	$9.9	1	$11.5
SLCM-N	Nuclear-Armed Sea Launched Cruise Missile	-	$0.1	-	$2.0
Trident II	Trident II Missile Mods	-	$2.4	-	$3.7
LRSO	Long Range Standoff Weapon	-	$0.8	-	$1.1
LGM-35	Sentinel Intercontinental Ballistic Missile	-	$2.0	-	$4.2
Ships					
SSN 774	Virginia-class Submarine	1	$13.9	2	$12.2
DDG 51	ARLEIGH BURKE Class Destroyer	3	$8.6	2	$5.9
CVN 79/80/81 FORD Class Aircraft Carrier		-	$2.2	-	$3.6
FFG 62	CONSTELLATION Class Frigate (FFG 62)	-	$0.7	-	$0.1
LPD Flight II	SAN ANTONIO Class Amphibious Transport	1	$1.6	1	$2.8
LHA	AMERICA Class Amphibious Assault	-	$0.2	1	$4.0
T-AO	JOHN LEWIS Class Fleet Replenishment Oiler	-	$0.3	2	$2.0
T-AGOS	Auxiliary General Ocean Surveillance	-	-	1	$0.6
USV	Unmanned Surface Vessels (Medium & Large)	-	$0.2	-	$0.1
LSM	Medium Landing Ship	-	<$0.1	9	$2.0
Space					
Launch Enterprise		11	$2.4	11	$2.4
PNT	Positioning, Navigation, and Timing[4]	-	$1.5	-	$0.7
MW/MT	Space-Based Missile Warning Systems	-	$4.7	-	$13.0
SATCOM	Satellite Communication	-	$4.5	-	$5.9

[1] Includes Procurement and RDT&E dollars and quantities

[2] Includes Discretionary and Mandatory funding.

[3] This total does not include $3.1 billion of Operation and Maintenance and Military Construction funding, reflected in the President's Budget request for Missile Defeat and Defense Programs.

[4] FY 2026 budget request reflects $10.9 billion for the new buy and $0.6 billion for supporting equipment and RDT&E.

[5] Includes Air Force and Space Force funds.

Air Power

The FY 2026 budget request continues procurement of the F-35 Lightning II Joint Strike Fighter (JSF) aircraft and modernization programs for existing Navy, Marine Corps, and Air Force strike fighter aircraft and bombers. Development of the B-21 Raider long-range strike bomber is also funded, with initial-capabilities projected to be fielded in the late 2020s. Technology Maturation and Risk Reduction for the next generation of air dominance systems is also included.

The major tactical air power investments are the F-35 Lightning II Joint Strike Fighter, which will form the backbone of the U.S. inventory, and the F-47 fighter, which will provide the advanced capabilities to ensure the continued air superiority of the U.S. against the full spectrum of adversaries. The F-35 program is developing, producing, and fielding three variants of a 5th

Generation strike fighter: 1) Air Force F-35A Conventional Take-Off and Landing (CTOL) variant; 2) Marine Corps F-35B Short–Take Off and Vertical Landing (STOVL) variant; and 3) Navy/Marine Corps F-35C Carrier variant. The F-35's stealth, advanced sensors, and interoperability allow seamless information exchanges that make our warfighters in the battlespace smarter, more lethal, and more survivable. As the Joint Strike Fighter continues to field increasing numbers of the three aircraft variants across the globe, the Department remains committed to improving readiness rates, sustainment affordability, and delivering cost-effective upgrades to prevail against future threats.

The FY 2026 budget also includes procurement for additional F-15 EX Eagle II aircraft. The aircraft program of record will relieve pressure on aging legacy platforms while providing enhanced capabilities to the warfighter. The budget continues to fund the Navy's MQ-25 Stingray uncrewed aircraft system, which will provide the Department with an uncrewed tanker capability that will extend the striking power of the carrier air wing as its primary mission. The Department continues developing advanced Navy and Air Force combat aircraft within the Next Generation Air Dominance programs. The FY 2026 budget also continues procurement of the KC-46A aerial refueling tanker, which will replace aging legacy tankers. The KC-46A provides increased refueling capability for Navy and Air Force aircraft. The FY 2026 budget funds the continued Air Force and Navy procurement of the AIM-120D Advanced Medium Range Air-to-Air Missile (AMRAAM) and the AIM-9X Block II Sidewinder short-range air-to-air missile.

The Navy, Marine Corps, and Air Force are investing in modernization programs that improve the capability and extend the utility of existing aircraft. Adding advanced Infrared Search and Track (IRST) sensors will significantly improve detection and targeting of threat aircraft despite complex enemy Electromagnetic Attack (EA).

The FY 2026 budget continues developing the B-21 Raider long-range strike bomber and continues limited-rate initial B-21 production. Modernization of the existing bomber fleet of B-52s, B-1s, and B-2s is also included. The B-52 modernization includes mission systems, communications, radar upgrades, and replacement for the B-52's unsustainable, inefficient, and aging engines.

The FY 2026 budget funds multiple electromagnetic warfare capabilities to improve platform survivability and enable power projection. In addition to the ongoing EA-18G Growler Capability modifications, the Next Generation Jammer (NGJ) will provide significantly enhanced Airborne Electronic Attack (AEA) capabilities against advanced integrated air defense radars, communications, and data links for the EA-18G aircraft. The FY 2026 budget also funds survivability improvements in the F-15 Eagle Passive Active Warning and Survivability System (EPAWSS) and the Integrated Defensive Electronic Countermeasures System for F/A-18 aircraft. These will autonomously detect, identify, locate, and defeat radio frequency (RF) threat systems. In addition, the FY 2026 budget funds the continued production of the Common Infrared Countermeasures (CIRCM) system to defeat current and emerging missile threats to rotary wing, tilt rotor, and small fixed-wing aircraft across the Department.

Sea Power

The Department requests $65 billion in shipbuilding and maritime platforms to reinvigorate the nation's shipbuilding industry. Of the $65 billion, $47.4 billion is requested in the Shipbuilding and Conversion, Navy appropriation, and the request supports the procurement of 19 battle force ships.

Nuclear aircraft carriers (CVNs) provide forward presence for air power projection. The FY 2026 budget continues incremental funding for the GERALD R. FORD class nuclear aircraft carriers: ENTERPRISE (CVN 80) and DORIS MILLER (CVN 81). The FY 2026 request includes the first year of advance procurement funding for CVN 82. Amphibious warships and their connector craft are versatile, interoperable warfighting platforms and critical enablers to power projection by sea-based forces in theater. The FY 2026 budget request procures one LHA AMERICA class amphibious assault ship and one LPD-17 SAN ANTONIO class amphibious assault ship, part of a four-ship multi-ship procurement contract. In addition, the FY 2026 request includes $2.0 billion to procure nine Medium Landing Ships to provide mobility support for expeditionary forces. The Department requests $5.9 billion for surface combatant ships, of which $5.4 billion is to procure two additional DDG-51 Flight III variant ships. For support ships, the request includes funding for two T-AO oilers and one T-AGOS ocean surveillance ship. Finally, the FY 2026 request includes $1.7 billion to finish construction of ships procured in the previous year, including the USS JOHN F KENNEDY (CVN-79).

Submarines provide the Navy with unprecedented strike and special operation mission capabilities from a stealthy, clandestine platform. The FY 2026 budget request funds the procurement of three submarines in total: one Columbia-class ballistic missile submarine and two Virginia-class submarines with Virginia Payload Modules. The funding requests for Columbia- and Virginia-class submarines also include funding to provide continuous support to the broader submarine industrial base and targeted nuclear shipyard productivity enhancements.

Land Power

U.S. ground combat forces project power to assure allies, deter aggressors, and win the nation's wars. The FY 2026 budget improves upon the lethality and survivability of the Army's Brigade Combat Teams (BCTs) by retiring vulnerable systems and investing in modern weapon platforms, training devices, and combat vehicles. Of note to the Army's Soldier portfolio, FY 2026 supports the procurement and fielding of 2,636 XM250 Next Generation Squad Weapon (NGSW) Automatic Rifles, as the planned replacement for the M249 Squad Automatic Weapon (SAW); and 16,154 XM7 NGSW Rifles, as the planned replacement for the M4A1 Carbine. Of note to the Army's Ground Combat Vehicle portfolio, in FY 2026, the Armored Multipurpose Vehicle (AMPV) program will procure 86 vehicles to continue its Full Rate Production phase. Beyond procurement and fielding, the FY 2026 budget maintains investments in research, development, test, and evaluation for the XM30 Mechanized Infantry Combat Vehicle (previously the Optionally Manned Fighting Vehicle (OMFV)), which will replace the M2 Bradley as part of the Next Generation Combat Vehicles line of effort. The Army will also accelerate its effort to develop and field the M1E3 Abrams to replace existing M1A2 variants. Finally, the Army Transformation Initiative directs the termination of the M10 Booker, further production of Joint Light Tactical Vehicle (JLTV) and High Mobility Multipurpose Wheeled Vehicle (HMMWV) variants, and other force composition modifications to right-size the Army's ground portfolio for modern conflicts. Another key combat vehicle investment is the Marine Corps' procurement of 91 Amphibious Combat Vehicles with improved lethality. These systems replace the Amphibious Assault Vehicle and provide an armored personnel carrier with an appropriate balance in performance, protection, and payload to support Marines across the range of expected military operations. The Commandant of the Marine Corps Planning Guidance focuses on capabilities required to satisfy approved naval concepts of Distributed Maritime Operations (DMO), Expeditionary Advanced Base Operations (EABO), and Littoral Operations in a Contested Area (LOCE). The USMC continues to divest of items that do not support the Force Design requirements identified above and is identifying capability gaps for future acquisition efforts.

The FY 2026 budget continues to make great strides in improving and enhancing the lethality, survivability, and performance of the infantry in the Army and the USMC through initiatives aligning with current DoD modernization efforts.

Special Operations

The FY 2026 budget request for Special Operations Forces (SOF) reflects the Secretary of Defense's priorities, including rebuilding our military. Competitors and non-state actors in the homeland and abroad continue to seek advantage through coercive and malign activities in the "gray zone," below a threshold they perceive as likely to prompt a U.S. military response. Our actions today will determine the security environment of the future. SOF provides a decisive advantage for the nation.

The FY 2026 budget increases SOF lethality through modernizing approaches, tactics, and technologies. It continues to invest in new technologies that support SOF-unique requirements, which include data-driven technologies such as artificial intelligence, machine learning, and algorithm development. The U.S. Special Operations Command (USSOCOM) continues to progress across multiple programs, including the ongoing modernization of AC/ MC-130J and rotary wing aircraft platforms, and the procurement of Multi-mission Electronic Countermeasures and other Electronic Warfare Family of Systems equipment designed to counter and protect against evolving threat matrices and better understand the electromagnetic environment to support maneuver, situational awareness, and force protection mission requirements. Investments also include a continuing effort to advance the development and procurement of autonomous weapons systems and the means to counter similar threats of our adversaries in a multi-domain battlespace environment. Accordingly, the USSOCOM is building on its Adaptive Airborne Enterprise, designed to enable multi-platform control and management of multiple Unmanned Aerial Systems and payloads, as well as improving the interoperability of advanced air, ground, and maritime systems within a mesh-networked Command and Control ecosystem.

Munitions

To support the INDSG, the Department continues focusing on innovation and modernization. To address the persistent threats worldwide, the Department is focused on addressing emerging threats and ensuring readiness for future conflicts. This strategy shift focuses on enhancing lethality and integrating advanced technologies. Major initiatives are underway to deliver munitions with greater penetration power. In addition, the Department is rapidly advancing a range of munitions capabilities to address evolving battlefield threats, ensure tactical overmatch in future conflicts, and increase production capacity. The Department is also investing in maintaining short-range munitions to ensure proper readiness levels that offer an array of effects in permissive theaters. The FY 2026 budget ensures the Department is prepared to respond in a dynamic threat landscape, which is paramount.

Many munitions are precision-guided, enhancing the attack of a broader target set, with limited low-collateral damage employed by more than one Service and U.S. allies. This family of weapon systems includes land-attack missiles such as the Precision Strike Missile (PrSM), Joint Air-to-Surface Standoff Missile (JASSM), and Tomahawk Land Attack Missile (TLAM) upgrades.

The Department has invested in Counter-Unmanned Aerial Systems (CUAS) and Unmanned Aerial Systems (UAS). It delivers cost-effective, laser-guided precision, offering warfighters a scalable solution against soft and light armored targets. As the operational environment grows, increasingly dynamic and drone-enabled threats proliferate, the DoD is prioritizing the rapid development and fielding of CUAS and UAS to protect forces and enhance battlefield agility.

These systems are critical for deterring and defeating a broad spectrum of aerial threats from off-the-shelf drones used for surveillance and targeting to more advanced loitering munitions employed by peer competitors. CUAS and UAS represent the cutting edge of the Department's layered approach to air defense and tactical ISR, delivering responsive, scalable capabilities tailored to joint and multi-domain operations.

Achieving overmatch in our anti-ship capabilities with rigorously pursued development is the Standard Missile (SM-6), Long-Range Anti-Ship Missile (LRASM), and the Maritime Strike Tomahawks (MST), which will help to neutralize the enemy's anti-access/area denial (A2/AD) capabilities, ships, and air defenses. The Precision Strike Missile (PrSM) delivers long-range, high-speed, precision strikes against high-value targets in contested environments. Guided Multiple Launch Rocket System (GMLRS) is a family of surface-to-surface artillery rockets with precision strike capability.

Inconsistent year-over-year demand for new production limits our suppliers' ability to ramp up production rates to meet emergent military requirements quickly. Additionally, to meet the needs of sustained, high-intensity conflict and bolster warfighting capabilities, the Department is prioritizing investments that accelerate munitions production and expand the resilience of the defense industrial base. This includes targeted funding for production line modernization, advanced manufacturing technologies, and procuring long-lead materials to reduce delivery timelines. This enables our Organic Industrial Base (OIB) and industry to scale faster and more confidently.

The Department has undertaken significant initiatives to enhance the OIB and collaborate with the commercial sector to expand munitions production capabilities for:

- Naval Strike Missile (NSM) (Navy, USMC)
- Standard Missile 6 (SM-6) (Navy, Army)
- Precision Strike Munition (PrSM) (Army)
- Advanced Medium Range Air-to-Air Missile (AMRAAM) (Air Force, Navy)
- Long Range Anti-Ship Missile (LRASM) (Navy, Air Force)
- Joint Air-to-Surface Standoff Missile (JASSM) (Air Force)
- Guided Multiple Launch Rocket System (GMLRS) (Army)
- Patriot Advanced Capability 3 (PAC-3) Missile Segment Enhancement (MSE) (Army)
- 155mm Artillery (Army)

The FY 2026 Defense Budget allocates $30.5 billion for munitions development and procurement, underscoring a strategic pivot toward modern, high-performance capabilities. This includes funding for key munitions as well as $94.9 million for 20,841 XM1128 rounds, $84.4 million for 8,250 XM1113 rounds, and $39.5 million for 2,278 C-DAEM Increment II rounds—all designed to enhance precision, range, and battlefield adaptability. The budget also sustains funding for the M1121 Extended Range Spotting Round to maintain war reserve readiness.

Aligned with this modernization effort, funding for several legacy munitions, such as the M485/M1124, M1066/M1123, M1210 HE-RAP, M107, and M795, has been eliminated for FY 2026. This reflects a multifaceted decision based on the sufficiency of existing stockpiles and a deliberate shift in strategic priorities. By reallocating resources away from systems with diminishing relevance, the Department reinforces its commitment to investing in munitions that offer greater lethality, range, and adaptability for future combat environments. Recurring threats in an ever-changing battlefield are across multiple domains and require a multi-prong approach.

It is crucial to our national security that the Department obtain long-range fires as quickly as possible without losing focus on other critical munitions.

The FY 2026 budget invests in weapons programs, shifting and balancing priorities accordingly, which equally contribute to strengthening the Department's lethal posture and our national security.

Figure 3.2. FY 2026 Funding for Munitions[1] *($ in millions*)

Weapon Systems	FY 2024		FY 2025		FY 2026[2]		FY25–FY26
	Actual Qty	Actuals	Qty	Request	PB Qty	PB Request	Quantity Change
Precision Strike Missile (PrSM)	98	$1,311.3	230	$641.6	152	$560.8	-78
Joint Air-to-Surface Standoff Missile (JASSM)	1,140	$2,859.6	450	$1,002.8	389	$1,051.3	-61
Advanced Medium Range Air-to-Air Missile (AMRAAM)	757	$1,010.5	471	$667.5	534	$815.9	+63
Tomahawk	30	$883.8	22	$707.7	57	$946.1	+35
Standard Missile-6	97	$1,503.7	78	$982.7	139	$1,262.5	+61
Long Range Anti-Ship Missile (LRASM)	209	$1,367.7	205	$966.9	238	$1,168.0	+33
Guided Multiple Launch Rocket System (GMLRS)	0	$1,668.9	0	$1,220.5	0	$1,263.1	-
Joint Air-to-Ground Missile (JAGM)	1,400	$427.9	205	$126.6	455	$218.0	+250

[1] *Includes Procurement and RDT&E dollars and quantities.*
[2] *FY 2026 amounts include discretionary and mandatory funds.*

Space-based Systems

"Space Superiority requires an extraordinary degree of trust, coordination and shared commitment across organizations, commercial entities & allied nations."

- Chief of Space Operations General B. Chance Saltzman, US Space Force, May 22, 2025

The FY 2026 budget request for space and space-based systems addresses Satellite Communications (SATCOM); Missile Warning/Missile Tracking (MW/MT); Positioning, Navigation, and Timing (PNT); and Launch capabilities. The Department continues to sustain existing systems while moving out on the development of follow-on capabilities supporting operations in a contested space environment. The simultaneous actions of sustaining and modernizing these critical space capabilities reflect the Department's emphasis on increasing the capacity and lethality of the Joint Force.

This budget includes $34 billion of procurement and Research, Development, Test and Evaluation (RDT&E) funding to secure space use in the face of increasing threats to U.S. national security space systems. Highlights include:

- Procuring 11 launches (4 National Security Space Launches (NSSL) and 7 Space Development Agency Launches)
- Maintaining support for the MW/MT architectures as well as the Next Generation Overhead Persistent Infrared space and associated ground architectures

- Continuing development and delivery of Global Positioning System (GPS) Enterprise ground infrastructure and user equipment
- Making the Wideband Global SATCOM Satellite (WGS) Space Vehicle 11 available for launch

The FY 2026 budget request continues to invest in resilience improvements in the PNT Enterprise, including incorporating the Regional Military Protection capability into GPS Block IIIF satellites. This enhancement, along with fielding the Next Generation Operational Control System (OCX), the follow-on OCX 3F upgrade, and the Military GPS User Equipment (MGUE) Increment 2 capability, improves the availability of PNT information for critical weapon systems, platforms, and disadvantaged users operating in contested environments. The request also funds improvements to the PNT user equipment to enable implementation of advanced Military code (M-code), which improves anti-jamming and secure access of the military GPS signal in contested environments. The budget also continues investments in developing alternate sources of PNT to reduce the reliance on any single source, such as GPS.

To be the Guardians of assured access, launching when and where the nation needs it, the U.S. Space Force (USSF) Launch Enterprise provides highly reliable launch services and support under the NSSL program. This includes launch services with tailorable mission assurance and support under the Rocket Systems Launch Program (RSLP) for DoD, Intelligence Community, and other government agencies. The NSSL program maintains assured access to space for the nation with a robust industrial base and three affordable and highly reliable families of launch vehicles.

Cyberspace Activities

"Cyberspace is a dynamically evolving domain that sees accelerating technological change. New technologies do not represent a direct threat in themselves, but they are nonetheless forcing every military and cyber force to adapt even more dynamically."

The United States is one of the most technologically advanced nations in the world, with a vast interconnected systems network that supports critical infrastructure and services. However, this reliance on technology makes the country vulnerable to cyberspace threats.

Foreign state actors constitute some of the main cyber threat sources. They employ advanced cyber capabilities threatening American safety, security, and prosperity to advance their military capabilities and global influence. These capabilities range from espionage and data theft to cyberattacks that disrupt critical infrastructure or target government agencies.

In addition to foreign state actors, the U.S. faces a growing threat from non-state entities, such as criminal organizations and hackers. These organizations' offensive cyber capabilities threaten national security interests. They target U.S. critical infrastructure and government functions and can achieve cyber effects that rival nation states.

The FY 2026 $15.1 billion cyberspace activities (CA) budget aligns with the 2025 Interim National Defense Strategic Guidance priorities and the 2023 DoD Cyber Strategy.

The DoD Information Technology (IT) Advancement Strategy "Fulcrum" provides a roadmap to better align IT usage to advance the Department's priorities. The Department's budget includes IT investments to enable rapid mission partner information sharing, transform network-centric to data-centric security management, implement zero trust (ZT) modeling, and create the next generation digital workforce.

The FY 2026 CA budget supports investments to develop and strengthen cybersecurity (CS), cyberspace operations (CO), and cyber research and development (R&D) activities. These investments align with the DoD's commitment to strengthen its cyber capabilities, protect critical networks, and advance cyber capabilities.

Cybersecurity. The FY 2026 $9.1 billion CS budget continues important initiatives and new investments. Key investments include information assurance, operational technologies (including weapons systems (WS)), defense critical infrastructure (DCI), CS, supply chain risk management, defense industrial base cybersecurity (DIB CS), and cryptographic modernization (CM). The DoD is building cyber-resilient platforms to execute kinetic and cyber missions by:

- Investing in upgrading and modernizing cryptographic equipment and developing cryptographic solutions that are essential to our intelligence, information, and warfighting security
- Mitigating the Department's cyber risk by working towards the target level ZT
- Resourcing the CS Maturity Model Certification (CMMC) and DIB CS programs that enhance the DIB cybersecurity posture and protect the DIB's technological, economic, and military advantages and associated supply chains from malicious cyber actors
- Accelerating the identity, credential, and access management modernization efforts to integrate emerging technology
- Safeguarding the DoD's unclassified, secret, top secret, and compartmented information at rest and in transit across domains
- Implementing the strategic CS program, assessing and evaluating priority DoD WS and DCI, and mitigating vulnerabilities

Cyberspace Operations. The FY 2026 $5.4 billion DoD CO budget reflects the DoD's commitment to defending the homeland, deterring China, and maintaining a strategic advantage in cyberspace. The strategic investments strengthen the nation's cyber capabilities, ensuring preparedness and resilience against evolving cyber threats.

These investments encompass $2.6 billion of designated U.S. Cyber Command (USCYBERCOM) resources with the remaining $2.8 billion residing with the Services, the Joint Staff (JS), Defense Intelligence Agency (DIA), Defense Threat Reduction Agency (DTRA), National Security Agency (NSA), and the Office of the Under Secretary of Defense, Research and Engineering (OUSD(R&E)). Key investments include artificial intelligence/machine learning (AI/ML), cyber training and readiness at the tactical and strategic levels, joint force integration, defensive and offensive CO, CO intelligence activities, access capabilities, Joint Cyber Warfighting Architecture (JCWA), Hunt Forward, enhanced sensing operations/mitigation, and cyber operations capability development.

Advancing DoD cyberspace priorities requires a ready and capable joint force, operating in synch with the CO's mission plans and the joint warfighting domain. To achieve these priorities, the Department is making the following focused investments:

- Critical JCWA capabilities integration and innovation, to include accelerating AI/ML initiatives to address unique problem sets, automate comprehensive defense, AI-assisted cyber threat hunting, AI/ML to increase scale of cyber effects operations, AI-enabled standard building blocks, AI/ML systems vulnerabilities assessment and mitigation, defense against adversary AI use, and doctrine, organization, training, materiel, leadership, and education, personnel, facilities, and policy mission enablers.
- Sensing operations enhancements that increase Hunt Forward operations and capabilities support to detect, monitor, and analyze malicious cyber actors to validate critical assets/missions' defensive posture, and provide a comprehensive DoD Information Network (DoDIN) terrain view.
- Capability enhancements and development to disrupt adversary operations targeting critical infrastructure and resources, including strengthening infrastructure resilience and ensuring hard target access capabilities

Cyber Research and Development. The FY 2026 $611.9 million DoD cyber-R&D budget dedicates resources to deploying and modernizing existing capabilities and technologies that advance next-generation CS and CO tools development to enhance the Department's CS and CO programs. These initiatives are crucial to accelerating the Department's innovation priorities. Additionally, these R&D investments focus on developing the computing, networking, and cyber defense technologies needed to protect DoD information infrastructures and mission-critical information systems. Cyber-R&D funds operational prototyping using AI systems, emerging private sector cyber technologies from the private sector, and academic research. Demonstrations and evaluations will be conducted in collaboration with warfighters, acquisition programs, and combatant commands to 1) assess and enhance the utility of these prototypes, 2) ensure integrated deterrence and strategic campaigning, and 3) maintain our enduring advantages.

ACCELERATING INNOVATION

Delivering new capabilities, such as Golden Dome and others, critical to maintaining technology overmatch with our adversaries, requires a fundamental shift in our approach to innovation. We must move at the speed of relevance. The Department must sharpen our intrinsic research, prototyping, and transition activities while embracing the dynamism and ingenuity of the commercial sector as a force multiplier for our national defense.

The Department's efforts to discover, develop, and field technological solutions to military problems must accelerate. We must succeed both in the immediate term by investing in efforts that adopt commercial technologies to provide rapid solutions to fighting forces and in the long term by investing in basic research and "leap-ahead" technologies that will underpin enduring advantages in the decades ahead. The FY 2026 budget supports these requirements by continuing longstanding research initiatives while investing in new efforts to leverage innovative small businesses, America's strong private capital markets, and our thriving commercial tech sector. This work ensures we are putting advanced tools in the hands of today's warfighters while also investing in emerging and future technologies that will matter for decades to come.

Mission Capabilities

The FY 2026 budget request supports critical efforts to develop and support future warfighting concepts and integrated architecture, strengthen engineering authorities and policies, and close capability gaps supporting defense modernization. Investments support the development and delivery of capability to the Joint Force, Joint Warfighter, and Combatant Commanders.

Technology Modernization Transition Review. The Technology Modernization Transition Review (TMTR) is the Department's portfolio analysis and review process for assessing risk, dependencies, and synchronizing science and technology modernization, prototyping, experimentation, and transition planning with warfighting concepts, requirements, program lifecycle needs, and end-to-end mission performance to meet strategic objectives. The TMTR informs leadership decisions on which technologies to pursue, how to mature those technologies best, and optimal roadmaps to accelerate transition to the battlefield. The TMTR optimizes investment of limited resources by balancing risks between near-term needs and long-term strategic objectives, informing where/when to infuse commercial innovation, and focusing the industrial base on the most impactful strategic technologies. The TMTRs have been critical to shaping investment strategy for Assured Positioning, Navigation and Timing, and the President's Golden Dome for America executive order. The TMTR will leverage driven processes, integrating modeling, simulation, prototyping, and experimentation results into a streamlined, agile, annual cycle of technology assessment to inform the investment strategy and Joint Force Concept development. The TMTR gives the United States the enduring means to rapidly identify, promote, and inject technologies to outpace our adversaries.

Prototyping and Joint Rapid Experimentation. The Department is committed to transitioning advanced capabilities to the warfighter. The FY 2026 budget request emphasizes the importance of prototyping and experimentation to close operational challenges rapidly. Guided by the Joint Warfighting Concept, the Department remains focused on delivering new technologies to address capability gaps and urgent military needs. Prototyping and Joint Rapid Experimentation allow the Department to rapidly and economically mature technologies from concepts to prototypes to operational use.

Prototypes integrate emerging technologies into operational warfighting systems. Capabilities that can be utilized by more than one Service or Defense Agency are particularly impactful and have the potential to address operational challenges from across the Joint Force. Joint Rapid Experimentation enables validation of next-generation capabilities in operational conditions where the most promising prototypes are integrated into Service, Combatant Command, and OUSD(R&E) exercise venues, such as Project Convergence Capstone, Northern Edge, Valiant Shield, and Technology Readiness Experimentation (T-REX) events. Instead of using experimentation to determine individual system efficacy, Joint Rapid Experimentation utilizes specific defense planning scenarios, enabling experimentation on complex interconnected systems in multiple domains. This realistic experimentation approach yields live data that can be evaluated for systems-of-systems analysis against predictive performance generated by modeling and simulation. The body of evidence resulting from deliberate operational experimentation drives fielding decisions and accelerates transition.

Accelerate the Procurement and Fielding of Innovative Technologies. The Accelerate the Procurement and Fielding of Innovative Technologies (APFIT) program, managed within the OUSD(R&E), awards procurement funding to projects with production-ready capabilities and current procurement funding gaps, enabling more seamless transitions from development to production. The APFIT program makes competitive annual awards to small businesses and non-traditional defense contractor candidates submitted through a rapidly growing pool of Department of Defense participants. Each award ranges from $10 million to $50 million and is immediately available upon selection, enabling rapid production capacity enhancement while accelerating the delivery of initial systems. The APFIT program better positions industry partners for full-rate production at the Service or Agency's time of need. Recognizing previous successes of the pilot program and increased participation from program offices across the Department, section 861 of the National Defense Authorization Act (NDAA) for FY 2025 codifies APFIT as a program of

record. The FY 2026 President's Budget request of $140.7 million supports continued procurement and fielding acceleration through the APFIT program.

Mission Engineering and Integration. The Mission Engineering and Integration (ME&I) program uses rigorous technical analysis and mission engineering to identify and prioritize investments in capabilities with the greatest potential to meet current and future warfighting needs. The ME&I program harnesses physics-based modeling and simulation (M&S), analyzing critical Joint Mission Engineering Threads using operational scenarios, enabling the right technology investment decisions. The ME&I program results inform Capability Portfolio Management (CPM), including TMTR, Combatant Command Operational Plans (O-Plans), Strategic Portfolio Reviews (SPRs), Program Budget Review (PBR), and Prototyping and Experimentation (P&E). Implementing ME&I is vital to identify capabilities that close warfighting gaps and determine the mission contributions of specific technologies. Critical investments are being made to foster innovation in developing and deploying the Joint Capability Development Environment (JCDE). The JCDE will be leveraged to execute ME&I activities, enabling distributed access and collaborative ideation across the Defense Innovation Ecosystem, including industry partners. The JCDE features a multi-level security environment with M&S and analytic tools, an MLS-enabled knowledge management and model repository, and a flexible and scalable IT infrastructure. The FY 2026 investment of $99.5 million in these efforts is essential as the Department develops new capabilities in an era of rapid technological change.

Science and Technology

The Department's research apparatus and ecosystem of laboratories are crucial to scientific discovery at the backbone of military capabilities. The FY 2026 budget request for science and technology (S&T) is $20.3 billion. This includes Basic Research (Budget Activity (BA)-01), Applied Research (BA-02), and Advanced Technology Development (BA-03), and constitutes 11.3 percent of the overall research, development, test, and evaluation (RDT&E) funding request. The FY 2026 budget request advances our focused science and technology efforts by investing in critical and emerging technology areas to strengthen our technological advantage today and maintain that advantage through the decades ahead.

Figure 3.3 Science and Technology Funding Levels *($ in billions)*

Program	FY 2024 Actuals	FY 2025 Enacted	FY 2026[1] Request	FY25-FY26 Change
Basic Research (BA01)	2.5	2.5	2.3	-0.2
Applied Research (BA02)	7.6	6.3	6.0	-0.2
Adv Tech Dev (BA03)	11.3	10.1	12.0	+1.9
Total S&T	**21.4**	**18.9**	**20.3**	**+1.4**

[1]FY 2026 includes Discretionary and Mandatory Reconciliation Funding *Numbers may not add due to rounding*

Fundamental Investments. Early-stage basic and applied research underpins the Department's science and technology investments. The payoff for this research may sometimes not be evident for years. Still, it is critical to ensure our enduring technological advantage in the decades ahead, and successful competition in advanced technology development is now increasingly determined by the ability to leverage the fundamental discoveries made in university laboratories rapidly. The Department has often demonstrated the connection between research investments and transformational military capabilities, developing advanced technologies that ensure our national security and have critical commercial applications that provide enduring economic advantage to American industry and workers. Fundamental research and talent are global, and it is also crucial

for the Department to explore collaborative fundamental research with our allies and partners to strengthen the Department's ability to leapfrog the competition.

Laboratory Funding. The Department's science and technology reinvention laboratories (STRLs) engage in basic and applied research, advanced technology development, system acquisition support, and testing/fielding of systems. Spread across 22 states, the 23 Department of Defense STRLs employ civilians, including scientists, engineers, and support personnel. The STRLs execute a substantial portion of the Department's science and technology accounts. Supporting the Department's efforts to accelerate the discovery, development, and fielding of technological solutions to military problems will require a sustained investment in laboratory and testing facilities. Under 10 United States Code (U.S.C.) §2810, the Secretary of Defense has the authority to set aside major military construction (MilCon) funding at the Department of Defense level to be explicitly used for revitalizing and modernizing RDT&E infrastructure. In turn, investments in RDT&E infrastructure will positively impact recruiting and retaining critical technical talent and inspire additional partnerships with industry and academia, providing the total acceleration needed to counter our adversaries' rapid technology advancements.

Munitions and Energetics. Munitions deliver kinetic effects on the battlefield, provide for conventional strategic deterrence, and are critical tools for the defense of the homeland. Often, munitions are enabled by their energetics, from rocket motors and propellants to warheads and other effects. The FY 2026 President's Budget supports Service-led and joint investments in government and commercial research and development to modernize munitions technologies, transition new components and technologies to operating forces, and execute long-term strategies to incorporate cutting-edge capabilities.

Renewed investment in advanced energetics research and development supports continued research into enhanced lethality and improved performance propulsion systems from the laboratory to industrial-scale manufacturing. Energetics provide essential solutions and mitigations to operational risks posed by technologically advanced adversaries and plentiful battlefield threats by making munitions more powerful and effective. Moreover, the Department's energetics research activities include projects to improve manufacturability and cost control, pulling critical supply chains back to U.S. borders and facilitating market access for major industrial producers and non-traditional defense businesses.

Munitions science and technology activities align to drive the realization of national security and defense strategies by rapidly developing and fielding new technologies in response to emergent threats while engaging in cutting-edge research to define the next generation of military technologies. The budget request includes efforts to accelerate RDT&E of systems and components with reduced size, weight, and power requirements; domestically supportable supply chains; and affordable mass while ensuring lethal effects on the target.

Positioning, Navigation, and Timing. The budget request supports PNT information, which is an essential cross-cutting need for all facets of DoD operations. PNT information enhances real-time battlespace awareness for command and control, synchronizes communications, and enables all operations from target location to weapon delivery to logistical support. The Department maintains the DoD PNT S&T Roadmap to support:

- Future operational concepts requiring PNT,
- International PNT requirements,
- Advanced PNT technology development and demonstration, and
- Australia/United Kingdom/U.S. (AUKUS) navigation/timing experimentation.

Innovation Training Programs. The ability to meet our national security mission increasingly depends on our nation's ability to innovate and integrate technology faster and better than our adversaries. Foundational to this mission is ensuring that the Department and the Nation have enduring access to high-quality science, technology, engineering, and mathematics (STEM) talent vital to addressing key areas of national defense and supporting the warfighter. The FY 2026 budget continues the Department's investments in developing America's skilled, future-ready, science and technology workforce by supporting meaningful education and work-experiential programs across the education continuum that cement the Department's connection to the communities we serve.

The National Defense Education Program (NDEP) funds experiential learning opportunities through various education, outreach, and workforce initiatives through scholarships, internships, enrichment activities, project/research-based competitions, and mentorships to address critical STEM and other technology-related education and talent development challenges. The NDEP spans all age groups, including kindergarten through twelfth grade, postsecondary, undergraduate, graduate students, and educators. The FY 2026 President's Budget requests $156 million to support NDEP efforts. The NDEP programs include two initiatives.

1) The Science, Mathematics, and Research for Transformation (SMART) Scholarship-for-Service Program offers highly competitive merit-based scholarships for undergraduate, master's, and doctoral students pursuing a degree in one of 23 STEM disciplines critical to the Department's national security mission. The SMART scholars receive full tuition, annual stipends, and guaranteed employment with the Department after graduation.
2) The Defense STEM Education Consortium (DSEC), first launched in 2019, is a collaborative partnership of over 25 regional and national partners providing nationwide STEM education and outreach programs.

The Department's Research and Education Program for Historically Black Colleges and Universities (HBCUs) and Minority Institutions (MIs) is funded in the FY 2026 budget at $100 million. The HBCU/MI Program is authorized by 10 U.S.C. Section 4144 and supports covered educational institutions to assist the Department in defense-related research, development, testing, and evaluation activities. The program uses the statutory authorities to pursue the following objectives:

- Enhance the research and educational capabilities of HBCUs/MIs in science and technology areas of importance to national defense.
- Increase the number of HBCU/MI graduates engaged in disciplines critical to the national security functions of the Department of Defense.
- Expand the pool of scientists and engineers to meet future workforce needs.

Technology and Program Protection. Protecting the Department's technologies and programs is vital to achieving an enduring advantage. While we must accept some risks to catalyze innovation, the Department must protect sensitive technologies and military programs from theft, diversion, and exploitation. We are implementing consistent risk assessments and mitigations, applying targeted controls, and working closely with our allies and partners to jointly and effectively protect our collective research, development, and innovation efforts.

Our strategic competitors are aware of the strength of our innovation ecosystem and are actively attempting to acquire technologies from the United States through licit and illicit means. In response, developing and employing tailored protection measures for investments made at different stages of the technology lifecycle is vital to achieving an enduring advantage. For example, technology protection measures tailored to basic research will likely be ineffective in

protecting fielded capabilities, necessitating that the Department use measures appropriate to the maturity of the technology to maintain our technical edge. This budget submission includes executing pre-award due diligence reviews for fundamental research and innovative small business awards. This allows the Department to mitigate the impact of potential conflicts of interest or conflicts of commitment in our basic research portfolio, as well as mitigate potential security risks in our Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) awards through the SBIR/STTR Due Diligence Program.

Adversary threats are outpacing policies and practices for engineering weapon systems, requiring a holistic System Security Engineering approach to ensure survivable, resilient, and secure acquisition programs, missions, systems, components, and innovation. The Department is anchoring our strategy in the digital transformation of program protection, optimizing the processes to protect critical program information horizontally, enhancing our ability to integrate relevant mission, system, threat, and vulnerability information, and improving the efficiency with which data is shared with our acquisition programs, industrial base, allies, and partners. This approach and supporting guidance will accelerate the delivery of warfighter capability at speed and scale.

To cultivate a system security and secure cyber resilient engineering workforce, the Department works with interagency, industry, academia, allies, and partners to improve standardization and disseminate best practices. Through the Joint Engineering and Test Enterprise Portal (JETEP), knowledge, tools, and capabilities are delivered directly to acquisition programs. Training initiatives with the Defense Acquisition University increase system security engineering competency, and the Department is working with interagency partners to improve system security engineering practices for cyber-physical systems, including nuclear weapons and Homeland infrastructure. These efforts enable the Department to accelerate data integration, automate software assurance practices, and enhance supply chain protections to expedite the fielding of weapon systems.

Critical Technologies

The Department's technology investments must align with the President's and the Secretary's overarching national security priorities to succeed. To implement this vision and exercise appropriate oversight, the OUSD(R&E) has designated critical technology areas for targeted development, several of which have been highlighted below. For each critical technology, the OUSD(R&E) develops roadmaps, conducts rigorous program assessments, and plans technical activities with partners across the Services, the laboratories, the Office of the Secretary of Defense organizations, and private industry. The goal is to ensure that every dollar invested, whether in research infrastructure, basic science, advanced engineering, prototyping, or programs of record across the Services, directly contributes to delivering cutting-edge capabilities to our warfighters and maintaining our technological edge against strategic competitors.

Quantum Technology and Initiatives. The Department of Defense continues to develop quantum technologies that strengthen homeland defense and domain awareness, primarily through the Quantum Applications Program ($59.5 million in FY 2026) and several Defense Advanced Research Projects Agency (DARPA) programs. These programs are developing quantum sensing technology and applications such as alternatives to GPS for timing and navigation, including inertial, gravity, and magnetic-based sensing. These technologies will enable the Department to continue operating without GPS and guarantee precision strike and protected communications capabilities, amongst other operational needs. The Department also researches transformative capabilities to detect, track, and mitigate threats in specific scenarios. Some of these scenarios apply to protecting the homeland. Additionally, the Department is

developing critical knowledge and people to understand, assess, and protect emerging industry capabilities in quantum computing, as they may impact the Department.

Artificial Intelligence. The FY 2026 budget request includes crucial DoD investments in Artificial Intelligence. Learning how to leverage and safely deploy AI capabilities to the maximum extent while leveraging private sector innovation and investments is paramount to meet our national security needs across the Defense ecosystem. AI is not a single technology to develop, but rather an overlaying capability that will pervade every system and inform how we research, develop, train, and fight. For example, AI-enabled capability enhances our forces' decision advantage and links multiple sensors to multiple shooters, enabling new kill chains for long-range fires missions and precision strike missions.

Microelectronics and Semiconductor Manufacturing. Microelectronics are fundamental to the operation of virtually every military system, including communication and navigation systems and complex weapon systems. The FY 2026 President's Budget request includes $2.9 billion to fund vital microelectronics initiatives, including the Trusted and Assured Microelectronics Program, DARPA's Electronics Resurgence Initiative 2.0 effort, and legacy system sustainment. An additional $400 million is available from appropriations through the Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act of 2022, which funds the Microelectronics Commons.

Cyber Capabilities. The FY 2026 President's Budget request includes Cyber Security Applied Research efforts to explore technical and scientific concepts that address challenges in the Joint Warfighting Environment with cyber effects and integrated non-kinetic options, including electromagnetic warfare and information operations. Our applied research and workforce development efforts aim to ensure an asymmetric advantage across all domains (maritime, land, air, cyberspace, and space) while building a responsive cyber workforce and an academic science and technology pipeline for the Department's ongoing cyber talent needs. Our cyber tool development efforts, at their core, assure the security and resilience of all DoD systems needed in the joint fight while also developing tools to find and exploit our adversaries' vulnerabilities.

One example is the Integrated Sensing and Cyber program, which combines sensing, electromagnetic warfare, cyberspace operations, and information operations. These non-kinetic capabilities are indispensable for the competition phase of warfare and afford asymmetric advantage during conflict. The FY 2026 budget request supports investments and modernization through requests of $20.6 million in the Joint Electronic Advanced Technology and $18 million in the Cyber Security Research programs.

Hypersonic Capabilities. Hypersonic systems will deliver cutting-edge capabilities and strategic options to the Armed Forces to ensure the Department can deter potential adversaries and defeat aggression whenever necessary. The Department must continue to increase the pace at which it develops and demonstrates new hypersonic technologies and concepts while also focusing on improving the affordability and producibility of current hypersonic systems. The FY 2026 President's Budget request supports developing and demonstrating offensive hypersonic strike weapons, hypersonic defense systems, and critical enablers such as science and technology, workforce development, test/evaluation infrastructure, and industrial base capability/capacity.

Directed Energy. The mission of Directed Energy (DE) is to provide the warfighter with an asymmetric capability that exploits optical and microwave energy to create strategic, operational, and tactical advantages. DE provides advantages in all domains of military operations and across the spectrum of warfare, from competition to direct conflict. Notable advantages include deep magazines, precision engagement, multi-threat targeting, graduated effects, and low collateral damage. DE can augment insufficient kinetic weapon systems in a layered defense posture to address China's rapidly evolving, multi-domain threat. In addition, DE provides the United States

with low-cost-per-engagement opportunities to counter UAS and missile threats, reducing the expenditure of more expensive missiles from a limited inventory. The FY 2026 President's Budget request supports $223.7 million in critical investments to the Joint Directed Energy Transition Office.

Biotechnology. Biotechnology is a broad discipline in which biological processes, organisms, cells, or cellular components are exploited to develop new technologies or products that fundamentally change how the Department conducts missions and performs in contested logistics environments. The FY 2026 President's Budget request includes $190.2 million for biomanufacturing critical chemicals and advanced materials that provide enhanced lethality and improved performance through the rapid adoption of biotechnology industry-based innovation into the Department of Defense. Through the non-traditional defense industry, the Department will establish leadership in developing, producing, and fielding biotechnology-enabled capabilities against adversaries.

Space Technology. Space Technology coordinates the development and demonstration of technology advancements that will provide the warfighter with the decisive capability to deter or win a conflict in space. Space Technology works to accelerate the transition of key capabilities to the space domain to maximize our technological advantage for the future fight. The FY 2026 President's Budget request supports developing technologies and systems for the space domain to enhance current capabilities and provide an enduring advantage against potential adversaries.

Additional Areas. The FY 2026 budget supports Human-Machine Interface Technologies, Energy Resilience, and Advanced Computing and Software (AC&S) efforts. Human-Machine Interface technologies enable decision and action dominance that optimize distributed human decision-making, provide simplified controls of complex systems, and training environments that provide real-time feedback to enhance warfighter performance. Energy Resilience seeks to decrease warfighter vulnerability and deliver new operational capabilities for the Department through technologies such as advanced energy storage, microgrids, nuclear power, energy distribution innovations, technologies to enable tactical production of energy carriers, and innovations to reduce operational energy for warfighting missions. AC&S technologies, such as supercomputing, cloud computing, data storage, computing architectures, and data processing technologies, are vital to the Department's efforts to acquire and deploy software-enabled warfighting capabilities at the speed of need, as they are also resilient, affordable, and trusted.

Testing Funding

The Department's budget for test and evaluation infrastructure comprises investments made by the Military Services, Defense Agencies, and the Office of the Secretary of Defense (OSD). The Military Services and Defense Agencies prioritize spending on test requirements specific to their respective Services and Agencies. In contrast, OSD prioritizes its investments in delivering enterprise test solutions aligned with national strategic guidance. The Department invests in new test technologies and capabilities to accelerate the development and delivery of advanced weapon systems. The FY 2026 budget request supports testing in critical technology areas, including hypersonic weapons, electronic warfare, nuclear modernization, directed energy, cyber, space, trusted AI, and multi-domain operations. At the core of the Department's test infrastructure lies the Major Range and Test Facility Base (MRTFB), which has 23 major sites across the United States and around the globe. Critical to testing near-term and future warfighting capabilities, the MRTFB employs an estimated 30,000 people and occupies approximately 18,000 square miles of land, more than half the Department's land, and includes 180,000 square miles of airspace.

The Department supports testing across the full spectrum of research and development activities across the capability development lifecycle. This includes experimentation, demonstration, prototyping, developmental, operational, interoperability, and live-fire testing. The FY 2026

budget request supports the development of independent engineering assessments that examine technical risk and system performance to inform investment decisions for critical warfighter capabilities.

Incentivizing U.S. Private Capital

The Office of Strategic Capital's (OSC) mission is to attract and scale capital in technology and assets that support national security. Specifically, the OSC employs unique Title 10 federal credit authorities and appropriations to crowd investment through loans, loan guarantees, and technical assistance, efficiently using taxpayer dollars that support Department of Defense needs. Since its authorization in section 903 of the NDAA for FY 2024 and its first appropriations in March 2024, the OSC has been developing and rapidly deploying new financial products to accelerate private investment into the industrial base across 33 Covered Technology Categories prescribed by Congress. These tools will crowd capital to secure critical supply chains and rebuild the industrial base, enhancing the U.S. competitive advantage. The FY 2026 budget request will support creating new financial products designed to address a range of priorities, including greenfield projects, project finance, acquisition capital, investment fund subscription lines, and fund-level leverage to increase assets under management. These strategic capital solutions will enable the office to address key Presidential and Departmental priorities such as critical minerals, shipbuilding, infrastructure, and U.S. supply chain chokepoints.

REVIVING THE DEFENSE INDUSTRIAL BASE

To meet our nation's 21st-century defense needs, the United States requires an adaptive, resilient, and robust defense ecosystem. Today's DIB requires additional investment from private and government sources to modernize infrastructure and capacity to provide military capabilities at the speed and scale necessary for the U.S. to prevail in a near-peer conflict. The Department must focus on investment, buying down supply chain risk, and expanding capacity to adapt and fortify our existing capabilities and capacities. This will require investment in the systems, processes, and workforce used to produce military capabilities and the infrastructure.

Defense production and services are part of a vast, diverse, and global ecosystem that draws from technology and manufacturing sectors, foreign and domestic. The National Defense Industrial Strategy (NDIS) describes the Department's strategic approach to developing a modern DIB. The NDIS framework outlines four priorities for achieving a 21st-century DIB:

- Resilient Supply Chains
- Workforce Readiness
- Flexible Acquisition
- Economic Deterrence

The strategy recognizes that the Department cannot institute these changes alone. Great effort, cooperation, and coordination among the federal U.S. government, private industry, and our international allies and partners will be needed to modernize sectors and services that support the warfighters. Aligning ongoing efforts within the NDIS priorities will enable better coordination among programs, allowing quicker identification of strategic opportunities and challenges and potential responses such as investment or policy modification.

Cross-governmental efforts will be necessary to create the legal and policy conditions that allow new entrants into the defense production and services community to add resilience to the DIB. The Department must solicit entrants of all types: large and small, domestic and foreign, and those with no previous relationship to DoD or defense production, while developing new public-private dialogues and relationships.

Defense Industrial Base

The DIB, comprised of the commercial and organic industrial base, ensures the United States has the industrial capability and capacity to provide goods and services to meet current and future Defense requirements. This includes supporting research and development, design, production, deployment, and sustainment of Defense platforms and weapons systems and their enabling technology areas. While the existing DIB structure is sufficient for predictable defense materiel production and consumption rates for peacetime training and operations, the DIB exists to ensure it can ramp appropriately to meet wartime needs. As DIB strategy and the NDIS efforts and activities evolve, this ramping and production capacity will be an increasing focus.

Since Russia invaded Ukraine in February 2022, the Department has committed more than $63.6 billion in security assistance to Ukraine, including support for air defense, long-range fires,

ground maneuver, aircraft and unmanned aerial systems, anti-armor and small arms, and other capabilities. At the same time, the Department is also helping the defense industrial base expand its capacity to produce critical defense capabilities. Past budget supplementals have enabled DoD to invest an additional billion more across 18 states to help defense contractors expand and modernize existing production lines and add new lines.

> ***"We're reviving the defense industrial base, reforming our acquisitions process [while] rapidly fielding emerging technologies to put the best weapons in the hands of our warfighters."***
>
> - Secretary of Defense Peter B. Hegseth, House Budget Oversight Hearing, 2025

Encouraging defense suppliers to increase production capacity will require a coordinated effort by industry, Congress, DoD, and other federal departments and agencies; a public recognition of the associated burden on the taxpayer and the economy itself; and a broad acceptance of the defense industry, including our global industrial partners, as vital resources for national defense.

The DoD continues to build upon its efforts to invest in the strategic focus areas described in the NDIS. The Department leverages the Defense Production Act Purchases (DPAP) and Industrial Base Analysis and Sustainment (IBAS) programs, funded at $475.1 million discretionary, $2.1 billion mandatory, to address industrial base challenges. Key investment lines of effort include:

- Castings and Forgings (includes Machine Tools) ($109 million discretionary, $531.7 million mandatory): Continue actions to modernize metalworking development, certification, and production infrastructure, including the adoption of modern automation, to improve “first pass” quality; develop and upskill the metalworking workforce; expand upstream supply chain security initiatives intended to ensure DoD has access to the refined materials required to produce cast, forged, and additively manufactured metal products; continue strategy refinement and the development of new data analytics to improve supply chain visibility; and invest in alternative source for Naval steel plate supply.
- Critical Materials ($64.8 million discretionary, $364.7 million mandatory): Develop secure, resilient supply chains across the spectrum of strategic and critical materials and rare earth element applications, including domestic processing, and separation, and metallization of critical materials; rare earth element metallization and alternative sources of rare earth elements and critical materials; permanent magnet production; and processing of critical materials waste and recycling streams. It is critical to invest in peripheral supply chains, including precursor chemicals and reagents, to onshore critical materials—this includes emerging vulnerabilities and supply chains linked with materials availability. Additionally, support the development of the critical materials workforce through partnerships with technical, academic, and outreach organizations. The Department must also develop flexibility to respond to critical materials shortfalls and trade restrictions that emerge in the current geopolitical environment; in 2024, several critical materials and materials processing technologies exports were banned by China. The DoD must proactively develop projects and retain flexible funding options to respond if these bans continue in 2025 and later years.
- Energy Storage and Batteries ($0.2 million discretionary, $1.9 million mandatory): Investments into the standardization of batteries across the Services. The focus will be on modernizing U.S. Space Force energy requirements in alignment with the Department.
- Microelectronics ($86.4 million discretionary, $777.2 million mandatory): Establish a domestic secure advanced packaging capability (includes tools, testing, and evaluation), develop an

enterprise parts management system for evaluating and addressing microelectronics supply chain concerns, increase capabilities for the printed circuit board and advanced substrate DIB, establish a robust digital engineering infrastructure capacity and capability (includes access to virtual prototyping tools, cloud-based co-design, and training) for the U.S. DIB, and support the domestic industrial base for space qualified photovoltaics and travelling wave tube amplifiers.

- Workforce ($21.7 million discretionary, $145.5 million mandatory): Investments address defense industrial base workforce risks, shortfalls, and skill gaps affecting the Department's production and sustainment requirements. For example, the Assistant Secretary of Defense (Industrial Base Policy) continues to mitigate significant industrial workforce risks to the Navy's aggressive "1+2+sustainment" strategy to maintain and produce one Columbia and two Virginia-class submarines annually. The FY 2026 investments will extend initiatives to the Indo-Pacific, to jump-start Defense Manufacturing, which will target investments that increase industrial capacity by creating new and growing existing economically viable, interconnected manufacturing networks to meet the Services' urgent maintenance and repair needs. Investments will continue momentum in the New England and Mid-Atlantic regions to expand and tailor outreach to fill training and hiring pipelines, improve training capacity and quality, and address worker retention. Investments will also address similar requirements in other defense-critical supply chain regions and locales, including but not limited to the Great Lakes, West Coast, Texas, and Gulf Coast areas. Data analytics investments underpin the portfolio's problem analysis and solution development activities.
- Kinetic Capabilities ($180.9 million discretionary, $234 million mandatory): Address key sub-tier Solid Rocket Motor suppliers to reduce production costs and increase surge capacity and testing capability; continue to onshore critical chemicals that will reduce the dependence on adversarial nations, thereby strengthening the resiliency of our supply chains; and invest in the hypersonic industrial base.

Distributed Bioindustrial Manufacturing Program

The FY 2026 budget request supports the Distributed Bioindustrial Manufacturing Program (DBIMP), which is a 5-year $1.3 billion investment in building and securing U.S. Bioindustrial manufacturing to maintain the DoD's enduring advantage by strengthening the defense industrial base through the acquisition of innovations in non-traditional defense industry; establish systems to protect that domestic biotechnology innovation from exploitation from our adversaries; and rapidly field biotechnologies to support forces in contested regions. The DBIMP will deliver the most advanced defense capabilities through a new defense industrial base that uses American biotechnology innovations. It will:

- Streamline acquisition of biomanufactured capabilities with a modern and coordinated approach: planning, prototyping, building, qualifying, transitioning, and protecting by leveraging multiple DoD authorities and RDT&E funding to defend the homeland and project strength abroad.
- Rapidly field novel biomanufactured chemicals and materials with enhanced performance and lower life cycle costs. Domestic biomanufacturing businesses are poised to maintain the Department's advantage as the most potent force in the world.
- Bringing new capabilities to the defense industrial base through integrating the domestic biomanufacturing industry with key investments in biomanufacturing equipment and facilitating the production of DoD chemicals and materials.

Key investments for DBIMP include:

- Biomanufacturing critical chemicals: Scale emerging biotechnology for critical materials and precursors. Thirty-four planning agreements ($1-2 million each) were made in July-September 2024, with non-traditional industry partners. These awards are completed with the delivery of plans for constructing bioindustrial manufacturing plants for defense materials and chemicals with enhanced performance and lethality. Follow-on modifications to domestic biotechnology companies ready to scale critical chemicals needed now are in process.
- Promotion and Protection Strategies: Execute activities that provide visibility, foster partnerships, and incentivize transition partners for non-traditional biotechnology industrial base innovations. Examples of the program included assessments to identify capability gaps and opportunities for bioindustrial manufactured materials to meet military requirements, as well as vulnerabilities in the bioindustrial manufacturing of critical chemicals with enhanced performance that present logistical challenges in contested regions and austere environments.
- Defense-Wide Manufacturing Science and Technology: Analyze projects that address readiness, posture, and logistics requirements. Catalyze the non-traditional biotechnology industry to match the threat to capability.
- Advanced Manufacturing Component Development & Prototypes: Mature manufacturing processes to support the transition of advanced manufacturing components and prototypes to address warfighter needs. Prepare test batches to facilitate the technology transfer of products to available industrial-scale facilities and develop downstream processing techniques supporting production at scale. Develop and apply initial standard operating procedures (SOPs) for at-scale production. Conduct tests and evaluations to validate and prove processes used.
- Maintaining Technology Advantage: Institutionalize and update proactive analytic tools supporting the biotechnology industrial base and implement, refine, and protect U.S. investments in domestic bioindustrial manufacturing capabilities supporting the Department's Biomanufacturing Strategy.

Critical Supply Chains

The National Defense Industrial Strategy (NDIS) Implementation Plan outlines a proactive approach to fortify the U.S. defense industrial base and secure critical supply chains. Recognizing a complex global landscape, the plan shifts from reactive to proactive, building resilience against vulnerabilities and ensuring a robust defense ecosystem for national security. It emphasizes collaboration between government, industry, and academia to achieve a more secure and innovative defense environment.

The plan prioritizes strengthening critical supply chains, mitigating foreign dependencies, and promoting domestic manufacturing. It aims to identify and address single points of failure, diversify sourcing, and invest in advanced manufacturing, alongside workforce development to attract skilled personnel. This focus ensures reliable access to materials, components, and technologies crucial for national security objectives.

The implementation plan details specific initiatives, ranging from investing in emerging technologies to streamlining acquisition, requiring collaboration among government agencies, the private sector, and research institutions. This integrated approach aims to create an agile and responsive defense industrial base adaptable to evolving threats and technological advancements. Ongoing monitoring and evaluation will ensure effective results. The implementation plan initiatives include:

- Indo-Pacific Deterrence
- Production and Supply Chains
- Allied and Partner Industrial Collaboration
- Capabilities and Infrastructure Modernization
- New Capabilities Using Flexible Pathways
- Intellectual Property and Data Analysis

To support these initiatives, the FY 2026 NDIS implementation plan informs the current budget process. It will shape DIB investments in the years to come in line with the Interim National Defense Strategic Guidance and with recent Executive Orders from the President.

Accelerating Technology Adoption and Building Supply Chains

The FY 2026 budget request provides funding for the Office of Technology Innovation for the Industrial Base, which underpins lethality, readiness, and agility by translating technology into capability through advanced manufacturing. Informed by Department priorities and technology industrial base assessments, the Manufacturing Technology Program decreases the barriers to adopting advanced manufacturing technologies and processes across the organic, defense, and commercial industrial base with a four-pronged approach.

First, the Manufacturing Science and Technology Program invests in advanced manufacturing technology that derisks the production of defense-specific products with joint-service requirements and documented transition paths. Second, the Manufacturing Innovation Institutes (MIIs) accelerate the adoption of advanced manufacturing technologies through public-private partnerships and significant cost-share with universities, industry, defense, federal agencies, and commercial customers. Third, the Manufacturing Education and Workforce Development Program works with private and public entities to bridge skills gaps and enhance recruitment efforts to meet the technology-driven advanced manufacturing sector's current and future workforce needs. Finally, the Advanced Manufacturing Capability Expansion and Prototyping Program validates the build and/or expansion of advanced manufacturing infrastructure and conducts component and prototype development to scale promising advanced manufacturing technologies.

The FY 2026 budget request provides investments for advancing new and critical materials, biomanufacturing, additive manufacturing, and support to the sustainment community, which are essential to the Department's needs. Technology transfer efforts maximize the Department's return on investment in lab research through strategic engagement with commercial companies, licensing, and revenue generation of DoD-developed technologies for dual-use products. Program outcomes allow rapid production ramp-up for critical parts and platforms, increasing buying power, lethality, warfighter safety, and readiness.

Submarine Industrial Base

In FY 2026, nearly $5.7 billion in funding is requested for continued efforts to uplift the Submarine Industrial Base (SIB) and Nuclear Shipyard Productivity Enhancements (NSPE). This exemplifies DoD's commitment to bolstering domestic capabilities and capacities for defense platform production. The SIB primarily supports programs for DoD, making it highly sensitive to changes in support or funding from DoD. These requests support NDIS priorities in supply chain resilience, workforce development, and flexible acquisition.

The FY 2026 request includes over $2.6 billion to continue implementing recommendations from the Submarine Industrial Base Study (SIB-25) conducted by the Cost Assessment and Program Evaluation (CAPE) office. The FY 2026 budget maintains funding to address the findings of this report in the following areas:

- Supplier Development: The SIB has been impacted by the contracting DIB and the overall decrease in spending on these programs. Funding will focus on increasing capacity and capabilities in the existing SIB and supporting new suppliers entering the defense market.
- Infrastructure Development: Due to a lack of peacetime investment, SIB infrastructure needs assistance for both DoD-owned installations and commercial facilities. Funding here will support prime shipbuilders, public facilities, and the SIB supply system.
- Workforce Development: Due to decreased demand for skilled workers in shipyards, cultural shift away from manufacturing professions, and the competitive hiring landscape, there are not enough workers to fill positions in the SIB. Increasing efforts to attract, train, and retrain workers in the skills required for the SIB are urgently needed and supported by this request.
- Government Oversight: In addition to increased workforce needs, overseeing the increasing demands on the SIB will require additional government personnel. Billets supported by this funding will increase staffing levels for SIB planning, engineering, execution, and oversight.
- Technology opportunities: Since little investment has happened in SIB manufacturing, these facilities have not benefited from significant improvements in manufacturing technologies, including additive manufacturing and robotics. This funding line supports research, development, and implementation of advanced manufacturing technologies to modernize SIB production.

The SIB-25 findings also recommended funding strategic sourcing within the SIB. The FY 2026 budget request continues investments in current and potential strategic partners to reinforce the prime shipbuilders.

In addition, the FY 2026 request includes $2.5 billion to continue NSPE for wage increases and other investments at the prime nuclear shipyard contractors to recruit and retain workers and expand capacity and production. These resources are critical to deliver the Columbia- and Virginia-class submarines.

Finally, the FY 2026 request includes $80 million for casting and forging industrial base efforts that will yield results for the submarine industrial base, and there is $438 million in the Department's mandatory request for maritime industrial base projects.

In addition to the SIB and NPSE request, the Navy's Shipyard Infrastructure Optimization Program (SIOP) includes $2.7 billion to enhance public shipyard infrastructure to perform maintenance on nuclear-powered submarines and aircraft carriers.

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4. RESTORE THE WARRIOR ETHOS

INTRODUCTION

The Department of Defense's (DoD) mission is to win the Nation's wars. To do this, we must have a lethal fighting force that rewards individual initiative, excellence, and hard work based on merit. The Fiscal Year (FY) 2026 budget request supports efforts to restore the warrior ethos and rebuild trust in our Nation's military by fostering the readiness and lethality of our warfighters, and facilitating the well-being and resilience of the families who support them.

Sections

WARRIOR AND FAMILY INITIATIVES

The Total Force, comprised of military (Active, Reserve, and National Guard) and civilian personnel, serves as the foundation of the Department, supporting our critical and evolving national defense mission. To be effective, these brave men and women must have the right skills, and DoD must have sufficient human capital resources in the right places, at the right time, at the proper levels, to provide for the nation's defense, while simultaneously stewarding taxpayer dollars. The Department needs to invest in recruiting, developing, and retaining highly skilled military and civilian employees. The FY 2026 budget request is designed to build, develop, and maintain the Total Force required to defend the homeland, deter China in the Indo-Pacific, and address existing and emerging threats. It will dynamically shape and help to cost-effectively optimize workforce skills and expertise in line with mission requirements.

The Secretary of Defense has made clear that *reestablishing deterrence*, *rebuilding the military*, and *restoring the warrior ethos* are top priorities for the Department. Only with the right people and constructive, efficient workplace practices will we be able to cultivate the workforce needed to achieve these goals. The FY 2026 budget request considers strategic reforms and reductions to non-core missions, allowing DoD to more effectively recruit, train, develop, and retain a skilled workforce capable of addressing myriad national security challenges in a complex environment featuring rapidly advancing technologies.

The Department seeks to enhance recruiting by expanding marketing and advertising capabilities to foster consideration of military service among youth who may have never considered it, in part, by initiating targeted campaigns towards influencers of youth.

Further, DoD is committed to providing a competitive compensation package for those individuals willing to serve the country. The FY 2026 budget request includes a 3.8 percent pay raise for the military, while keeping civilian personnel at current levels.

The DoD is equally committed to strengthening its career skills programs to advance mission readiness and to facilitate the successful transition of Service members and spouses to civilian life through opportunities such as off-duty voluntary education, credentialing programs, registered apprenticeships, the Spouse Education and Career Opportunities program, and SkillBridge. These efforts ensure that Service members can better plan for their career development, build their skills, and receive credit that translates into both their military and post-military careers.

The Department is also dedicated to ensuring the safety and health of its personnel and executing the highest possible safety standards, which requires an enduring, proactive culture of safety supported by robust governance, and regular and consistent reporting. The FY 2026 budget

request includes requirements for Services and Components to prioritize resources to ensure proactive safety risk management and mishap reduction throughout installations, in operational and training settings, and while off-duty. To rebuild the military, while maintaining readiness and lethality, Services and Components will invest fully to implement comprehensive safety and occupational health standards that safeguard the Department's warriors and weapons. Services and Components will ensure consistent and standardized reporting and analysis of hazard, near-miss, and mishap information to support data-driven resource and risk mitigation decisions. In addition, they will invest in safety and occupational health technologies and innovative solutions to reduce safety risks and human error, enhance capabilities, increase efficiencies, eliminate accidental fatalities, and preserve human and physical resources throughout the DoD.

"No one serves alone, it's you, your kids, your spouses, your communities, your churches, the people that love you, the people that support you that believe in what we do. We have your back."

- Secretary of Defense Peter B. Hegseth, Special Operations Forces Week, May 2025

Military Compensation

Comprising roughly 30 percent of the DoD budget, military pay and benefits, including healthcare, housing allowances, DoD schools, commissaries, child care, and myriad military family support programs are – and will likely continue to be – the single largest expense category for the Department, necessary to maintain our workforce and our competitive advantage. A robust pay and benefits package must be sustained to ensure the best warfighters are available to defend the nation.

Military pay and benefits funding grows by $12.9 billion over the FY 2025 enacted level. This increase includes funding for a 3.8 percent military pay raise, which builds on the 4.5 percent basic pay increase in January 2025 and the additional 10 percent basic pay increase for junior enlisted members implemented in April 2025 and is critical to retention efforts.

The FY 2026 Total Force end strength increases by 24,700 from the FY 2025 authorized level and will increase by 14,932 from the currently projected FY 2025 levels. This increase accounts for the record-breaking recruiting encountered under the Trump Administration. The Department's force structure investments support the Interim National Defense Strategic Guidance to size and shape the Joint Force under an America First agenda to restore peace through strength.

Financial Strength for Warfighters

Economic security of Service members and military families is critical to mission readiness. Military compensation must remain competitive with the private sector, and the FY 2026 budget request addresses both the high stress and demands being placed on the force, the current labor market, and inflationary pressures. Actions taken across the Department include, but are not limited to, increased basic allowances for housing and subsistence; adjustments to the basic needs allowance program; increased access to healthy food on installations and throughout the commissary system; and improved availability of financial readiness resources.

The Department is also reviewing overseas tour lengths and extending prescribed ones, where feasible. In addition, we implemented the Basic Needs Allowance and recently increased the eligibility and payment threshold from 150 to 200 percent of the Federal Poverty Guidelines, ensuring that more junior members with large families will receive the financial resources that they need and do not have to rely upon Supplemental Nutrition Assistance Program benefits. With the

understanding that a military family's economic security is essential to warfighter wellbeing, command climate, and mission readiness, the Military Departments and Services are taking action to educate leaders at all levels of command about how to identify Service members experiencing economic insecurity and to direct them – and their spouses – to the most appropriate resources to assist. Department support in this area includes financial assessments and counseling; improved access to and increased assistance with child care; education subsidies and employment support for spouses; and increased access to nutritious and affordable food options. These efforts are designed to reduce stigma, normalize financial help-seeking behaviors, and improve stability for warfighters and families. The Department has expanded the resources available through our Economic Security Toolkit on Military OneSource and is now including a more robust selection of resources on nutrition readiness, food security, and food access.

The Department also works across the federal government to foster interagency collaboration to better understand food security data and to build evidence to strengthen food security and nutrition readiness across the force. We have extended our formal partnership with the U.S. Department of Agriculture (USDA) to further explore how methodological differences between the Department's Status of Forces Survey of Active-Duty Members (SOFS-A) and the U.S. Census Bureau's Current Population Survey (CPS), the data source for Economic Research Service's annual household food security report, may impact the comparability of military food security rates to USDA's national estimates. The Department has also extended data collection for a separate qualitative study examining food access on and near outside the continental United States (OCONUS) military installations. The actions taken to date are not all inclusive. As we continue to increase our knowledge of the underlying issues that undermine the economic security of the force, we will modify our response accordingly.

Managing the Military Health System

The Military Health System (MHS) is one of America's largest and most complex health care institutions, and the world's preeminent military health care delivery operation. The MHS saves lives on the battlefield, combats infectious diseases globally, and provides health services to approximately 9.5 million beneficiaries, including uniformed Service members, military retirees, and family members. The MHS leverages its facilities and relies on the private sector for additional capacity to accomplish its complex and multifaceted mission, ensuring a force that is medically ready for combat, resilient to obstacles and attack, and prepared to defend the nation. Performing much more than combat medicine, the MHS engages in health care delivery, medical education, public health, private sector partnerships, and cutting-edge medical research and development.

The MHS readiness mission spans a broad portfolio of operational requirements, including combat casualty care, disaster relief, global health engagement, and humanitarian assistance. Key enablers of the system include the DoD medical school – the Uniformed Services University of the Health Sciences – plus a full spectrum of graduate medical education programs, robust research capabilities, and customized training platforms ensuring that all Active and Reserve medical personnel are ready to provide medical care for operational forces worldwide.

The Fiscal Year 2026 budget request for military medicine is $65.9 billion – a 7.4 percent increase from the Fiscal Year 2025 enacted position. The $65.9 billion is the Unified Medical Budget amount which includes the Defense Health Program appropriation request, Military Personnel costs, Military Construction costs, and Health Care Accrual contributions from the Services to the Medicare Healthcare accrual fund.

Military Healthcare Budget

The MHS fosters, protects, sustains, and restores the health of Active-Duty and Reserve Component forces to support the mission. It provides the direction, resources, health care personnel, and other means to promote and improve the health of our warfighters, their families, and those who served and retired. The MHS develops and promotes health awareness issues to educate beneficiaries, discover and resolve environmentally based health threats, and provide comprehensive health care services. This includes preventive care and intervention services, performing comprehensive health surveillance, and improving the means and methods for maintaining the health of the beneficiary population by constantly evaluating the performance of health support. The funding and personnel to support the MHS mission are grouped under the Unified Medical Budget (UMB). The Department's investment in the UMB reflects its commitment to timely, safe, and effective medical care delivery for beneficiaries.

Figure 4.1. Military Healthcare Funding *($ in billions)*

Program	FY2025	FY2026
Defense Health Program (DHP)	40.4	42.5
Military Personnel [1]	9.5	10.0
Military Construction [1]	0.5	0.6
Health Care Accrual [2]	11.0	12.9
Unified Medical Budget	**61.5**	**65.9**
Treasury Receipts for Current Medicare-Eligible Retirees [3]	13.7	13.6

[1] Funded in Military Personnel & Construction accounts. *Numbers may not add due to rounding*

[2] Includes health care accrual contributions into the Medicare-Eligible Retiree Health Care Fund to provide for the future health care costs of personnel currently serving on active duty – and their family members – when they retire.

[3] Transfer receipts in the year of execution for 2.6 million Medicare-eligible retirees and families.

The FY 2026 UMB request is $65.9 billion, up 7.4 percent from the FY 2025 enacted. The difference between FY 2025 and FY 2026 within the DHP is driven predominantly by the investment in military medical treatment facilities (MTFs) to sustain direct care capabilities, as well as investments in modernizing electronic health records/digital health. Within the FY 2026 DHP request, $21.0 billion, or 51 percent of the total request, is for private sector care supporting the provision of the TRICARE benefit to the DoD beneficiary population. Finally, the health care accruals funding increase in FY 2026 is due to actuarial updates for actual claims experiences and updates to other actuarial assumptions, as approved by the DoD Board of Actuaries.

The MHS continues to pursue efforts focused on business process improvements, structural changes, and efficiencies within the MTFs. It is modernizing clinical and business processes and streamlining internal operations to support health care delivery in the direct care system.

Continued Transformation of the MHS

The Department recognizes a strategic imperative to rebuild our military and civilian medical workforce and to more effectively resource the MHS. One of the most effective ways to accomplish the goal of transforming the MHS in support of the mission is to reattract beneficiaries to MTFs and to maximize medical education and training pipelines.

Attracting beneficiaries to MTFs and Dental Treatment Facilities requires a stable, predictable workforce that is sufficiently staffed, trained, and routinely available to provide health care

services. Rebuilding medical capabilities and providing increased support to our clinical personnel is critical, but it will take time and focused effort to accomplish, while continuing to ensure necessary operational medical support.

The FY 2026 budget request provides key resources for the MHS, focused on improving patient access to services, in part, by better integrating the direct and purchased care systems and fostering continuous improvement. Resources will be aligned to support warfighter lethality. Stabilizing, modernizing, and integrating MHS capabilities will help the MHS to successfully support Service members who are fit to fight and medical professionals who are ready to support them in garrison training and on the battlefield.

MHS Information Management and Information Technology

The Defense Health Agency (DHA) is building a modernized, integrated, and resilient Health Delivery System, focusing on Digitizing healthcare for the MHS. The Information Management / Information Technology (IM/IT) portfolio within the DHP provides the transformational technology enablers critical to DHA's modernization goals for the MHS. The FY 2026 budget request includes $0.3 billion to support the continued modernization efforts of the MHS, addressing the MHS Enterprise's aging infrastructure and degraded MTF operational IT support, and mounting technical debt.

Digital Health Strategy

As MHS looks ahead to a new strategic and technological environment, it must aggressively harness new and emerging digital health technologies. The surge in digital health care across the U.S. and with our allies and partners in recent years has provided valuable lessons on the accessibility of digital health, particularly its impact on health outcomes, equity, and costs.

Digital health transformation represents paradigm-shifting opportunities for MHS to reimagine health care. However, simply layering digital technologies on top of the current model will not lead to large-scale improvement. Successfully implementing a digital health transformation requires the MHS to fundamentally rethink health care delivery in day-to-day, operational, and combat settings. The FY 2026 budget request lays the groundwork for the digital transformation strategy informed by industry-leading practices, requirements, and input from the Office of the Secretary of Defense (OSD), Joint Staff, Military Departments, and DHA.

Strengthening Military Families

Military families ensure that our warfighters remain focused on and ready to meet the mission. The Department delivers military family assistance through a robust Military Family Readiness System that includes child care; youth development and school liaisons; support for family members with special needs; relocation assistance; non-medical counseling; Morale, Welfare, and Recreation (MWR); spouse employment; and military family support programs.

The major initiatives to improve quality of life for Service members and their families are strategic investments in the military's most valuable asset, its people. They reflect the Department's commitment to improving Service member wellness and delivering prevention and response efforts targeting factors that contribute to readiness-detracting behaviors.

The Department continues to promote and support spouse employment initiatives, including the Military Spouse Employment Partnership (MSEP) and military spouse preference for relocating spouses of Active-Duty members. The Department assists military spouses in finding and maintaining meaningful employment through two primary avenues:

- Military Services provide installation-based Employment Readiness Programs (ERPs) with in-person classes and connections to local employers (ERPs support transitioning Service members, military spouses, and adult family members).

- Recognizing that many military families do not live on installations and may not have access to in-person career support, the Spouse Education and Career Opportunities (SECO) program is delivered virtually, providing comprehensive support across the educational and career lifecycle of all military spouses. The Military Spouse Career Accelerator Pilot (MSCAP) sponsors eligible spouses in 12-week, paid fellowships across the corporate landscape. More than 1,000 military spouses have participated in the program, with more than 80 percent receiving employment offers from their host employers. The Military Spouse Employment Partnership added more than 230 employer partners, growing the partnership to more than 950 active employers. Since the launch of MSEP in 2011, partner employers have reported placing more than 360,000 military-connected spouses across all industry sectors. Finally, the My Career Advancement Account (MyCAA), which awards up to $4,000 to eligible spouses toward a license, credential, associate's degree, or required vocational testing or evaluations, expanded eligibility to include spouses of all Active-Duty enlisted pay grades, as well as those of O1s to O3s and W1s to W3s. Last year, MyCAA supported the education and training pursuits of more than 9,400 military spouses.

DoD continues to work with state policy and lawmakers to enact occupational licensure compacts, which are state laws that provide consistent rules for licensed practitioners to work in other states and territories. Thirty-four states have adopted six or more compacts. All military spouses, including National Guard and Reserve spouses, Active-Duty Service members, members of the Guard and Reserve, and veterans, benefit from the mobility provided by compacts, which minimize the time and expense required to secure employment upon relocation to a new state. For military families, this helps to ensure continuity of military spouse employment, enhancing the financial readiness and wellness of military families.

The Domestic Employees Teleworking Overseas (DETO) Memorandum of Agreement permits federal employees, including military spouses, to perform the duties and responsibilities of their positions in an approved overseas location via a DETO agreement, approved by the Department of State. This affords military spouses the opportunity to continue working for a federal agency when Service members receive OCONUS orders.

Military OneSource, a 24/7 information and assistance contact center, links military members and their families to resources and support and preemptively provides non-medical counseling to address stressful situations. Morale, Welfare, and Recreation programs are tailored to directly support the unique needs of warfighters and their families, fostering readiness and enhancing the warrior ethos.

Figure 4.2. Military Family Support Programs *($ in billions)*

Program	FY 2024	FY 2025	FY 2026
Child Development and Youth Programs	1.9	2.2	2.2
Military Morale, Welfare, and Recreation	2.0	1.8	1.8
Warfighter and Family Services (WFS)	2.0	2.1	2.2
Commissary	1.4	1.5	1.5
DoDEA Schools	2.6	2.6	2.5
Total	**10.1**	**10.4**	**10.4**

Numbers may not add due to rounding

Child Care and Youth Programs. Includes funding for child development programs, which serve up to 180,000 children annually in both installation and community programs, as well as for youth, teen, and school liaison programs, which serve over 890,000 military-connected youth between the ages of 6 and 18 annually. The Department plans to invest $169 million to construct four child development centers. The Army will invest in three child development centers (Fort Liberty, North Carolina; Fort Meade, Maryland; and Germany), and the Air Force will invest in one child development center (Mountain Home Air Force Base, Idaho).
Morale, Welfare, and Recreation Programs. Includes funding for mission-essential and mission-sustaining programs, such as fitness centers, libraries, unit-level programs, and single Service member programs; voluntary education; and recreation programs, such as community programs, swimming, outdoor recreation, and auto skills centers.

Warfighter and Family Services. Includes funding for family support centers and non-medical counseling support services for Active-Duty, National Guard, Reserve members and their families.

Commissary. Includes funding for the Defense Commissary Agency to operate 235 commissary stores on military installations worldwide, employing over 12,000 civilian employees and offering at least 25 percent savings to patrons compared to the local marketplace.

Department of Defense Education Activity (DoDEA) Schools. Includes funding to support the education of students in grades Pre-K through 12.

Related to these efforts, a primary component of the Department's vision for child care also includes an additional FY 2026 budget request of $100 million to modernize the child care workforce. Initiatives include redesigned child care provider compensation and the addition of special needs inclusion coordinators. These actions will contribute to the availability of child care for eligible sponsors (i.e., Active-Duty military; Active-Duty combat-related wounded warriors; child development program staff; DoD civilians; Coast Guard civilian; Gold Star spouses; DoD contractors; other Federal employees; deactivated Guard and Reserve personnel or inactive Guard and Reserve personnel in a training status; military retirees; and other sponsor types based on an installation policies).

FAMILY AND UNACCOMPANIED HOUSING

The DoD recognizes that the environment in which our Service members reside impacts their quality of life, their ability to do their job, and the Department's ability to recruit and retain the force. We are committed to ensuring that all DoD housing - whether government-owned, government-controlled, or privatized - meets life, health, and safety requirements, providing a positive living experience for military personnel and their families.

Military Housing Privatization

Under the Military Housing Privatization Initiative (MHPI) legislation enacted in 1996, the Department has dramatically improved the quality of on-base housing in the U.S., addressing a $20 billion Family Housing (FH) maintenance backlog and achieving more than $32 billion in private development by leveraging about $4 billion in DoD contributions. The Military Departments have privatized 99 percent (almost 204,000 units) of their U.S. FH inventory, as well as 4,700 unaccompanied housing (UH) apartment units on their U.S. installations.

The Department has made significant progress implementing actions to enhance the MHPI program and oversight of the private sector MHPI companies that own, operate, and maintain MHPI housing projects. For example, the MHPI Tenant Bill of Rights (BoR) is fully available at all but one of DoD's nearly 200 installations with MHPI housing, representing 99 percent of military families residing in privatized housing. The Department continues to work on full implementation of other MHPI reforms. In 2024, the Department deployed the statutorily required housing

complaints database. In addition, the Department is 87 percent complete on its mandatory one-time inspections of military FH and privatized housing.

The Military Departments continue taking measures to improve oversight and hold MHPI companies accountable, to include: revising project business practices for corrective actions; executing revised project performance incentive fee metrics; developing corrective action plans at projects with low tenant satisfaction survey scores; adhering to housing standards and inspection requirements and conducting housing inspections with higher frequency; increasing accessibility and transparency of the maintenance and repair work order systems; establishing policies and procedures for health hazard assessments and mitigation; and refining internal controls and oversight.

In keeping with the Department's commitment to ensure a positive quality of life for Service members and their families, the Department's FY 2026 budget request prioritizes: 1) funding for the Department's oversight of the MHPI program/projects; and 2) investment to support the necessary restructure of financially challenged MHPI projects to ensure that they can meet sustainment needs and deliver quality housing over the long-term.

The Department's FY 2026 FH budget request includes $216.6 million for investments in military FH privatization and $145.9 million for continued support of MHPI housing oversight.

Government-Owned and Government-Controlled Housing

The Department owns, operates, maintains, or controls (leases) approximately 40,560 units, the cost of which is on enduring bases in overseas locations where privatized housing is unavailable. In addition, the Department's housing inventory includes approximately 837,000 government-owned and controlled (leased) UH bed spaces worldwide.

The Department's government-owned and government-controlled (GovO/C) housing is challenged by significant maintenance backlogs and outdated, deteriorating housing facilities, highlighted, in part, by the September 2023 Government Accountability Office (GAO) report titled *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness*. The Department has placed greater priority on funding for its GovO/C housing, and the FY 2026 budget request supports this prioritization.

To overcome these challenges and improve the quality of DoD's GovO/C housing, DoD continues to make the livability of DoD housing a priority by implementing many reforms as directed by Congress and recommended by the GAO, specifically, publishing policies on GovO/C UH design standards, a uniform index for evaluation of GovO/C UH conditions, issuance of waivers for GovO/C UH privacy and configuration standards, civilian oversight of GovO/C UH, and standardizing work order processes for all GovO/C housing.

In keeping with the Department's commitment to restoring the warrior ethos by providing safe, healthy, and functional housing for Service members and their families, the Department's FY 2026 budget request prioritizes investment in DoD's GovO/C housing to support mission requirements, address health and safety concerns, improve quality of life for of our junior personnel, and enhance DoD oversight.

The Department's FY 2026 $1,855 million FH budget request is $129.0 million (6.95 percent) lower than the FY 2025 budget request ($1,984 million) and includes $387.8 million for 8 FH construction projects. The Department's FY 2026 Military Construction budget request includes $1,175 million for 8 UH construction projects, which is $82 million (7.5 percent) higher than the FY 2025 budget request ($1,093 million).

READINESS

The DoD is focused on building a ready, lethal fighting force that is prepared to meet existing requirements, address emerging threats, and achieve peace through strength. The FY 2026 budget request demonstrates this commitment to Joint Force readiness by balancing immediate investments in capabilities with mid- and long-term modernization requirements aligned with Interim National Defense Strategic Guidance.

The nation needs warfighters who are prepared to deter our enemies, defend the homeland, and maintain the most effective fighting force in the world. In turn, DoD requires data-driven insights into the inevitable readiness tradeoffs *tomorrow* resulting from decisions made *today*. The Strategic Readiness Framework offers Department leaders visibility into this complex risk picture across various dimensions and time horizons. Strategic Readiness is realized through the continuous development of tools, assessments, and data models that improve decision advantage and inform readiness investment across all aspects of operational and tactical excellence, to include personnel, equipment, training, leadership, and safety.

The Secretary of Defense issues guidance for budget planning and programming purposes to ensure that the Department invests in readiness capabilities matching and exceeding current and future threats. Through the FY 2026 budget, the Department will strengthen deterrence and gain advantage, in part, by developing our warriors and cultivating advanced systems and capabilities. This will enable DoD to synchronize the Joint Force with other instruments of national power to counter forms of competitor coercion, complicate the military preparations of our competitors, and continue advancing warfighting capabilities together with our allies and partners. It is modernizing weapon systems, training, workforce processes, and doctrines to meet future Joint Force design needs, focused on innovation and agility to address evolving demands. The Department is also incorporating contingency preparedness into wargames, exercises, and other planning tools.

With the support of Congress, DoD will continue aligning resources and adjusting force generation to remain a ready, lethal force. To this end, the FY 2026 budget request funds $160 billion in Service readiness.

- The U.S. Army budget request includes $29.5 billion in its readiness accounts. This is an increase of $1.7 billion from FY 2025 enacted levels, primarily due to increased operations, force protection, and deterrence in U.S. Central Command (USCENTCOM) and U.S. European Command (USEUCOM) area of responsibilities (AORs), as well as growth for depot maintenance (aviation, combat vehicles, missile defense, Next Generation Command and Control (C2)). The FY 2026 U.S. Army readiness funding supports global force projection requirements, including the Pacific Deterrence Initiative. The FY 2026 readiness accounts include $13.4 billion for home-station training for ground maneuver forces and $3.0 billion for aviation readiness.
- The U.S. Navy budget request includes $57.1 billion in aviation (includes Marine Corps aviation), ship, and combat support readiness activities, an increase of $4.7 billion above FY 2025 enacted levels. The U.S. Navy continues implementing the Optimized Fleet Response Plan and reducing its long-term maintenance backlog by investing $16.6 billion in ship depot maintenance, including $2.4 billion in procurement appropriations to fund surface ship maintenance availabilities.

The U.S. Marine Corps budget request includes $5.1 billion in ground combat readiness, an increase of $0.6 billion above FY 2025 enacted levels to maintain its role as the Nation's naval expeditionary force-in-readiness. The U.S. Marine Corps also invests $5.9 billion in aviation readiness accounts (flying hours and maintenance funded in Operation and Maintenance, Navy and Operation and Maintenance, Navy Reserve accounts) to sustain critical operations, maintenance, and training programs.

The U.S. Air Force budget request includes $45.7 billion in readiness activities to maintain force readiness levels. This amount includes a $11.4 billion budget request for Air Force flying hours, an increase of $0.5 billion from the FY 2025 requested levels. Additionally, Air Force readiness includes a $19.3 billion request for Weapon System Sustainment to maintain the inventory of aircraft, space systems, and other weapon systems, and represents an increase of $0.8 billion over the FY 2025 enacted levels. Beginning in FY 2026, Air Force readiness will include the Combat Forces portfolio and Airlift Operations.

The U.S. Space Force budget request includes $3.9 billion in its readiness accounts, representing an increase of $0.5 billion (14.9 percent) above the FY 2025 enacted levels. The FY 2026 budget funds advanced training, Weapon System Sustainment, and resilient space launch capabilities to deliver space warfighting capabilities for the Joint Force.

Army Readiness

The Army remains on track to meet Global Force Management Allocation Plan (GFMAP) and Directed Readiness Table (DRT) requirements for FY 2026, optimizing deterrence, accelerating procurement, and effectively prioritizing unmanned systems. Deterring aggression from the pacing challenge in the Pacific, addressing acute and persistent threats globally, and realigning efforts to defend the homeland are the Army's primary objectives. To meet evolving threats, the Army is transforming to converge effects across all domains – land, air, sea, space, and cyberspace. Building on Transformation in Contact (TiC), the Army recently announced the Army Transformation Initiative (ATI), focusing on similar concepts to transform the entire Army enterprise. The ATI allows the Army to transform at an accelerated rate by divesting outdated, redundant, and inefficient programs and focusing on achieving superiority in critical areas for future wars.

The Army has already adopted and prioritized the requirements outlined in the Interim National Defense Strategic Guidance. The ATI sets the Army on a path to become a more agile and lethal force by improving operational capabilities, optimizing force structure – both military and civilian – and strategically realigning forces for faster deployment and increased deterrence. Through ATI, the Army seeks a sustainable strategic path that develops and fields cutting-edge modernization programs for Joint Multi-Domain Operations while remaining responsive and fiscally responsible.

The Army's collective and individual training readiness programs encompass operational training for multidomain operations, Training Support Systems (TSS) that enable training, institutional training for Soldier skills and leader development, and mission support to Combatant Commanders (CCDRs). Divisions, Brigade Combat Teams (BCTs), and Combat Aviation Brigades (CABs) are resourced to meet Directed Readiness Table requirements.

Building on improvements in accessions over the last year, the Army continues aggressive initiatives to recruit and retain the highest quality Soldiers. These efforts have proven successful

in producing increased accession rates in FY 2025. The Army remains focused on retaining high-quality Soldiers in high-demand positions with additional incentives and bonuses.

Building on the unit lifecycle model implemented in FY 2022, the Army will continue to refine the Regionally Aligned Readiness and Modernization Model (ReARMM) in FY 2026. This model balances regional requirements with the imperative to modernize units, ensuring the Army remains competitive and ready.

Figure 4.3. Key Army Readiness and Infrastructure Investments *($ in billions)*

Army	FY 2024[6]	FY 2025[7]	FY 2026[8]
End Strength[1]	946,289	943,100	954,000
Ground Readiness[2]	14.4	12.4	13.4
Aviation Readiness[3]	3.4	3.3	3.0
Depot Maintenance[4]	1.9	1.5	1.9
Infrastructure[5]	9.9	9.0	10.9

Numbers may not add due to rounding

[1] Total Active, Reserve, and National Guard end strength
[2] Ground Readiness Sub Activity Groups (SAGs) 111, 112, 113, 114, 115
[3] Aviation Readiness SAGs: 116
[4] Depot Maintenance SAGs: 123
[5] Infrastructure: FSRM, Military Construction (MILCON) appropriations
[6] Actuals include Supplemental funding
[7] Enacted includes Disaster Supplemental funding
[8] Request includes Mandatory funding

Navy Readiness

The Navy continues to realize readiness gains after several years of increased funding. Readiness accounts in the FY 2026 budget grow by $4.7 billion, an 8.9 percent increase from the FY 2025 enacted level.

Ship Maintenance increases by $2.0 billion from the FY 2025 enacted levels, a 14.4 percent increase, primarily due to increased labor and materials costs. Significant salary adjustments were also funded for highly technical public shipyard workers who have been difficult to retain and hire due to higher-than-expected private industry demand for experienced shipyard workers. Increased investments have resulted in improved shipyard performance trends, such as reductions in days of maintenance delays and improved on-time deliveries. The Navy continues its program to fund private contracted ship maintenance availabilities for U.S. Pacific Fleet and U.S. Fleet Forces Command in the Other Procurement, Navy (OPN) appropriation, requesting $2.4 billion in FY 2026. Ship Operations remains at the FY 2025 enacted funding level. This is a program modeled on force structure and GFMAP steaming requirements. The battle force inventory is 287 by the end of FY 2025. This also includes the Navy's Military Sealift Command Support Ships.

Navy Aircraft Operations (excluding Marine Corps aviation) increases by $0.8 billion, a 9.5 percent increase from FY 2025 enacted levels. The FY 2026 funding level is based on the

Master Air Aviation Plan, current aircraft availability, manning, and funding priorities. The Naval Aviation Enterprise (NAE) requires sustained funding levels to continue building upon previous readiness recovery efforts while propelling efforts to operate and maintain our forces more efficiently. In FY 2026, the NAE will continue cost savings measures to reduce the overall sustainment costs through numerous initiatives implemented as part of the Navy Sustainment System – Aviation (NSS-A). The FY 2026 budget request reflects a widespread and expanded inventory of operable aircraft to preserve the level of lethality and readiness demanded by current global conditions.

Aircraft depot maintenance and logistics increase by $0.3 billion, a 14.8 percent increase from the FY 2025 enacted level. This funds aircraft depot maintenance to executable capacity with revised workload standards incorporating process improvements, the Fleet Readiness Center infrastructure optimization plan, and pricing changes. Funding for aviation logistics supports the inventory of F-35C, C/MV-22, and KC-135J aircraft.

The Navy continues to prioritize data-driven process improvement efforts to ensure the highest return on investment for readiness resources. The Performance to Plan (P2P) senior leader forums focus on output metrics to drive improved readiness performance. The P2P approach includes clearly accountable supported commanders; a leading measures performance framework using data and analytics to characterize performance gaps and high leverage performance drivers; and a cadence of accountability provided by a barrier removal forum co-chaired by the Vice Chief of Naval Operations and Assistant Secretary of the Navy for Research, Development and Acquisition (RDA). Current P2P efforts include aviation readiness for F/A-18E/F and E-2D, DDG 51 maintenance, SSN availability, logistics, military personnel, cyber, and Naval Shipyard performance.

Figure 4.4. Key Navy Readiness and Infrastructure Investments *($ in billions)*

Navy	FY 2024[5]	FY 2025[6]	FY 2026[7]
End Strength[1]	388,403	390,000	402,100
Ship Readiness[2]	21.8	21.4	23.5
Aviation Readiness[3]	10.3	8.8	9.7
Infrastructure[4]	9.6	10.1	11.2

Numbers may not add due to rounding

[1] Total Active and Reserve end strength

[2] Ship Readiness SAGs: 1B1B, 1B4B, OPN-1000

[3] Aviation Readiness SAGs: 1A1A, 1A2A, 1A5A, 1A9A, excludes funding for Marine Corps

[4] Infrastructure: FSRM, MILCON appropriations

[5] Actuals include Supplemental funding

[6] Enacted includes Disaster Supplemental funding

[7] Request includes Mandatory funding

Marine Corps Readiness

The Marine Corps remains the Nation's force-in-readiness, a naval expeditionary force ready to deter adversaries, respond to crisis and conflict, and contribute to Naval and Joint Force operations. Being ready to deter, fight, and win is ingrained in the identity of Marines. As individuals, as units, and as a Corps, everything the Marine Corps does supports warfighting advantage and to be ready to "fight tonight." The momentum achieved through Force Design transformation efforts is sustained through consistent articulation and employment of warfighting

concepts that exhibit the Marine Corps unique contributions to the Joint Force, such as Expeditionary Advanced Base Operations, Distributed Maritime Operations, Littoral Operations in a Contested Environment, Stand-In Forces, Recon-Counter Recon, and Naval Integration.

The Marine Corps continues executing its extensive modernization and transformation efforts to provide America with Marine Forces that can deter adversaries and, if deterrence fails, to win in any domain. Now in its seventh year of implementation, Force Design will ensure the Fleet Marine Force (FMF) operating forward is organized, trained, and equipped to meet the demands of the rapidly evolving future operating environment, optimized for the challenges of naval expeditionary warfare, and able to effectively contribute to integrated deterrence and the day-to-day forward campaigning necessary to build advantage with our allies and partners.

Current and future readiness is a continuous process based on the Marine Corps' understanding of emerging and evolving threats, the trajectory of technology, and the missions the Corps is tasked to undertake. Ongoing efforts to create and sustain warfighting advantage over the long term will ensure the FMF remains organized, trained, and equipped to succeed in an ever-evolving operational environment, regardless of clime or place, maintaining its role as America's force-in-readiness, deterring adversaries, and responding to crises globally.

The FY 2026 ground combat readiness budget of $4.7 billion enables the Marine Corps to meet the readiness requirements for the FMF, Field Logistics, Depot Maintenance, Maritime Prepositioning, and Cyberspace Activities. The Marine Corps uses a Total Force (Active and Reserve Components) approach for the planning and execution of ground equipment and readiness as it continues to address necessary modernization targets by providing an integrated Navy and Marine Corps plan that builds an enduring advantage, deters aggression through a persistent presence with allies and partners in the maritime domain, that enables the Nation's naval expeditionary force-in-readiness to operate inside actively contested maritime spaces and facilitate sea control in support of fleet operations.

Marine aviation provides vital organic mobility, protection, sustainment, and connectivity critical to Marine Corps combat readiness and Naval expeditionary warfare. For FY 2026 Aviation Readiness, the Marine Corps budgets $5.9 billion across active and reserve aviation readiness accounts. This includes $4.0 billion for Mission and Other Flight Operations and Fleet Air Training, and $0.6 billion for Aircraft Depot Maintenance. The Service budgets $1.3 billion for Aviation Performance Based Logistics, which primarily funds F-35 B/C, KC-130J, and MV-22 maintenance actions.

The Marine Corps continues to advance its ongoing, comprehensive aviation readiness recovery effort, designed to increase the number and quality of mission-capable aircraft and highly trained and combat-ready aircrews. Initiatives include increasing supply material readiness, decreasing aircraft downtime awaiting supply, improving training quality and proficiency, and funding contractor support for aircraft at the Fleet Replacement Squadrons, further enabling Marines to fulfill duties in deployable units. Additionally, large investments have been made in Aviation Spares and the Flying Hour Program to facilitate material and aircrew readiness to meet operational and training requirements supporting the FMF.

The Marine Corps recognizes the importance of infrastructure programs to support warfighting capability. As it adapts to the demands of all-domain battlefields, advancements in technology,

and the challenges of peer competition, installations will play an even greater role in supporting its warfighting concepts. Smart, resilient, networked installations will provide the Stand-In Force with enhanced capabilities to recover quickly from attack, persist in contested spaces, and sustain distributed formations across multiple axes. Each base and station is a power projection platform integral to generating readiness and sustaining combat power. The Readiness Maximization Tool optimizes the value of every facility investment dollar, ensuring funding is targeted and spent on the highest priorities at the lowest total lifecycle cost, instituting best practices, increasing investment over the long term to support mission requirements, and aligning investment with strategic priorities. Infrastructure investments support critical projects providing installation resiliency, relocation, and consolidation of forces; operational and training needs; modernizing inadequate and obsolete facilities; life, health, and safety improvements; and quality of life for our Marines, Sailors, and their families. Importantly, the Marine Corps continues to focus on a robust demolition program to eliminate no longer required facilities, thereby reducing the total cost of ownership.

The Marine Corps proposes $4.7 billion in support of infrastructure funding, which includes $1.3 billion in FY 2026 Military Construction (MILCON) for operational facilities, Guam relocation, training facilities, and design. Additionally, $3.4 billion is requested for Facilities Sustainment, Restoration, and Modernization (FSRM), which reflects the Marine Corps' commitment to improving critical infrastructure to build readiness through facilities sustainment, the restoration and modernization of existing facilities, and the demolition of facilities no longer required. The Marine Corps is committed to adequately maintaining its infrastructure to prevent degradation of its capability to train and generate readiness for global employment in support of mission-essential tasks.

While the Marine Corps continues to make significant investments in the skills and abilities of individual Marines, it achieves greater all-domain effects when operating as a team. From the fire team to the Marine Expeditionary Force, it is greater than the sum of its parts, especially when it has collectively internalized the philosophy of maneuver warfare. The Marine Corps' annual service-level training exercises provide important opportunities to conduct missions in different environments, generating combat readiness for all Fleet Marine Force participants.

The Marine Corps invests $0.8 billion in FY 2026 in support of its Service-Level Training Installations to ensure Marines are properly trained to address all warfighting functions across the range of military operations. The premier Service-Level Training Exercises within the Marine Corps are the Integrated Training Exercise (ITX), Adversary Force Exercise (AFX), Marine Air Ground Task Force Warfighting Exercise (MWX), and Mountain Exercise (MTX). The ITX and AFX are separate live-fire events that collectively culminate in an MWX, a non-live fire event. The ITX units compete against AFX units as a free-thinking peer adversary in a multi-domain environment. These three events (ITX, AFX, and MWX) occur at the Marine Corps Air Ground Combat Center at Twentynine Palms, California. The MTX, conducted at the Marine Corps Mountain Warfare Training Center in Bridgeport, California, prepares units for combat in high-altitude, cold weather, and mountainous operations. The MTX units also conduct live-fire training at the Marine Corps Air Ground Combat Center upon completing training at Bridgeport. The Service-Level Training Exercises prepare all elements of the Marine Corps Air-Ground Task Force (MAGTF), active and reserve, across the warfighting functions, for worldwide deployment to conduct combat operations. Training conditions must replicate current and future operational environments to ensure Marines and their units are prepared as the Nation’s naval expeditionary force-in-readiness.

Figure 4.5. Key Marine Corps Core Readiness and Infrastructure Investments *($ in billions)*

Marine Corps	FY 2024[5]	FY 2025[6]	FY 2026[7]
End Strength[1]	205,675	204,800	205,900
Ground Readiness[2]	4.3	4.4	5.1
Aviation Readiness[3]	4.9	5.5	5.9
Infrastructure[4]	2.6	2.4	4.7

Numbers may not add due to rounding

[1] Total Active and Reserve end strength

[2] Ground Readiness SAGs – 1A1A, 1A2A, 1A3A, 1B1B, 1CCY, 1CCF

[3] Aviation Readiness SAGs – 1A1A, 1A2A, 1A5A, 1A9A (Marine Corps portions of O&M, Navy and O&M, Navy Reserve appropriations)

[4] Infrastructure: FSRM, MILCON appropriations

[5] Actuals include Supplemental funding

[6] Enacted includes Disaster Supplemental funding

[7] Request includes Mandatory funding

Air Force Readiness

The Department of the Air Force is committed to aligning with the Interim National Defense Strategic Guidance, delivering on the President's promise to achieve peace through strength by providing the resources to rebuild America's military, re-establish deterrence, and revive the warrior ethos of America's Armed Forces. It prioritizes investments to strengthen the safety, security, and sovereignty of the homeland; deter Chinese aggression in the Indo-Pacific; and revitalize the U.S. defense industrial base.

The Air Force's overall FY 2026 budget request increases readiness funding by $2.2 billion, or 5.0 percent above the FY 2025 enacted position, when including $1.9 billion in mandatory funding. This budget prioritizes readiness by funding operations and the ability to exercise and campaign in priority theaters; maintenance, including weapon system sustainment and flying hours; and training and exercises necessary to field an agile combat force ready to meet pacing challenges.

The Air Force maintains its commitment to building a more lethal and ready force and preparing to defeat our adversaries in high-end combat by continuing to transition to the Air Force Force Generation (AFFORGEN) model. The initiative aims to increase lead wing capacity and reduce pre-deployment preparation time, ultimately strengthening the Air Force's ability to succeed in competitions or conflicts, particularly in the Indo-Pacific region. By doing so, it will improve training and enhance operational capabilities to counter pacing adversaries.

Figure 4.6. Key Air Force Readiness and Infrastructure Investments

Air Force	FY 2024[7]	FY 2025[8]	FY 2026[9]
End Strength[1]	488,768	495,300	495,300
Maintenance[2]	17.3	18.5	19.3
Flying Hours & Operations[3]	11.2	10.9	11.4
Air & Combat Operations[4]	5.7	4.8	5.9
Airlift Operations[5]	3.6	3.9	3.4
Infrastructure[6]	9.1	9.8	10.4

[1] Total Active, Reserve & Guard end strength *Numbers may not add due to rounding*

[2] Maintenance SAGs: 011M, 011V, 011W

[3] Flying Hours & Operations SAGs: 011A (AFR) (3740 only), 011F (ANG), 011Y(AF)

[4] Air & Combat Operations SAGs: 011A (3400 only), 011C, 011D (AF)

[5] Airlift Operations SAGS: 021A (AF)

[6] Infrastructure: O&M SAG 011R (FSRM) & MILCON (no MFH or BRAC) appropriations

[7] Actuals include Supplemental funding

[8] Enacted includes Disaster Supplemental funding

[9] Request includes Mandatory funding

As shown in Figure 4.6, total Air Force end strength balances out to have a zero delta between FY 2025 enactment and the FY 2026 request. The FY 2026 budget request maintains Weapons System Sustainment (WSS) (e.g., Depot Maintenance, Contract Logistics Support, Sustaining Engineering, and Technical Orders) by funding the overall portfolio to 85 percent of the requirement, reflecting the challenges between modernization, recapitalization, and readiness. The FY 2026 WSS position balances structural (long-term) and operational readiness (near-term) weapon system readiness with emphasis on capabilities supporting INDSG priorities, priority aviation sustainment programs including B-52, C-17, C-130J, F-35, KC-135, Distributed Common Ground Systems, and Wide Area surveillance.

In the FY 2026 budget request, the Air Force continues to invest in operational training infrastructure (OTI) in the U.S. Indo-Pacific Command (USINDOPACOM) theater to enhance operational readiness in efforts to counter our pacing challenge. Development of the synthetic training environment infrastructure, focusing on the Joint Simulation Environment (JSE), is necessary to train for the challenges of future combat operations. This funding will assist in upgrading critical training ability to outpace potential adversary threat environments and improve training integration of 4th and 5th-generation aircraft. Additionally, the Nevada Test and Training Range (NTTR) and Joint Pacific Alaska Range Complex (JPARC) are continually modernized to emulate a peer adversary environment. The Air Force hosts the following critical training exercises each year:

RED FLAG – ALASKA is a Pacific Air Forces (PACAF)-sponsored training exercise conducted three to four times a year and features large force employment exercise scenarios. The focus is at the tactical level, aiming to give aircrews and pilots the equivalent of their first ten combat sorties. Units receive an equivalent level of training whether they attend RED FLAG NELLIS or ALASKA.

RED FLAG – NELLIS is an Air Combat Command (ACC)-sponsored exercise and is the Air Force's premier air-to-air combat training exercise, and it provides the opportunity to strengthen allies and partner relationships since participants include both the United States and allied nations' combat air forces. The exercise provides aircrews with the experience of multiple, intensive air combat sorties in the safety of a training environment.

RED FLAG – RESCUE is an ACC-sponsored, 2-week Combat Search and Rescue (CSAR) exercise. Detachment One, 414th Combat Training Squadron hosts this Personnel Recovery (PR) exercise through the United States Air Force Warfare Center. The missions are conducted throughout Arizona and western New Mexico. The primary objective is to allow participants to plan and employ together, executing multiple PR scenarios at the tactical level, with integration up to the operational level.

GREEN FLAG (GF) – is a 2-week exercise held in conjunction with all BCT rotations at the Army's National Training Center and Joint Readiness Training Center to train aircrews, Battlefield Airmen, and BCTs in the planning, integration, and execution of airpower Close Air Support in support of Decisive Action campaigns. The GF exercises are the only tactical exercises that jointly train CAF units with brigade-sized Army units in a realistic scenario for the detailed integration required to conduct the joint counter-land and counter-sea missions effectively and safely.

Space Force Readiness

The FY 2026 budget request enables the Space Force to enhance Guardian Readiness, to accelerate a pivot to resilient capabilities for today's contested space domain, and to ensure critical services for joint and allied warfighters.

Space Force readiness efforts include strengthening relationships, starting with a focus on the ability to deliver critical services to Joint warfighters. Providing support to warfighters via Satellite Communications (SATCOM) downrange is a paramount responsibility of the Space Force. The Space Force continues development efforts on future disaggregated strategic and tactical SATCOM systems to meet emerging threats in the 2030s timeframe. Readiness through relationship-building also includes integration with international partners, commercial SATCOM, and various acquisition pathways to rapidly deliver capability. Various investments are being made in the following programs to continue to deliver capability in the event of conflict: Protected Tactical SATCOM, Protected Tactical Enterprise Service, Mobile User Objective System, Commercial SATCOM Integration (developing tools to operate SATCOM as a single, hybrid enterprise), Wideband Global SATCOM, and Polar SATCOM.

This year's budget request highlights specific modernization efforts to improve the Global Positioning System's (GPS) resiliency. Commercial, civil, allied, partner, and military users depend on assured positioning, navigation, and timing systems for precise and accurate geolocation, navigation, and time reference services. These capabilities are mission-essential for virtually every modern weapon system.

The Space Force continues to drive readiness through its investment in a Force Design approach to delivering new capabilities. Capabilities on-orbit today were not designed for a warfighting domain; therefore, the Space Force is investing in resilient architectures designed for a contested space domain. Through the Space Warfighting Analysis Center, the Space Force is utilizing a cost-conscious, threat-informed, data-driven force design process to deliver a series of robust space architecture designs that advance joint force capabilities. These analytical efforts, in conjunction with inputs from stakeholders across the DoD, Intelligence Community, and our allies and partners, help shape future requirement strategies to ensure the Service invests in the right capabilities to effectively and efficiently meet future needs. Based on the ever-changing environment of the space domain, force design analysis hinges on detailed threat information.

The Space Force derives this information from the National Space Intelligence Center, which articulates threats and provides assessments of adversary capabilities and intent.

These capabilities, comprised of over 55 weapon systems, are supported by the Space Force Weapon Systems Sustainment and FSRM. The Space Force is prioritizing these efforts to ensure optimized readiness across all aspects of the Space Force portfolio.

In support of the 2025 INDSG, the Space Force continues to evolve operational training to ensure Guardians can defeat realistic threats and continue to enhance the effectiveness of the Joint Force. Equipped with a lean and agile end strength of 10,400 for FY 2026, the Space Force is implementing a new Space Force Generation (SPAFORGEN) model that optimizes our ability to present ready Guardians and space capabilities. The Space Force is also investing in developing an Operational Test and Training Infrastructure (OTTI), foundational to generating readiness and enabling Guardians to capitalize on the time and capacity carved out under the SPAFORGEN model. Led by Space Training and Readiness Command, OTTI enables modernized test and training equipment to include digital twins, simulators, networks, and live and synthetic environments where Guardians can train against a professional and threat-representative Aggressor force. Specific OTTI investments that improve operational readiness include the following: the National Space Test and Training Complex, which provides infrastructure, environment, and range control for weapon system testing, advanced training, and joint exercises; the Standard Space Trainer, which provides mission-specific simulators; environments that support multi-domain Flag-exercises/training events to facilitate space warfighter training; and professional aggressor forces with the requisite adversary doctrine, tactics, equipment, and employment considerations to replicate potential adversaries. The Space Force supports more than 50 exercises, including Service and joint events. Large-scale, joint and coalition integrated exercises provide an opportunity to assess and determine the Service's ability to generate, present, and sustain combat-ready space forces to Combatant Commands in a contested, degraded, and operationally limited space environment. The primary Space Force exercises include SPACE FLAG, POLARIS HAMMER, and the SKIES:

- SPACE FLAG – Space Force's sole large-force employment joint service exercise, focused exclusively on gaining and maintaining space superiority.
- POLARIS HAMMER – Service component and joint target cycle concept of operations-focused exercise that tests operation plan execution for components.
- SKIES Series – Space Delta focused exercises that readies Guardians to attack, defend, and/or support specified targets based on Delta needs.

Figure 4.7. Key Space Force Readiness and Infrastructure Investments

Space Force	FY 2024[4]	FY 2025[5]	FY 2026[6]
End Strength[1]	9,446	9,800	10,400
Space System Sustainment[2]	2.3	2.3	2.5
Infrastructure[3]	0.7	0.4	0.6

Numbers may not add due to rounding

[1] *Total Active end strength*

[2] *Space System Sustainment SAGs: 013C, 013M, 013W*

[3] *Infrastructure: FSRM SAG: 13R*

[4] *Actuals include Supplemental funding*

[5] *Enacted includes Disaster Supplemental funding*

[6] *Request includes Mandatory funding*

United States Special Operations Command (USSOCOM) Readiness

The FY 2026 budget request continues investment in the USSOCOM readiness and supports Interim National Defense Strategic Guidance priorities by ensuring U.S. Special Operations Forces (SOF) are prepared to execute a wide range of operations with the Joint Force, conduct counterterrorism (CT) and counter violent extremist organization operations, serve as the Coordinating Authority for countering weapons of mass destruction, conduct internet-based military information support operations, lead activities associated with their assigned role for countering-small unmanned aerial systems, compete with strategic adversaries below the level of armed conflict, and conduct global crisis response missions. Further, the FY 2026 budget request supports USSOCOM's ability to meet the Secretary of Defense's FY 2026 Directed Readiness Tables.

Overall, SOF maintains an elevated readiness posture while modernizing the force and sustaining a persistent global presence. The FY 2026 budget request provides USSOCOM the resources required to address three core challenges: 1) balancing the demands placed on SOF readiness for day-to-day operations, major contingency operations, and crisis response missions; 2) closing gaps and sustaining service support to SOF; and 3) mitigating risks in near and long-term readiness. The USSOCOM also receives support from the Services and Defense Agencies for military pay, combat support/service support, enabling capabilities, and base operating support.

The FY 2026 budget request also provides USSOCOM with resources to pursue gains in areas with existing or emerging readiness concerns. Specific investments include funding that: modernizes MH-47 and MH-60 capabilities to operate in complex and environmentally challenging terrain; leverages adaptive airborne enterprise capabilities and unmanned system autonomy initiatives and interoperability to advance air, ground, and maritime systems to a multi-domain, agile, small footprint, mesh-network command and control ecosystem; modernizes SOF training ranges and simulators; enables full-spectrum SOF-specific training events and exercises; expands training integration with the conventional forces; sustains flying-hours for SOF fixed-wing and rotary-wing aircraft; and supports the Preservation of the Force and Family (POTFF) program to maximize personnel readiness.

The FY 2026 budget sustains resources to support SOF readiness training and exercises. These include SOF participation in support of the Chairman of the Joint Chiefs of Staff-directed training and priority exercises within every Geographic Combatant Commander's area of responsibility and execution of USSOCOM Component exercises to provide training, validation, and certification of O-6 and above Joint SOF Headquarters preparing to deploy for named operations, which are crucial to sustaining SOF readiness. The FY 2026 budget sustains the USSOCOM Joint Combined Exchange Training program, which is crucial to the Mission Essential Task List training and continued readiness of small SOF units to train overseas with friendly foreign forces.

The FY 2026 budget request continues to invest in recapitalization and modernization efforts critical to rebuilding SOF platform readiness and enhancing the capacity of certain high-demand, low-density force elements to improve readiness. The budget request supports SOF's sustainable force generation models to meet DoD's deployment-to-dwell goals while maintaining consistent force offerings and employment. These relatively small but crucial capacity enhancements include expanded capabilities to reduce stress on SOF enablers, initiatives to improve SOF aviation platform availability, as well as support for Intelligence, Surveillance, and Reconnaissance (ISR), force protection, direct action, cyber, and classified units.

Figure 4.8. Key USSOCOM Readiness Investments *($ in billions)*

USSOCOM	FY 2024	FY 2025	FY2026
End Strength[1]	67,040	72,408	71,766
Flying Hours[2]	0.57	0.65	0.71
Formal Training[2]	0.47	0.46	0.43
Exercises[2]	0.07	0.08	0.06

[1] Total Personnel includes Active, Reserve, and National Guard end strength and authorized Civilian Full-Time Equivalents

Numbers may not add due to rounding

[2] Funding reflects only a portion of what the Department considers core readiness spending in USSOCOM's annual budget

Joint Training Capabilities

The investments in the FY 2026 budget request focus on increasing competency in key areas and providing the oversight mechanisms to continue closing capability gaps across the Joint Force. Rapid technological advancement and threat evolution continue to challenge training modernization, widening the gap between how the Joint Force trains and how it operates in an all-domain fight. To maintain a decisive military advantage over peer adversaries in multi-domain operations, the DoD is changing its approach to developing training capabilities by elevating training investments, reforming business practices, and prioritizing commonality and interoperability. The framework for this change is the Secretary's Joint Operational Training Infrastructure Strategy. Selected training initiatives in the FY 2026 President's Budget include:

- **Joint Simulation Environment (JSE) and Joint Integrated Training Centers (JITCs)**

  Given its high-fidelity capability, the JSE is expanding beyond its original use for F-35 synthetic environment testing to an all-domain pacing threat readiness environment for the Joint Force. The JITC will be a government-owned center operating the JSE, mitigating the air combat training lag challenge and filling fidelity gaps by co-locating simulator bays of tier-one assets (F-35, F-22, Next Generation Air Dominance (NGAD), EA-18G, B-21, E-7, E-2D, AEGIS, Patriot, THAAD, HIMARS, Space, and Cyber) in a single facility. Full operational capacity and fielding of the JITC will offer a path for tier-one operators to train in an all-domain pacing threat scenario that is not offered by any other technology. From a workforce management perspective, all Joint Force trainees are co-located during the training event, creating a learning environment that does not exist across a distributed exercise. JITCs are planned in USINDOPACOM and USEUCOM and are supplemented by F-35 home station, low-fidelity JSE enclaves for Title 10 training.

- **Pacific Multi-Domain Training and Experimentation Capability (PMTEC) and European Multi-Domain Training and Experimentation Capability (EMTEC)**

  The USINDOPACOM's PMTEC will provide the ability to train the Joint Force, allies, and partners via linkages between ranges. The PMTEC will form the world's largest, fully instrumented coalition range system with the most advanced capabilities for virtualization, simulation, and operational rehearsal over long distances via integrated joint live, virtual, and constructive (JLVC) training. The PMTEC's initial success has spurred the creation of EMTEC to leverage these successful efforts in the European theater.

- **Joint Advanced Fires Qualification (JAFQ) Course**

  The JAFQ course will teach advanced instructors from across the joint fires, teaching how operational warfare is conducted against pacing and acute threats. This is one of the core solutions to producing the expert operators and advisors for efforts such as the Combined Joint All-Domain Command and Control initiative. This course will leverage existing schoolhouse structures across DoD and produce graduates who will provide operational and planning insight for the Military Services, Joint Staff, and Combatant Commands. The course is working on achieving course accreditation.

- **Joint Modular Emitter Interphase Standards (JMEIS)**

  The JMEIS will leverage ongoing test and training threat emulator efforts to produce a joint standard for industry to build to and for the Department to acquire in order to fill the gap in electromagnetic spectrum systems for warfighter training purposes. These standards include the integration of major emitter components, data and electronic file requirements, and range infrastructure controls. The JMEIS effort will fill the training gap created by a reliance on limited, exquisite test-fidelity emitters and extremely low-cost, low-capability emitters.

- **Office of the Secretary of Defense (OSD) Blue Team**

  The OSD Blue Team will place warfighting subject matter experts across the Department to assess the relevancy and realism of joint training and provide recommendations to close pacing threat readiness gaps. The OSD Blue Team will be the Department's dedicated team to ensure joint and coalition operational warfighting is set against credible key operational problems.

- **Defense Training Capability Assessments (DTCA)**

  The FY 2026 budget request institutionalizes an annual and repeatable assessment process designed to identify policy, programmatic, or budgetary actions that close pacing threat training capabilities. The Department will provide the manpower augmented with software tools to capture insights from the OSD Blue Team, Service Centers of Excellence, and training installation cadres to identify and monitor gaps between training capabilities and all-domain, joint warfighting requirements. Insights from DTCA will enable future planning and budgeting to better ensure that joint training capabilities keep pace with real-world threats and conditions.

- **Persistent Cyber Training Environment (PCTE)**

  The PCTE will be the Department's primary cyberspace operations training and certification source. By the end of Phase II, the PCTE will support end-to-end (individual-to-collective) training for the full range of cyberspace forces, both Cyberspace Operations Forces (COF) and non-COF. The PCTE platform provides a competitive edge over our adversaries and offers the ability to deliver those same advantages to allies and partners. Expanded access to the PCTE allows Combatant Commands to meet Theater Security Cooperation goals and facilitates National Guard cooperation with State Partnership Program nations.

Joint Training, Exercise, and Evaluation Program (JTEEP)

The JTEEP is the Department's primary means to prepare U.S. forces for globally integrated joint and combined operations across the competition continuum. It provides resources to Combatant Commands and Military Departments to enable individual and collective training of U.S. forces to improve joint readiness, prepare for high-end joint warfighting, and support day-to-day

campaigning activities. The program requests $901.8 million for FY 2026 to support these basic endeavors.

The JTEEP has been rapidly updated to ensure activity alignment with the most recent Secretary of Defense guidance and Department priorities. Senior leaders are actively looking for additional opportunities to capitalize on the dynamic capabilities joint exercises offer to realize improvements at the speed of relevance.

The Combatant Commands use JTEEP funding for warfighting preparedness and day-to-day competition. Annual funding for JTEEP enables the execution of more than 100 major Combatant Command exercises aligned to support strategic guidance. The JTEEP prepares U.S. forces to execute operational plans, train Combatant Command staff in demanding and realistic environments, defend the homeland, and deter adversaries, while supporting and enabling key regional allies, and projecting peace through strength. The JTEEP also includes Exercise-Related Construction (ERC) funding to build exercise-related infrastructure needed by U.S. forces participating in joint exercises. Some notable functions and elements of the JTEEP enterprise are highlighted below.

- **U.S. Africa Command (USAFRICOM)**: JUDICIOUS RESPONSE is the Command's premier exercise, and how the Combatant Commander links the Joint Exercises Program to the Joint Warfighting Concept. On alternating years, JUDICIOUS RESPONSE certifies USAFRICOM's ability to serve as the Joint Forces Command, and U.S. Army Europe and Africa's ability to serve as a Joint Task Force. JUDICIOUS RESPONSE also integrates USAFRICOM with globally integrated operations, including the Globally Integrated War Game, Globally Integrated Exercises, and Globally Integrated Campaign of Learning. USAFRICOM, in its support of the Joint Warfighting Concept, will seek to create dilemmas for U.S. adversaries, prevent strategic distraction, and facilitate access, basing, and overflight across Africa. In addition, USAFRICOM is synchronizing multiple regional JTEEP events to operationalize the Command's East and West Africa approaches and emphasizes all-domain competencies. In the west, USAFRICOM is aligning AFRICAN LION's all-domain activities, OBANGAME EXPRESS's maritime activities, and FLINTLOCK's special operations countering violent extremist organizations (CVEO) activities. In the east, USAFRICOM is aligning JUSTIFIED ACCORD's land-force activities with CUTLASS EXPRESS' maritime activities. In the south, the Command is making efforts to strengthen relationships with Southern African Development Community partners and is alternating Exercise SOUTHERN/ SHARED ACCORD in Botswana. Aligning these JTEEP events increases strategic impact, amplifies the strategic messaging, and demonstrates the capabilities and reach of the Joint Force. The JTEEP resourcing provides opportunities for the Joint Force to deploy to Africa and train alongside a broad coalition of allies and partners.
- **U.S. Central Command (USCENTCOM)**: The USCENTCOM's Joint Exercise Program (JEP) is a critical pillar of America's INDSG, enhancing regional stability, building strong international partnerships, ensuring Joint Force readiness, and increasing military lethality across the USCENTCOM AOR. Exercise INTERNAL LOOK is a USCENTCOM-led coalition command post exercise (CPX) designed to refine and coordinate warfighting processes within joint and coalition forces, which enhances operational agility, fosters multinational cooperation, and ensures efficient crisis response. Both JUNIPER COBRA and EAGLE RESOLVE are large, joint, combined operational field exercises focused on

integrated air and missile defense (IAMD) and combat logistics. Both exercises provided significant returns on investment (ROI) by building trust with regional partners, reducing the necessity for direct U.S. military intervention, and enhancing burden sharing, which ultimately lowers long-term costs and strengthens counterterrorism capabilities. Both EAGER LION and BRIGHT STAR Exercises address counterinsurgency, IAMD, homeland defense, and border/ maritime security. BRIGHT STAR, in partnership with Egypt, focuses on coalition joint readiness for modern threats. The ROI is that USCENTCOM strengthens key strategic partnerships, prepares forces for diverse contingency operations, and enhances operational depth in multiple domains. INVINCIBLE SENTRY prepares headquarters and AOR embassies to prepare for crises in the region and enhances host nation whole-of-government agencies to respond on their own. The USCENTCOM's exercise program is an investment in strategic security that yields significant benefits to the American people, fostering stronger international relationships, reducing military expenditures, and ensuring readiness to face evolving threats across the region at the speed of relevance.

- **U.S. European Command (USEUCOM)**: For FY 2026, USEUCOM will continue multi-domain joint training to support force readiness, aligned to Secretary of Defense priorities. USEUCOM joint exercises support the Command's operations, activities, and investments (OAIs) aligned to the INDSG, Defense Planning Guidance, Joint Warfighting Concept 3.0, and Combatant Commander's Campaign Plan and Theater Campaign Order priorities, tasks, and objectives, while supporting North Atlantic Treaty Organization (NATO) interoperability activities to increase burden sharing. For example, ASTRAL KNIGHT strengthens homeland defenses forward by exercising key parts of USEUCOM's theater IAMD; SWIFT RESPONSE empowers allies to lead multinational airdrops while linked with U.S. Transportation Command's (USTRANSCOM) ULTIMATE CADUCEUS for strategic casualty evacuation; and NORTHERN VIKING links with U.S. Northern Command (USNORTHCOM) in the North Atlantic to exercise defending sea lines of communication in the Greenland-Iceland-UK (GIUK) gap.
- **U.S. Indo-Pacific Command (USINDOPACOM)**: Exercise VALIANT SHIELD is a 10-day-long, biannual, field training exercise conducted every even year in the Western Pacific. It features combined operations of large air, maritime, and ground force elements that conduct high-end, all-domain operations and activities against all-domain, near-peer adversaries. Its purpose is to advance joint tactical and operational warfighting readiness of the U.S., United Kingdom, and Australian armed forces, and serves as a venue for joint experimentation and innovation. The total combined force participation is about 15,000 personnel, including up to 30 ships and 120 aircraft.
- **U.S. Northern Command (USNORTHCOM)**: Exercise VIGILANT SHIELD Tier 1 CPX focuses on all-domain homeland defense against near-peer adversaries in a globally integrated environment. Exercise ARDENT SENTRY Tier 1 CPX brings together key stakeholders to enhance the DoD's all-hazards approach to national resilience and support to deterrence. Exercise VITAL ARCHER Tier 1 CPX/ Field Training Exercise (FTX) focuses on working with North American partners for homeland defense against terrorist threats. Exercise ARCTIC EDGE Tier 2 FTX enhances Arctic readiness and experimentation within the context of all-domain homeland defense against near-peer adversaries. Exercise VITAL CHALLENGE Tier 2 FTX rehearses DoD's support to the Department of Justice's domestic Countering Weapons of Mass Destruction responsibility.

Exercise NUWAIX Tier 2 CPX/ FTX enhances readiness to respond to nuclear weapons incidents or accidents.

- **U.S. Southern Command (USSOUTHCOM)**: In FY 2026, USSOUTHCOM will execute eight joint exercises to include PANAMAX, the first time this multinational exercise will be executed in Panama since 2012. The multinational event will showcase USSOUTHCOM's commitment to the security of the Panama Canal and include training that ensures its protection. In addition, USSOUTHCOM will execute INTEGRATED ADVANCE, an operational exercise that prepares the USSOUTHCOM enterprise for globally integrated operations against priority threats. This exercise will focus on integrating operations across multiple Combatant Commands in all domains. Other exercises that will execute in 2026 include FUSED RESPONSE, TRADEWINDS, CENTAM GUARDIAN, UNITAS, and RESOLUTE SENTINEL. These exercises will provide complex combined training with allies, partners, and interagency participants to enhance lethality and readiness and enable USSOUTHCOM to protect the homeland and counter transnational criminal activities and malign state actors.
- **U.S. Special Operations Command (USSOCOM)**: ABLE WARRIOR (AW) is USSOCOM's annual exercise that executes in conjunction with other Combatant Command exercises in support of Large-Scale Global Exercises. In FY 2026, AW will globally integrate specifically tailored SOF activities that support unique and persistent irregular warfare (IW) requirements. The AW integrates IW concepts, experimentation, transformation, and SOF value proposition to the Joint Force, including sensitive activities, CWMD/ CBRNE, Military Information Support Operations (MISO), and space-cyber effects. Additionally, in FY 2026, using AW as a fielding and use assessment (FUA) venue for SONIC SPEAR (SS) modernization initiatives to build SOF future capabilities through problem solving and experimentation in support of INDSG and Joint Warfighting Concept 3.0 (JWC) Key Operational Problems (KOP). Modernization through AW/ SS experimentation that addresses JWC KOPs and Concept Required Capabilities (CRCs), while also addressing ELITE CONSTELLATION Essential Elements (EE), is a priority for USSOCOM JTEEP funding. USSOCOM Service direct funding fulfills critical joint exercise design, planning, synchronization, and execution functions within five USSOCOM SOF Component Joint National Training Capability (JNTC)-accredited programs (AFSOC EMERALD WARRIOR, MARSOC RAVEN, NAVSPECWARCOM TRIDENT, USASOC SAGE EAGLE, and JSOC JADED THUNDER) that will conduct pre-deployment readiness exercise rotations in FY 2026. The USSOCOM's SOF component exercise programs are unique in that each SOF component exercise addresses and exposes conventional force (CF)/ inter-agency (IA)/ partner nation (PN) participants to different, yet complementary, key SOF competencies required to provide SOF/ CF I3 readiness. These component exercises achieve critical joint combined arms warfighting readiness ability to synchronize SOF/ CF/ IA/ PN complementary efforts and effects within multi-domain, multi-functional, SOF-led training environments.
- **Large-Scale Global Exercise (LSGE) 26**: The LSGE 26 is a Secretary of Defense and Chairman of the Joint Chiefs of Staff priority exercise that will link multiple combatant commands (CCMDs) with allies and partners to exercise warfighting plans on a global scale. The USEUCOM is planned to lead LSGE 26 as the coordinating authority. The exercise will stress the integration of joint/ combined major force elements to conduct joint all-domain operations across multiple echelons of command and control against a peer

adversary. Development and integration of live, virtual, and constructive training capabilities will be required to execute the LSGE and close Department-wide joint operational training gaps.

- **ELITE CONSTELLATION (EC)**: The EC is a multi-year campaign that provides a framework for the Joint Force to conduct globally integrated, multi-domain operations to strengthen warfighting readiness and lethality, enabling the Joint Force to adapt to the changing character of war and deter or defeat global threats. The EC operationalizes the Joint Warfighting Concept through integrated events across DoD and partners.

The Secretaries of the Military Departments use JTEEP funding to increase readiness and expand the joint context in Military Service-specific exercises and training events. They also seek to include globally integrated, joint and combined, training across the spectrum of conflict, where all domains of warfare are contested. The program facilitates innovation to increase the effectiveness of Military Service-specific training events and exercises, and further enables the Services to provide joint-capable units to the Combatant Commands. The major elements of the Service activities funded by the program include:

- The Joint National Training Capability (JNTC) program advances joint capabilities and interoperability by concentrating on emerging joint training requirements through collective training experiences using a managed set of globally distributed capabilities and activities. The program resources Service, USSOCOM, and Joint Staff J7, joint training and enabling capabilities to improve interoperability and realism of tactical and operational joint training.
- The Joint Training Coordination Program (JTCP) enables the Services and U.S. Special Operations Command to participate in the exercises of the other Services, supporting the development of skills and cross-Service familiarity to operate in a joint environment.

Combatant Commands and Military Departments benefit from the joint training enablers that provide enterprise-level capabilities for modeling and simulation support, networking infrastructure, individual and collective training, and exercise expertise.

- Global Joint Training Infrastructure (GJTI) provides modeling and simulation of Command, Control, Communications, Computers, and Intelligence (C4I) systems, as well as network, data, and event support.
- The JLVC Modernization enhances and integrates Joint and Service LVC capabilities into the existing GJTI to address critical operational training gaps and enables the force to train to and advance future joint warfighting concepts and capabilities.
- Operational Support to Joint Training conducts JNTC accreditation for Service and USSOCOM training programs and certifies sites.
- Joint Enterprise Enduring Training Enablers provide replication of low-density, high-demand capabilities to Service training events.
- Joint Knowledge Online (JKO) develops/delivers content/tools, used by over two million personnel to increase joint context and generate ready forces. The JKO is a distributed learning platform that provides global access to web-based training/education tools and content for responsive, just-in-time individual and staff training opportunities.
- Joint Functional Schools provide individual joint skill training for key skills necessary for the U.S. Forces to conduct joint, global, multi-domain, and integrated operations, including the Joint Deployment Training, Joint Targeting School, and Joint Interoperability and Data Link Training Center.

DoD Civilians

The FY 2026 budget request ensures a properly sized, optimized, and highly capable civilian workforce that is aligned to mission, workload, and military force structure.

DoD civilians serve various roles at locations throughout the U.S. and around the globe, performing essential functions, such as intelligence, equipment maintenance, medical care, family support, base operating services, and other activities directly supporting our warfighters and Total Force readiness.

While the DoD civilian workforce possesses capabilities, expertise, and skills that directly impact the DoD's operational warfighting capabilities, it is not immune to current challenges in recruiting and retaining top-performing civilian employees. The Department continues to use new and/ or existing hiring flexibilities, professional development opportunities, and personnel incentives in its reward and retention efforts.

Lastly, the Department invests resources to articulate and promote the DoD Civilian Careers employer brand to attract high-caliber talent in cyber; science, technology, engineering, and mathematics (STEM); and all areas where employees drive mission success. The FY 2026 budget supports the use of flexible hiring authorities, funding for incentives/special pay, and workforce development initiatives to ensure workforce readiness.

The Department has recognized the need to right-size the force and has utilized programs such as the Deferred Resignation Program and Voluntary Early Retirement Authority to optimize the workforce and to support a more lethal and agile military force structure.

We will continue to advance methods to better define and identify needed skills and abilities beyond reliance on traditional occupational series coding. Efforts to advance the management of and planning for critically needed talent, such as further expansion of the use of work roles, will focus on areas of priority, including digital and artificial intelligence, cyber, engineering, and logistics, along with other areas that directly contribute to enduring and emerging requirements.

The budget request takes prudent, well-reasoned actions to shape the workforce in line with the INDSG and Department priorities. This includes continuously resourcing the cyber, digital, and innovation workforces by improving/accelerating recruiting and retaining tech-savvy talent.

The Department estimates that the number of direct hire civilian full-time equivalents (FTEs) (excluding cemeteries and Foreign National Indirect Hires) will decrease from 789,775 in FY 2025 to 747,380 in FY 2026. Consistent with Title 10 requirements and annual appropriations guidance, the FY 2026 budget request for civilians is predicated on requirements and workload.

Concurrently, and to better inform the Future Years Defense Program, the Department is undertaking a comprehensive review of not only our civilian workforce, but also our Total Force, ensuring that we are consistently applying resources effectively and efficiently against our most critical and compelling needs related to readiness, warfighting capabilities, and national security imperatives. As part of this review, the Department is assessing how artificial intelligence, machine learning, additive manufacturing, autonomous and remotely operated platforms, predictive analytics, big data, and other emerging technologies can help us to achieve our mission and keep our most critical data and information safe, while optimizing our workforce and resources. Simultaneously, successfully implementing and operationalizing these technologies requires a highly skilled and motivated workforce and the funding necessary to acquire new technologies. The budget accomplishes this with analytically based decision making.

Figure 4.9. Civilian FTEs[1]

Program	FY 2025	FY 2026	Change
Army	183,561	163,449	-10.96%
Navy	217,313	210,024	-3.35%
Air Force	173,359	166,146	-4.16%
Defense-Wide	215,542	207,761	-3.61%
Total DoD	**789,775**	**747,380**	**-5.37%**
U.S. Direct Hires	772,084	729,752	-5.48%
Foreign Direct Hires	17,691	17,678	-0.07%

[1] Excludes Cemetery Expense and Foreign National Indirect Hire (FNIH) FTEs and includes Foreign Military Sales FTE allocation

Numbers may not add due to rounding

ENSURE ACCOUNTABLE LEADERSHIP

The Department is dedicated to building a safe environment to serve. This includes fully embracing efforts to ensure that our environment is free of any Prohibited Personnel Practices, and strives to eliminate sexual harassment and sexual assault, as well as deaths by suicide.

> ***"Ever since I've taken this position, the only thing I've cared about is doing right by our service members-Soldiers, Sailors, Marines, Airmen & Guardians."***
>
> - Secretary of Defense Peter B. Hegseth, Video Address from the Pentagon, February 21, 2025

Sexual Assault/Harassment Prevention

Sexual assault and sexual harassment are antithetical to the warrior ethos and divide the force. The Department's unwavering commitment to preventing sexual assault and sexual harassment is essential to maintaining a unified, mission-ready military. DoD continues to prevent and respond to sexual assault, focused on both immediate support for victims and long-term change.

Key initiatives include evaluating the most effective prevention strategies from the Military Service Academies for broader implementation, transforming the Sexual Assault Response Workforce to reduce reliance on part-time personnel, and developing a non-clinical recovery program to help Service members who have experienced sexual assault return to health and resilience.

The Department will also bolster resources and training for Special Victim Counsel, improve victim services in operational environments, and continue building an Integrated Primary Prevention Workforce within budgetary and hiring constraints. Progress on these fronts will be closely monitored and reported on throughout 2025, ensuring accountability and continuous improvement in creating a safer and more supportive environment for all Service members.

Suicide Prevention and Response

The Department remains steadfast in its commitment to suicide prevention, coordinating these efforts within the broader context of integrated prevention, which targets the underlying factors that contribute to multiple readiness-detracting behaviors.

The Department continues to focus on non-clinical suicide prevention, intervention, and postvention response programs through a coordinated and comprehensive public health approach. Data-driven suicide prevention efforts in support of Total Force readiness include:

1. Conducting rigorous surveillance and analysis to provide essential data for targeted prevention efforts and to produce Congressional reports, aiding oversight.
2. Providing timely postvention and epidemiological support to commands after a suicide event, minimizing the impact on morale and unit cohesion.
3. Modernizing suicide prevention training across the Department to empower Service members and commanders with the knowledge and resources to intervene and respond.

The Department has taken unprecedented action to counter harmful behavior in all its forms, including suicide, deepening our understanding of effective prevention and intervention strategies, and resulting in a more comprehensive approach to ending harmful behaviors.

The FY 2026 budget requests $547 million, including an increase of $261 million to implement the Suicide Prevention and Response Independent Review Commission's (SPRIRC) recommendations. Implementation of these recommendations occurs across five lines of effort:

1. **Foster a Supportive Environment**. Service members will be able to navigate difficult conversations about suicide and manage personal challenges.
2. **Improve the Delivery of Mental Health Care**. Service members will benefit from an enhanced quality of life and support that makes life worth living.
3. **Address Stigma and Other Barriers to Care**. Service members will be more willing and better able to seek and receive high-quality mental health care.
4. **Revise Suicide Prevention Training**. Service members will benefit from leaders with world-class suicide prevention training that is consistent across all Military Services.
5. **Promote a Culture of Lethal Means Safety**. Service members will benefit from an improved culture of safety surrounding lethal means.

Insider Threat Program

The Department is committed to supporting the Secretary of Defense's emphasis on readiness and lethality by mitigating risks that undermine the Department's mission. Components and agencies have requested $131 million to optimize information-sharing, strengthen accountability, and deploy advanced technical capabilities to help address evolving threats like unauthorized disclosures, espionage, terrorism, and workplace violence. These resources will be used to acquire an advanced case management system, analytical tools, and information-sharing platforms. Fully operational Component websites and a DoD-wide web portal will streamline reporting at all levels of command, while assessments of Component programs and specialized training for analysts will enhance overall capability to detect, deter, and address insider threats.

Eliminate Wasteful Spending on DEI and Climate Change

The Department took swift action to eliminate diversity, equity, and inclusion (DEI) programs. In its efforts to comply with the National Defense Authorization Act (NDAA) for FY 2024, the DoD reassigned or restructured civilian positions previously dedicated to DEI efforts. The DoD also suspended work on hundreds of DEI requirements stemming from various sources, effectively halting associated expenditures. Since January 2025, the Department has reviewed and revised policies and training materials, rescinded relevant directives, terminated advisory committees, and removed DEI content from its websites in adherence with Executive Orders. These changes promise to streamline operations, reduce administrative overhead, and redirect resources towards core defense priorities, as well as promote a merit-based culture within DoD. Finally, the Department submitted a legislative proposal for the FY 2026 NDAA that eliminates legacy statutory provisions related to DEI in DoD.

Safety and Health of Military and Civilian Personnel

To build enduring advantage, the Department must protect and preserve our resources and capabilities and ensure the safety and health of our military and civilian personnel. The FY 2026 budget request includes resourcing for statutory and regulatory requirements to effectively implement comprehensive safety and occupational health programs and to enhance combat capability and warfighter readiness across all operations, including safety and occupational health staff to manage safety programs and provide proactive risk management guidance to commands, perform surveillance and risk mitigation activities, and develop and implement information management capabilities to support these functions. The budget request also seeks to elevate safety throughout the Department and to establish, implement, validate, and analyze consistent safety data collection standards and processes.

DoD's senior safety governance forum, the Defense Safety Oversight Council, guides Department-wide efforts to continually improve and promote an enduring safety culture in operational and training settings; prevent fatalities, injuries, occupational illnesses, and loss of assets from non-combat mishaps, both on- and off-duty; manage safety hazards; and ensure actionable, enterprise safety data is accessible to support business processes, risk mitigations, and resource decisions, as well as integrated with readiness, training, maintenance, medical, and other information. The FY 2026 budget request includes resources to continue investing in safety technologies and innovative solutions to support the preservation of resources.

5. REFORM & OPTIMIZATION

Sections

- Department of Defense (DoD) Consolidated Audit Strategy
- DoD Strategic Management Plan
- Defense Performance Improvement Framework
- Ship/Aircraft Retirements/Optimization Initiatives
- FY 2026 Relook Efficiencies & Reductions
- Department of Government Efficiency (DOGE) Identified Savings
- PPBE Reform

One of the key tenets of this Administration is that reform and optimization efforts will guide, prioritize, and maximize efficiency in security, what we need now and in the future. To this end, shortly after his confirmation, Secretary Hegseth directed a relook of the Fiscal Year (FY) 2026 budget to ensure it "will resource the fighting force we need, cease unnecessary spending, reject excessive bureaucracy, and drive actionable reform, including progress on the audit."

The results of this process are reflected throughout the FY 2026 President's Budget request in the realignment of resources from wasteful and unnecessary priorities, such as diversity, equity, and inclusion (DEI) and climate change programs, to high-priority programs increasing lethality and readiness. This budget seeks to ensure every single dollar of taxpayer money funds lethal Soldiers, Sailors, Marines, Airman, and Guardians and provides the capabilities to deter our adversaries, and if necessary, prevail on the battlefield.

THE DOD CONSOLIDATED AUDIT STRATEGY

The annual financial statement audits are critical to the Department's efforts to rebuild the military and revitalize America's defense industry rapidly and at a reasonable cost. Achieving an unmodified audit opinion will restore public trust and ensure that precious resources are used efficiently and effectively in support of the warfighter. The Department is committed to achieving an unmodified audit opinion by December 31, 2028, as required by law.

"The Department of Defense must pass a financial audit by 2028. We will ensure full accountability to Congress and the American taxpayer. We will improve our processes and controls to make better financial decisions. And we will understand where every taxpayer dollar goes and why. This is what it will take to rebuild our military and exactly what we will do."

- Secretary of Defense Peter B. Hegseth, House Appropriations Committee Hearing, June 2025

The financial statement audits are a priority for the Secretary of Defense, and achieving an unmodified audit opinion requires immediate and decisive action from all levels of the Department of Defense (DoD). Department leaders must act with urgency to accomplish the following:

- Accountability: Prioritize rigorous tracking of all assets and funds to help eliminate waste and ensure resources reach our warfighters.
- System Compliance and Improvement: Replace outdated financial, logistics, and contract systems with modern/auditable systems, focusing on Enterprise Resource Planning systems.
- Financial Oversight and Operational Controls: Leverage artificial intelligence and automation to accelerate predictive inventory, fraud detection, and enhanced cybersecurity, including

eliminating unsupported journal vouchers and improving audit trail integrity.

In FY 2024, the Department completed its seventh annual consolidated financial statement audit, covering approximately $4.1 trillion of the Department's total assets and $4.3 trillion in total liabilities. The audit comprised 28 standalone audits conducted by independent public accountants and the DoD Office of Inspector General. Twelve reporting entities received an unmodified audit opinion, including the U.S. Marines Corps, which became the first DoD Military Service to achieve an unmodified audit opinion in FY 2023, and which successfully sustained that opinion in FY 2024. The Defense Threat Reduction Agency (DTRA) and the Defense Logistics Agency's (DLA) National Defense Stockpile Transaction Fund (NDSTF) achieved their first unmodified audit opinions in FY 2024. One reporting entity received a qualified audit opinion; all other reporting entities under a standalone audit and the DoD consolidated audit each resulted in a disclaimer of opinion. A disclaimer of opinion means the auditor could not obtain sufficient appropriate audit evidence on which to base an opinion on the financial statements. A disclaimer of opinion does not indicate, nor is it evidence or proof of, mismanagement. For example, due to the Department's complex and decentralized Information Technology (IT) systems, the reporting entities are often unable to produce adequate supporting documentation to an auditor promptly, resulting in failed audit tests.

Reporting entities collectively closed 8 material weaknesses and downgraded 13. Notably, 9 reporting entities closed or downgraded their Fund Balance with Treasury (FBWT) material weakness in FY 2024. FBWT represents the amount of funds the Department has available at the Department of the Treasury; resolving this material weakness is foundational to achieving a Department-wide unmodified audit opinion. This significant progress means that $707 billion of the DoD-wide FY 2024 FBWT balance of $856 billion is free of material weaknesses. Overall, the Department has increased the number of closed and downgraded agency-wide material weaknesses from 7 in FY 2021 to 21 in FY 2024. Additionally, the Department closed its DoD-wide Contingent Legal Liabilities material weakness, and Leases was added as a new DoD-wide material weakness for FY 2024 – a net zero change in DoD-wide material weaknesses.

Audit Remediation

The results of the annual financial statement audits provide insights into where the Department needs to make operational improvements and how to prioritize those improvements. In FY 2025, the Department prioritized remediating audit findings in the following areas:

- Improve Fund Balance with the Treasury
- Strengthen the Systems Control Environment
- Advance the Universe of Transactions
- Optimize Asset Valuations
- Integrate Procure to Pay Processes to Accelerate Auditability

To guide the process of addressing these priority areas, senior leaders across the Department use audit roadmaps, the governance process, and working groups to foster accountability toward finding solutions to common barriers for each reporting entity under a standalone audit receiving a disclaimer of opinion. The Military Departments and each reporting entity under a standalone audit with a disclaimer of opinion will continue to maintain an audit roadmap. These audit roadmaps align audit remediation strategies across the Department and facilitate how each reporting entity directs its audit resources. The roadmaps guide the implementation of corrective measures and establish milestones against which progress can be measured and the return on the Department's audit investment can be assessed.

Audit Benefits

The men and women of the Department are the force multiplier of audit success. The Department continues to make measurable progress in building a financial management workforce that is adaptable to emerging needs and technology and closes essential skills gaps. In addition to investing in our financial management workforce, the Department is accelerating audit progress by investing in the resources to support analysis, improve data integrity, and reduce the risk and burdens introduced by labor-intensive manual processes. This investment includes technologies like artificial intelligence and bots to accelerate audit progress and to build a sustainable control environment for the future.

Return on investment is measured across five areas essential to the Department's ability to address root causes and achieve its audit, financial management, and national security goals:

- Workforce Modernization: Upskill and maintain a modern and efficient workforce.
    - The Department of the Army automated its real property inventory process, updating 50,000 installation records and 199,000 transactions, and saving an estimated 33,000 personnel hours.
    - The Defense Information Systems Agency used automation to process 93,000 transactions, generate over 61,000 artifacts, and save over 11,000 man-hours.
- Business Operations: Enhance operational efficiency and stabilize the business environment.
    - Leadership commitment to a strong control environment and engagement throughout the FY 2024 audit improved communication and collaboration and furthered audit progress.
    - The Department continues to expand its Fraud Risk Management program to include strong internal controls, training, and data analytics, and is incorporating leading practices and addressing prevalent fraud schemes.
    - The Department of the Air Force enhanced Contingent Legal Liabilities monitoring controls to identify discrepancies and validate accuracy and completeness, resulting in closing its Contingent Legal Liabilities General Fund significant deficiency.
    - The Defense Health Program consolidated 130 medical treatment facilities and 3 accounting systems into a single accounting system, enhancing transparency and management. The Defense Health Agency implemented a contract management tool, bolstering management of unliquidated obligations.
- Quality Decision-Making: Improve timeliness, accuracy, and availability of financial and operational data to increase confidence in that data and support decision-making.
    - The Department of the Air Force Working Capital Fund created a dashboard automating the reconciliation of multiple legacy systems and data sets into one location, providing heightened visibility into cash balances and future cash flow needs.
    - The DLA procured a performance management application that unifies, simplifies, and automates critical financial management processes and turns financial data into decision-making insights.
- Reliable Networks: Enhance cybersecurity, bring systems into compliance, and achieve greater interoperability between systems to enhance mission effectiveness.
    - Navy consolidated $20 billion in budget authority into the Navy Enterprise Resource Planning (Navy ERP) system by migrating 9 major Navy commands, decommissioning 11 systems, and transitioning 3 Budget Submitting Offices to Navy ERP.

  - Auditors perform complete examinations of a service provider's system and process controls in accordance with Statement on Standards of Attestation Engagement No. 18. Auditors of other DoD reporting entities may rely on the results of those examinations instead of doing their own testing, which saves both time and money. The Department's 27 Statement on Standards of Attestation Engagement No. 18 system examinations resulted in 25 positive opinions (17 unmodified and 8 qualified).
- Public Confidence: Achieve an unmodified financial statement audit opinion, increase accountability and transparency, and provide greater public confidence in the Department's stewardship of taxpayer dollars.
  - In FY 2023, the U.S. Marine Corps became the first military service to receive an unmodified audit opinion and successfully sustained that opinion in the FY 2024 audit.
  - The DLA NDSTF and the DTRA received unmodified opinions for the first time in FY 2024.

Audit Budget

The Department expects to spend $1.5 billion during FY 2026 in support of the Department's audit, with approximately 12 percent of these resources required to pay the independent auditors and 14 percent in support of the cost of the audit to include addressing auditors' requests for information, and 74 percent of total costs directed at remediating audit findings.

DoD Total *$ in Billions*	FY 2024 Actuals	FY 2025 Enacted	FY 2026 Request
Audit Services and Support	0.401	0.387	0.392
Audit Remediation and Financial Systems	1.177	1.173	1.119
Total	**1.578**	**1.560**	**1.511**

Financial Systems

The Department continues to invest in technology and tools that will accelerate audit progress and modernize the Department's systems to support sustainment, such as fully implementing Identity, Credential, and Access Management. System migrations and retirements are critical drivers to achieving a more simplified, efficient, and auditable IT environment. Success is measured by the number of systems migrated or retired timely manner and the adoption of federal and DoD standards, all leading to a more simplified, secure, compliant, auditable, and cost-effective environment.

THE DOD STRATEGIC MANAGEMENT PLAN

The Department of Defense's FY 2026 Strategic Management Plan (SMP), delivered with the President's Budget, reflects congressional mandates, the Administration's priorities, as provided by the Administration's executive orders, memoranda, and proclamations, and DoD's top business operation goals. The FY 2026 SMP focuses on performance goals addressing opportunities to improve the Department's acquisition and procurement, financial management, provision of healthcare, human resource management, information technology, and real property management. The SMP may be found at: https://dam.defense.gov/Performance-Mgmt/.

THE DEFENSE PERFORMANCE IMPROVEMENT FRAMEWORK

In response to Title 10, United Staes Code (U.S.C.), section 125a, the Defense Performance Improvement Framework (DPIF) was developed to provide a consistent methodology across the Department to define, identify, track, and report on existing and planned opportunities for

performance improvement initiatives, with particular attention to those that directly or indirectly contribute to the Interim National Defense Strategic Guidance and SMP implementation.

The Department is relentlessly pursuing opportunities to address performance gaps, increase efficiency, and optimize costs by identifying Performance Improvement Initiatives (PIIs).

Continuous Process Improvement (CPI) initiatives – Improvement initiatives that aim to enhance everyday management practices, streamline processes, and adjust systems within the localized authority, direction, and control of the organization's leadership.

Optimization initiatives – Initiatives that the organization's leadership undertakes to strategically divest of equipment before the end of service life, partial or entire weapon systems, or discontinuing legacy acquisition programs and systems, to modernize and/or to fund purchases in support of the Department's higher priorities (formerly Divestments).

Reform initiatives – Larger-scale and time-bounded efforts, often involving more than one DoD Component, designed to remediate structural and/or process gaps within the DoD's existing business model.

Transformation initiatives – Initiatives that fundamentally alter the DoD's business model, often through reorganization, the creation of new entities, capabilities, enterprise systems, portfolios, the incorporation of innovative management practices, and other endeavors to fundamentally change how the mission or enterprise functions and services are delivered

SHIP AND AIRCRAFT RETIREMENTS/OPTIMIZATION INITIATIVES

In FY 2026, the Department plans to divest 531 aircraft and decommission 14 battle force ships with a total estimated decrease in operational costs of $1.9 billion. This will allow the Department to procure and operate more capable replacement aircraft that better align with the Administration's priorities and the Interim National Defense Strategic Guidance.

The FY 2026 planned legacy aircraft retirements and corresponding decreases in operational costs are Army (26, $17.9 million), Navy and Marine Corps (148, $309.9 million), Air Force (346, $1.5 billion), and U.S. Special Operations Command (USSOCOM) (11, $72.0 million).

- The Army plans to divest 26 rotary-wing aircraft in FY 2026. The rotary-wing aircraft are all UH-60L helicopters and are being replaced by UH-60M and UH-60V.
- The Navy and Marine Corps plan to divest 27 fighter/attack, 11 rotary-wing, 10 patrol/warning, 61 training, and 10 other aircraft. The fighter/attack category includes F-5N and FA-18C/D/E/F aircraft. The rotary-wing includes CH-53E and MH-60S helicopters. The patrol/warning consists of E-2C and P-3C aircraft. The other aircraft consists of RQ-21A. The Navy also plans to retire the AV-8B (14 aircraft), C-2 (6 aircraft), and the VH-3D (9 aircraft).
- The Air Force plans to divest 279 Combat Air Force (CAF), 32 Mobility Air Force (MAF), and 35 training aircraft. The CAF include A-10, EC-130H, F15C/D/E, F16C/D, and HH-60G aircraft. The MAF includes C-130H and KC-135R/T aircraft. The trainers are all T-1A aircraft. The Air Force plans to divest 162 A-10 aircraft in FY 2026 to accelerate the transition to a more capable and multi-role fighter fleet, alongside the divestment of 21 F-15E aircraft. However, the FY 2025 NDAA permits the retirement of only 56 A-10 aircraft and restricts F-15E divestment through FY 2027.
- USSOCOM plans to divest 11 Intelligence, Surveillance, and Reconnaissance (ISR) aircraft and one tilt-rotor aircraft in FY 2026. The ISR divestments comprise the PC-12, MC-12W, and JAVAMAN aircraft. Funding from these capabilities will be applied to the sustainment of

the newly acquired OA-1K Armed Overwatch aircraft, which replaces the PC-12, MC-12W, and JAVAMAN ISR capability.

In FY 2026, the Department plans to decommission no more than 14 battle force ships. Vessels selected for decommissioning have become too expensive to maintain and are of diminished military use. Savings from these retirements will be used to operate newer ships, which can adapt to expanding and changing threats and support updated maritime training strategies. The following decommissioning actions continue previously announced and approved decisions. Five of these decommissionings are ahead of their expected service lives (ESLs).

- The budget supports retiring one Nuclear Powered Aircraft Carrier, CVN 68 (USS Nimitz). At retirement, the Nimitz will be 51 years old with a 50-year ESL.
- The budget also supports retiring two Guided Missile Cruisers, CG 67 (USS Shiloh) and CG 70 (USS Lake Erie), in FY 2026 as their mission transitions to Flight III Guided-Missile Destroyers (DDGs), continuing plans from the FY 2024 budget. CG 67 and CG 70 are planned for decommissioning ahead of their ESLs.
- The budget also supports retiring the Los Angeles-class submarines SSN 750 (USS Newport News), SSN 756 (USS Scranton), and SSN 757 (USS Alexandria). Two Ohio-class Guided Missile Submarines, SSGN 726 (USS Ohio) and SSGN 728 (USS Florida), will also retire. All submarines are past their ESL.
- The Whidbey Island class amphibious dock landing ship, LSD 42 (USS Germantown), and LSD 48 (USS Ashland) are both planned to retire in FY 2026. The USS Ashland is retiring ahead of ESL.
- The Independence-class Littoral Combat Ship, LCS 3 (USS Fort Worth), is also planned for decommissioning in FY 2026 ahead of ESL.
- Additionally, the budget supports retiring three Oilers. The T-AO 194 (USNS John Ericsson) and T-AO-197 (USNS Pecos) are retiring past ESL. The T-AO 198 (USNS Big Horn) is retiring ahead of ESL.

FY 2026 RELOOK EFFICIENCIES AND REDUCTIONS

Through a series of directed efficiency reviews and to implement Executive Orders, the Department has identified nearly $30.0 billion that was realigned to higher priority programs in the FY 2026 President's Budget request to increase lethality and readiness.

Eliminating unnecessary spending on DEI, climate change, and misaligned security assistance programs yielded $2.6 billion in efficiencies and reductions.

- $40.5 million - DEI
- $1.6 billion - Climate Spending
- $1.0 billion - Security Assistance

An additional $13.8 billion was identified through the reduction of excess bureaucratic costs by reshaping and optimizing the civilian workforce, reducing contracts for advisory and assistance services, and reducing travel costs.

- $6.8 billion - Workforce Optimization/Working Capital Fund Efficiencies
- $5.5 billion - Advisory and Assistance Service Contracts and Federally Funded Research and Development Centers (FFRDCs)

- $1.1 billion - Travel
- $0.4 billion - Other Reforms (e.g., Bands, Civilian Harm Mitigation and Response, Advisory Boards)

Further reviews identified an additional $12.7 billion that was realigned from redundant, low-impact programs, as well as program adjustments and rephasing based on executability concerns.

- $6.1 billion - Component-identified reductions
  - $1.4 billion - Army (e.g., reduce procurement of armored multi-purpose vehicles, TOW missiles, Tactical Intelligence Targeting Access Nodes (TITAN))
  - $2.2 billion - Navy (e.g., cut contract support, defer/rephase military construction)
  - $1.4 billion - Air Force (e.g., accelerate A-10 retirement; reduce Resilient Global Positioning System (GPS))
  - $1.1 billion - Defense-Wide (e.g., low-priority military construction; defer AEGIS upgrade)
  - $1.3 billion - Sentinel Rephasing
- $0.9 billion - Navy 6th Gen
- $1.3 billion - E-7 Wedgetail
- $3.1 billion - Other Program Reductions (e.g., 2 percent Science and Technology (S&T) reduction; F-135 Engine Core Upgrade Development; rephase Mk21A Procurement/Research, Development, Test and Evaluation, military network (MILNET) reduction)

DEPARTMENT OF GOVERNMENT EFFICIENCY (DOGE) IDENTIFIED SAVINGS

The DoD and DOGE partnership has identified contract ceiling and grant efficiencies focused on consulting services that support DEI, climate, Covid-19 response, and non-essential activities that were not aligned with the Secretary's top priorities. Approximately 390 contracts and grants have been terminated or adjusted by DOGE efforts, and Department-wide reviews are continuing to scrutinize over 400,000 open contracts and grants for additional savings in FY 2026 and beyond. The DOGE efficiency efforts with DoD are multi-layered and will be enacted over multiple budget cycles. In FY 2025 and the FY 2026 President’s Budget, the Department has focused on immediately eliminating spending in conflict with Presidential priorities through a detailed review of every contract in the Department. The Department will further institutionalize re-prioritization efforts. Wherever possible, DOGE efforts were incorporated into the Department’s FY 2026 President’s Budget, and as efficiencies are identified throughout the year, they will be coordinated and worked through reprogramming actions.

PLANNING, PROGRAMMING, BUDGETING, AND EXECUTION (PPBE) REFORM

Today’s complex national security environment and the relentless pace of innovation require that all our processes evolve to fill critical capability gaps with the focus, speed, and scale needed for strategic effect. The rate of technological change and the national security threat posed by our adversaries demand that we respond quickly and effectively to emergent requirements and opportunities to adopt innovative solutions and absorb ongoing technology refresh and insertion, all at the speed of relevance. This includes modernizing and making changes to the PPBE process.

As part of the FY 2026 President's Budget, the DoD is pursuing reforms to increase flexibility in resourcing authorities, eliminate and replace antiquated and inefficient systems and processes with modern analytical ones, strengthen governance for DoD business systems that directly affect passing an audit by 2028, and improve and strengthen our communications with Congress.

The efforts below provide an overview of the PPBE reform and other budget flexibility initiatives, as well as an overview of select reform efforts that will strengthen the relationship between DoD and Congress, support audit readiness, and enable execution and acquisition agility. By streamlining congressional oversight, reducing fiscal inefficiencies, and accelerating modernization investments, these reforms ensure more effective defense resource execution and will facilitate delivering to the American warfighter the capabilities needed to remain the strongest and most lethal fighting force in the world.

We look forward to working with all stakeholders and Congress to enact these changes and build a fiscally agile, operationally responsive defense resourcing enterprise poised to achieve peace through strength while restoring the warrior ethos, rebuilding our military, and reestablishing deterrence.

PPBE Reform and Other Budget Execution Flexibilities

Operation and Maintenance (O&M) Funding: This proposed appropriations language changes the period of availability for five percent of the O&M funding from one to two years in the O&M appropriations. This change reinforces good fiscal stewardship by giving financial managers a tool to make better year-end spending decisions and enables the Department to respond to emergent requirements and maximize the use of appropriated funds for their intended purpose.

Two-Year Permanent Change of Station (PCS) Funding: This proposed appropriations language changes the period of availability for PCS funding from one to two years in the military personnel appropriations for the Active Components. This change maximizes the utilization of PCS funds, which typically cross fiscal years because of the seasonal nature of PCS moves, and minimizes the unexpended balances in the military personnel appropriations for the Active Components – ultimately allowing the DoD to maximize the use of appropriated funds for their intended purpose.

Increases to Below Threshold Reprogramming Limits: This proposed appropriations report language requests an increase to the reprogramming thresholds for some appropriations titles to amounts more consistent with historical percentages of inflation and the increases in the DoD budget. Examples include $30 million for O&M; $25 million for RDT&E; and $40 million for Procurement funding. This increase is needed to minimize delays in the execution of funds and provide greater flexibility to address unanticipated requirements in the year of execution.

Army Agile Funding Pilot Program: This proposed general provision enables the Department to more quickly respond to the rapidly changing needs for designated Procurement and RDT&E Agile Funding programs with a higher reprogramming threshold and an advance notification to Congress regarding any funding realignments, maximizing the use of appropriated funds for their intended purpose.

Software Funding Flexibility: This proposed general provision allows for O&M, Procurement, or RDT&E funding to be used for expenses for the agile research, development, test and evaluation, procurement, production, modification, and operation and maintenance for software and digital technology programs. This will reduce program delays due to determining which appropriation is best used for which tasks and then ensuring the correct alignment of funds, to include any required reprogramming actions,

significantly improving the Department's ability to incorporate rapidly changing software requirements.

Budget Line Item (BLI) Consolidation: The Department has included BLI consolidations primarily in the Procurement and RDT&E appropriations that collapse similar capability efforts into fewer or single lines and enable more agile funding for critical capability areas. In the Military Personnel appropriations for the Active Components, the Department standardizes the pay structure for enlisted and officer pay. All changes have been clearly identified in the justification materials to ensure transparency and visibility.

Operation and Maintenance, Defense-Wide, Civil Military Program (CMP) Enhancement: This proposed general provision allows any excess funds not needed for a specific CMP project to be transferred back to the originating appropriation for use on another project. This flexibility ensures maximum execution of the Innovative Readiness Training opportunities that will help increase deployment readiness, while simultaneously providing key services with lasting benefits for our American communities.

Health Care Transformational Fund: This proposed general provision allows the Defense Health Program (DHP) to transfer unobligated balances of expiring discretionary funds in any of its accounts into a Transformation Fund. This change helps the DHP target structural investments, such as the backlog in Facilities Sustainment, Restoration, and Modernization, and enables DoD to maximize its health care investments without additional topline increases.

PPBE Reform Efforts and Initiatives

Communication Enclave with Congress: The Department is deploying the "Dash-1" Application to the Secure Unclassified Network Advana (SUNVANA) production environment for use by congressional staff. This application will offer access to summary level President's Budget data cross all major DoD appropriations and represents the first in a series of tools the Department intends to deliver via SUNVANA to support congressional engagement.

Financial Management Regulation (FMR) Updates: The Department is executing a comprehensive, systematic update and modernization of all chapters of the DoD FMR designed to enhance usability through improved search functionality, embedded hyperlinks to relevant U.S. Code sections and historical updates, and a full rewrite of all chapters using plain language to ensure clarity. In parallel, dashboards in Advana are being leveraged to inform policy decision-making, drive innovative solutions that enhance policy accessibility, and enable more agile updates to financial procedures.

Common Analytics Platform: Within the common analytics platform, Advana, the Department reached a major milestone with the creation of Consolidated Budget Execution Applications sourcing data from the General Ledger. In addition, efforts are ongoing to continue ingestion of budget data from the Next Generation Resource Management System, to complete other category-specific applications such as civilian pay.

Expand Training on Data Analytics: Data is a strategic resource, and training and development opportunities in data analytics (DA) are necessary to equip the workforce with the skills to be successful and adaptable, ready to meet the Department's evolving resource challenges. In FY 2026, the Department aims to sustain existing training opportunities, assess the success of a DA certification pilot program for potential continuation, and explore further expansion of DA training. The Department is leveraging Advana to enhance financial management training, streamline data-driven decision-

making, and reinforce the integration of analytics capabilities.

Improve Training for Financial Management Personnel: In support of Secretary Hegseth's priority of cultivating a mission-ready and data-fluent workforce, the Department is launching a standardized, structured training curriculum accessible to all involved in budget justification activities/materials. Subject matter experts are actively revising core PPBE content and developing appropriation-specific training to ensure that budget narratives align with Departmental priorities, communicate mission needs effectively, and support congressional engagement with clarity and precision.

Data Governance and Management: A key element of the DoD's effort to strengthen its foundational data governance and management is the creation of a PPBE Common Data Model, defining a standardized set of data elements aligned to the Standard Financial Information Structure to ensure leaders, forums, and processes have quality analytic insights to leverage for decisions and guidance. This foundation has been implemented for 12 of 20 data sources and has resulted in increased data consistency and alignment.

Accelerate Progress towards a Clean Audit: A modern, disciplined business systems environment—one that reliably tracks, processes, and reports financial data—is foundational to achieving a clean audit opinion. System rationalization and modernization efforts include maintaining a comprehensive inventory of business systems that impact financial reporting and prioritizing those systems based on audit relevance, leveraging the Defense Business System Annual Certification process to enforce compliance with audit readiness standards, and aggressively retiring legacy systems that no longer meet mission or audit needs.

6. MILITARY DEPARTMENTS

The Military Departments generally use several means to report their activities to Congress. Consistent with Title 10, Section 113 I(1)(A), each of the Military Departments is providing a summary of their Fiscal Year (FY) 2026 budget submissions for inclusion in the DoD Budget Overview. Additional data are contained in Appendix A, Resource Exhibits.

Sections

- Department of the Army
- Department of the Navy
- Department of the Air Force
- National Guard

DEPARTMENT OF THE ARMY

Budget Authority in Billions Department of the Army	FY 2024 Actuals[2]	FY 2025 Enacted[3]	FY 2026 Disc. Req.	FY 2026 Reconc. Req.	FY 2026 Total
Military Personnel	69.9	71.2	76.4	0.2	76.6
Operation and Maintenance	76.2	68.9	71.1	2.3	73.4
Procurement	37.5	24.7	26.2	2.0	28.2
RDT&E	17.1	14.3	14.6	0.9	15.4
Revolving and Management Funds	0.1	0.1	0.0	0.0	0.0
Military Construction	3.1	3.2	2.5	0.0	2.5
Family Housing	0.7	0.8	0.6	0.0	0.6
Pass Thru (CTEF, & CHEM-DEMIL[1])	1.4	1.3	0.6	0.0	0.6
Subtotal Department of the Army	**206.1**	**184.4**	**192.1**	**5.4**	**197.4**
Arlington National Cemetery	0.2	0.2	0.1	0.0	0.1
Total Department of the Army	**206.3**	**184.6**	**192.2**	**5.4**	**197.5**

[1] *Counter-Islamic State of Iraq & Syria Train and Equip Fund (CTEF); Chemical Agents & Munitions Destruction (CHEM DEMIL)*

[2] *FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).*

[3] *Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4) but excludes supplemental funding from P.L. 118-158.*

"Our Army must transform now to a leaner, more lethal force by infusing technology, cutting obsolete systems, and reducing overhead to defeat any adversary on an everchanging battlefield."

- Secretary of the Army Daniel P. Driscoll

Introduction

The United States Army is transforming—because it must. The accelerating pace of change on the modern battlefield demands rapid adaptation to ensure the Army remains the dominant land component of the Joint Force. In response to growing threats and an increasingly contested global environment, in April 2025, the Secretary of Defense directed the Army to launch the Army Transformation Initiative (ATI)—a comprehensive strategy to modernize the force for today's fights and tomorrow's challenges.

ATI places close combat formations at the center of its efforts, investing in critical technologies, divesting outdated systems, and optimizing force structure. This transformation directly supports Secretary Hegseth's Department of Defense priorities: Reestablishing Deterrence, Rebuilding Our Military, Reviving the Warrior Ethos, and Driving Reform and Optimization.

The FY 2026 budget request advances this transformation by funding long-range precision fires,

autonomous systems, layered air and missile defenses, future aviation platforms, and enhanced readiness for close combat formations. It also includes a proposal for a limited agile funding pilot, which consolidates budget lines in rapidly evolving technology portfolios, thereby ensuring the Army can respond faster and more flexibly in the homeland, Indo-Pacific, and globally.

To make room for these investments, the Army will divest obsolete systems that can no longer survive the modern battlefield. Structural changes—including command consolidations and headquarters reductions—will optimize command alignment and force structure, improve operational performance, and enhance lethality while preserving resources for the Army's highest priorities. These savings will be reinvested into key warfighting capabilities that provide the Army with a critical advantage.

Beyond transformation, the budget also sustains key enablers of readiness: improved quality of life for Soldiers and Families, a more resilient and responsive Organic Industrial Base (OIB), and fully resourced health and fitness initiatives to maintain a ready force.

The following sections outline how ATI directly supports the Department's priorities and ensures its Soldiers can defend our Nation, at home and abroad.

Reestablishing Deterrence

Reestablishing deterrence begins with the Army realigning its forces and investments toward threats in the Indo-Pacific—the Department's priority theater—as well as other key geographic regions. The Army is investing in critical capabilities, including long-range precision fires, hypersonic strike systems, and the MV-75 Future Long Range Assault Aircraft (FLRAA), which provides the speed, range, and lift required to operate effectively across the vast distances of the Pacific and beyond. These capabilities are essential to enabling the Joint Force to penetrate contested environments, sustain operational tempo, and impose costs on adversaries.

Deterrence must also be sustained at home. The Army remains fully committed to its homeland defense mission, with more than 10,000 Soldiers currently deployed to the southern border to secure the United States' sovereignty and territorial integrity, and to support the Department of Homeland Security and other federal agencies. These operations include surveillance, aviation support, logistics, and the establishment of National Defense Areas (NDAs) to protect critical infrastructure and secure the border. Investments in sensors, counter-drone systems, and layered defenses will further strengthen homeland security while enhancing the Army's ability to deter threats both domestically and abroad. To improve unity of effort and reduce redundancy, the Army will consolidate U.S. Army North, U.S. Army South, and U.S. Army Forces Command, streamlining command and control for homeland operations.

Sustained deterrence also requires endurance. Recent conflicts in Ukraine and the Middle East underscore the importance of a resilient industrial base. For the Army and the broader Joint Force, the OIB provides the "magazine depth" essential to sustaining prolonged operations. The Army is modernizing nearly two dozen arsenals, depots, and ammunition plants. The FY 2026 budget prioritizes facility upgrades, increased munitions production, cyber hardening of industrial systems, and workload optimization to maximize output and responsiveness. Partnerships with the Defense Industrial Base, including both new startups and traditional defense companies, is also critical to sustaining deterrence. Through cooperative agreements, co-production, and joint ventures, the Army can leverage commercial solutions and advanced manufacturing methods to expand its sustainment capabilities.

Together, these investments ensure the Army is postured to outpace, outfight, and outlast any adversary, while also providing critical, sustained support to the Joint Force.

Rebuilding Our Military

> ***"Everywhere I go, I see highly motivated Soldiers willing to innovate, train and sacrifice for the mission, and we owe them the best. The tech we will infuse in our formations are not years away, they are available now."***
>
> – Chief of Staff of the Army Gen. Randy A. George

Rapid delivery of new capabilities to close combat formations is key to rebuilding the Army. The Transformation in Contact initiative launched this effort to field the most advanced available technologies while reshaping formations to be leaner, more agile, and more lethal. Over the next two years, the Army will expand this effort by converting 25 Infantry Brigade Combat Teams (IBCTs) into Mobile BCTs (MBCTs), which are modernized formations equipped with Infantry Squad Vehicles (ISVs), loitering munitions, advanced rifles, night vision systems, and drones. This will be followed by the transformation of seven Armored and Stryker BCTs, further enhancing mobility, firepower, and survivability across the force.

The Army's modernization efforts extend beyond the brigade level. Fielding a critical mass of long-range fires, modernizing unmanned systems, and building effective electronic warfare and counter-Unmanned Aerial Systems (c-UAS) capabilities are central to winning in contested environments. To support this, new air and missile defense and fires units will be activated, and division-level artillery will be modernized to integrate drones and advanced targeting capabilities. At higher echelons, the Army will field Next-Generation Command and Control (NGC2) systems—advanced digital networks powered by artificial intelligence and machine learning—to three Divisions and four Corps, dramatically enhancing decision speed, coordination, and operational reach.

Army aviation is also undergoing major restructuring to improve lethality, survivability, and readiness. The inactivation of Air Cavalry Squadrons in the Active Component and the divestment of Reserve Component Expeditionary Combat Aviation Brigades (ECABs) will allow the Army to reallocate these savings toward a more effective mix of next-generation rotary and unmanned platforms optimized for operations in contested and denied airspace.

Rebuilding the Army also requires divesting legacy systems that no longer meet the demands of modern warfare. Informed by lessons learned in Ukraine, the Army is responding to the reality of ubiquitous sensing and overwhelming volumes of threats from the sky. This requires terminating future investments in the M10 Booker, High Mobility Multi-Wheeled Vehicle (HMMWV), Joint Light Tactical Vehicle (JLTV), Robotic Combat Vehicle (RCV), and the MQ-1C Gray Eagle. Divestment of these systems will improve unit survivability and mobility, as well as free up resources to reinvest in cutting-edge technologies that more directly enhance warfighting capability and readiness.

Additionally, as part of the FY 2026 budget request, the Army is proposing a limited agile funding pilot focused exclusively on the most rapidly evolving technology areas. This pilot will consolidate select budget lines within three capability portfolios: Counter-small UAS (C-sUAS), UAS/Launched Effects, and Electronic Warfare (EW). By streamlining funding in these specific portfolios, the Army aims to reduce procurement delays, increase flexibility, and accelerate the adoption of critical new technologies. The focused scope of this program allows the Army to effectively test and refine agile budgeting practices, ensuring accountability and alignment with transformation priorities.

Reviving the Warrior Ethos

> ***"We need quality of life for present and future generations as we continue to foster cohesive teams, maintain tactical and strategic readiness and sustain the momentum of modernization."***
>
> – Sergeant Major of the Army Michael R. Weimer

Reviving the Warrior Ethos starts with empowering Soldiers—equipping them with modern gear, providing rigorous and realistic training, and supporting their well-being through comprehensive quality of life programs.

Improving the quality of life for Soldiers and their Families remains a top priority. In concert with the Department of Defense, the Army is advancing critical initiatives, including prioritized junior enlisted pay increases, modernization of barracks and family housing, expansion of child development centers, and enhanced access to essential services. These efforts aim to support recruiting, retention, and long-term readiness.

The FY 2026 budget request reflects this commitment by fully funding key initiatives. It supports the Holistic Health and Fitness (H2F) program, which strengthens Soldiers' physical, mental, and spiritual resilience. The Army is also redesigning its dining facilities, piloting modern, campus-style dining at five installations to replace outdated mess halls, ensuring Soldiers are fueled for performance with a focus on nutrition and wellness.

Quality of life on duty is equally important. This budget request prioritizes funding for tough, realistic training at home stations, combat training centers, and training deployments with joint and multinational exercises to ensure units remain ready and lethal.

Sustained investment in the programs that train and support our most vital asset—the American Soldier—ensures they are ready to lead the fight in defense of our Nation.

Reform and Optimization

The Army is committed to the Presidential and Department of Defense priorities of being fiscally responsible as it drives meaningful reform. It has eliminated programs and functions that do not directly support the force generation and combat environment of the future. It is also streamlining headquarters, reducing the workforce, and consolidating commands—while expanding our Soldier base—such as merging the U.S. Army Training and Doctrine Command (TRADOC) with Army Futures Command (AFC), to increase agility and efficiency across all echelons. Further, the Army is conducting focused reviews and audits of our formations, systems, and controls, and refining our business processes, leading to optimized resource allocation.

The Army made progress towards its audit goals in FY 2025, downgrading four and closing two material weaknesses across its General Fund and Working Capital Fund. Even with this success, the Army is at a critical point in its mission to achieve a clean financial statement audit opinion. Therefore, the Army is focused on closing additional material weaknesses and accelerating its audit emphasis in FY 2026. The Army's audit effort is critical to enhancing transparency, focusing on technical innovations to more rapidly achieve and sustain auditability. This enables resources to be aligned and executed in support of Army warfighting priorities to improve lethality and readiness.

The divestment of legacy systems and outdated technologies has also garnered savings that the Army is redirecting toward advanced capabilities to make Soldiers more lethal.

These efforts have eliminated waste, fostered innovation, and maximized every dollar given to

the Army. By embracing reform and optimization, the Army has funded most of ATI within existing resources to increase lethality, while also upholding its commitment to be responsible fiscal stewards.

Conclusion

The Army remains the world's most capable and lethal ground force—but it does not take this position for granted. Rapid change and rising threats demand continuous transformation with speed and agility. The Army Transformation Initiative is central to this effort, ensuring we can outpace, outfight, and outlast any adversary. Through ATI, the Army is building a more lethal, mobile, and leaner force —enabled by integrated fires and UAS, protected through advanced EW and c-UAS, with all command and control by advanced AI-powered networks and systems.

The FY 2026 budget request is the engine that makes ATI possible. It delivers the resources necessary to modernize close combat formations, invest in new capabilities, divest outdated systems, pilot agile funding authorities, and sustain programs that support our Soldiers and their Families. Aligned with Presidential and Department of Defense priorities, this budget reflects the Army's commitment to being a responsible steward of every dollar—investing where it matters most: in readiness, deterrence, and the warfighter.

This is how we preserve the Army's decisive edge and uphold our solemn duty: to fight and win our Nation's wars.

This We'll Defend.

DEPARTMENT OF THE NAVY

Budget Authority in Billions Department of the Navy	FY 2024 Actuals[1]	FY 2025 Enacted[2]	FY 2026 Disc. Req.	FY 2026 Reconc. Req.	FY 2026 Total
Military Personnel	59.1	62.2	66.0	0.3	66.3
Operation and Maintenance	86.3	85.3	87.2	6.5	93.7
Procurement	82.7	76.0	62.9	32.4	95.3
RDT&E	27.6	25.9	25.7	3.5	29.2
Revolving and Management Funds	0.0	0.0	0.4	0.0	0.4
Military Construction	6.3	4.3	6.1	0.7	6.9
Family Housing	0.7	0.6	0.6	0.0	0.6
Total Department of the Navy	**262.7**	**254.5**	**248.9**	**43.3**	**292.2**

[1] FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).

[2] Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4) but excludes supplemental funding from P.L. 118-158.

Introduction

The United States of America plays a vital role as a maritime nation that relies heavily on the free flow of commerce and navigation across global sea lanes to support economic prosperity. America's Naval Forces are tasked with maintaining open and secure oceans, promoting peace and stability through their strength and presence. To effectively support and protect the highest levels of maritime activity, the Navy and Marine Corps must maintain their status as the world's leading force across all domains—on the surface, beneath the waves, in the air, and beyond. The Department of the Navy (DON) must maintain a persistent, dominant presence worldwide, which is essential for national security and global stability.

With 90 percent of global commerce traveling by sea, the Department safeguards the world's economy from hostile nations and organizations that threaten international waters. From sea to stars, in cyberspace and in the information environment, the Navy and Marine Corps promote prosperity and security, deter aggression, and protect the American way of life. The Navy and Marine Corps deliver power for peace, but are always ready to fight and win alongside our Allies and partners.

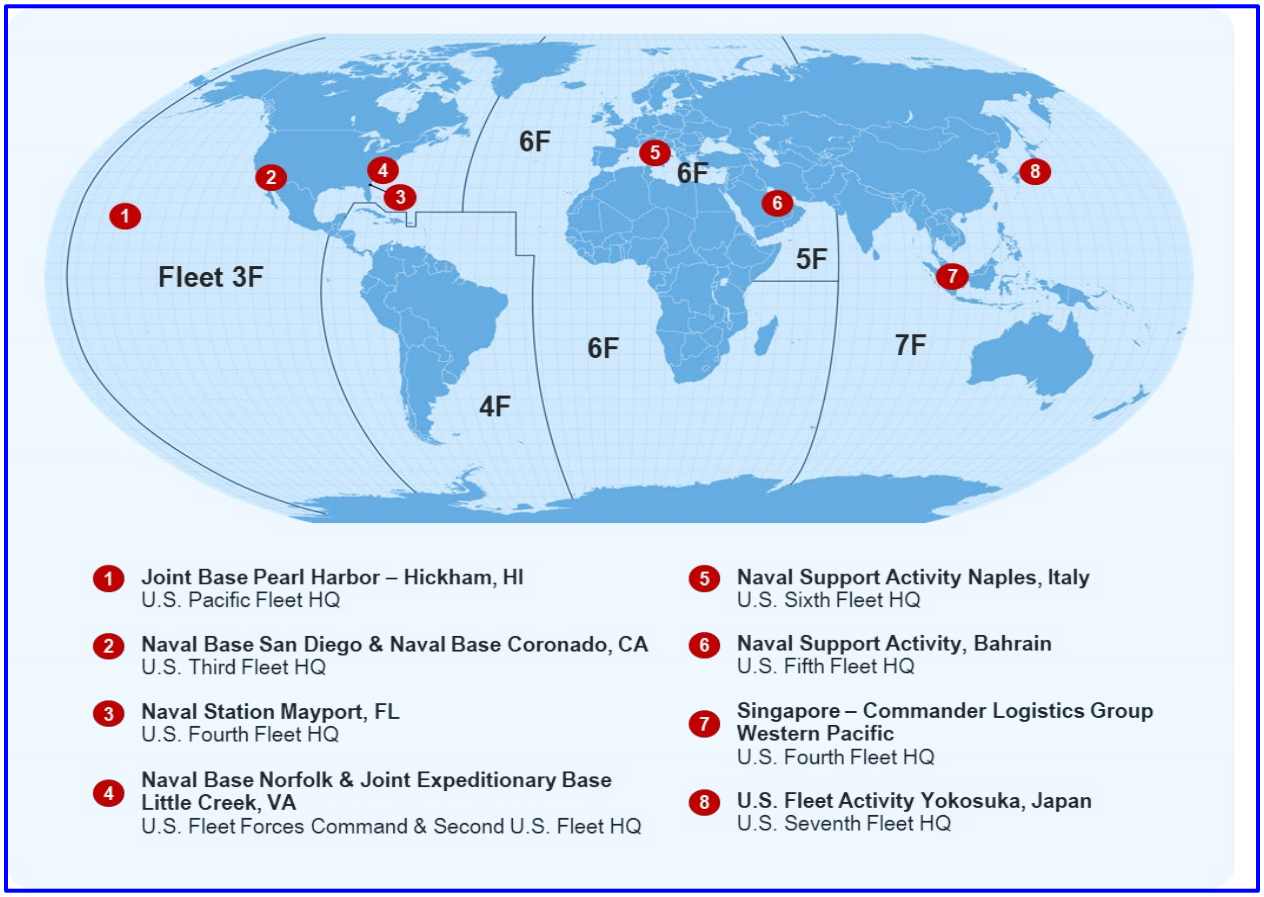
Operating abroad, the Navy and Marine Corps keep threats away from America's shores. The Navy and Marine Corps consistently deploy combat-ready Sailors, Marines, ships, submarines, and aircraft, alongside Allies and partners in faraway waters. Today and every day, there are nearly 100 ships and submarines deployed and underway around the globe, along with approximately 41,000 Sailors and 33,000 Marines, ensuring U.S. leaders have leverage and diplomatic options that will always be more favorable than war.

Our Navy and Marine Corps team remains actively reengaged around the globe, standing watch,

deterring aggression, and protecting our nation's interests. Our ships, aircraft, and personnel are a constant reminder that America will defend its borders, its people, and its principles. We are and will continue to be where it matters, when it matters.

U.S. Naval Forces are America's most timely, flexible, and forward-deployed force across the full spectrum of challenges. In times of international crises, we can quickly maneuver thousands of miles with the world's most capable warships and dwell in areas of interest without relying on land bases in foreign countries. When we consistently deploy our combat-ready forces alongside allies and partners, our adversaries understand that a fight with American naval forces would be unwinnable and costly. Our mere presence projects strength, ensuring that peaceful diplomatic options are more favorable than war. Maintaining a world-class and worldwide deployable Navy and Marine Corps as a first line of defense for the United States is not something that can be created overnight when conflict arises. Investing in the Navy and Marine Corps today is a down payment on America's security tomorrow.

Figure 6.1. Forward Deployed Forces – Global Power Projection



Strategic Guidance and Themes

The FY 2026 President's Budget (PB26) request has been carefully planned in alignment with leadership's priorities including the President's Executive Orders, Secretary of Defense's Message to the Force, Interim National Defense Strategic Guidance, Secretary of the Navy's Strategic Priorities, Acting Chief of Naval Operations' Navigation Plan, and Commandant of the Marine Corps' Planning Guidance. This budget serves as the financial blueprint that supports the maritime capabilities, operations, and readiness of our naval forces and aims to enable our Naval

and Marine forces to effectively respond to contingencies, enhance interoperability with allied navies, and adapt to the emerging threats and opportunities in the maritime domain.

Presidential Action: Restoring America's Maritime Dominance

On April 9, 2025, President Trump issued an Executive Order to Restoring America's Maritime Dominance. The directive mandated the formulation of a comprehensive Maritime Action Plan designed to reinvigorate U.S. maritime industries while advancing national security and promoting economic growth. Key tenets for the Department of the Navy include:


PRESIDENTIAL ACTIONS

RESTORING AMERICA'S MARITIME DOMINANCE

Executive Orders | April 9, 2025

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

Section 1. Purpose. The commercial shipbuilding capacity and maritime workforce of the United States has been weakened by decades of Government neglect, leading to the decline of a once strong industrial base while simultaneously empowering our adversaries and eroding United States national security. Both our allies and our strategic competitors produce ships for a fraction of the cost needed in the United States. Recent data shows that the United States constructs less than one percent of commercial ships globally, while the People's Republic of China (PRC) is responsible for producing approximately half. Rectifying these issues requires a comprehensive approach that includes securing consistent, predictable, and durable Federal funding, making United States-flagged and built vessels commercially competitive in international commerce, rebuilding America's maritime manufacturing capabilities (the Maritime Industrial Base), and expanding and strengthening the recruitment, training, and retention of the relevant workforce.

Sec. 2. Policy. It is the policy of the United States to revitalize and rebuild domestic maritime industries and workforce to promote national security and economic prosperity.

Sec. 3. Maritime Action Plan. (a) Within 210 days of the date of this order, the Assistant to the President for National Security Affairs (APNSA), in coordination with the Secretary of State, the Secretary of Defense, the Secretary of Commerce, the Secretary of Labor, the Secretary of Transportation, the Secretary of Homeland Security, the United States Trade Representative (USTR), and the heads of executive departments and agencies (agencies) the APNSA deems appropriate, shall submit a Maritime Action Plan (MAP) to the President, through the APNSA and the Director of the Office of Management and Budget (OMB Director) to achieve the policy set forth in this order.
(b) The OMB Director, in coordination with the APNSA, shall be responsible for all legislative, regulatory, and fiscal assessments related to the MAP.
(c) The MAP shall, to the extent permissible and consistent with applicable law, including the Buy American Act (41 U.S.C. 8301-8305), reflect actions taken pursuant to sections 4 through 21 of this order.

- Development of a Maritime Action Plan (MAP) to revitalize American shipbuilding, a critical component for strengthening the Navy's fleet and national security. Led by the National Security Advisor in collaboration with key departments—including Defense and Transportation—the MAP will coordinate legislative, regulatory, and budgetary actions to support the maritime industry.
- Directs agencies to assess government procurement processes and regulations that hinder private industry's ability to build vessels on time and budget.
- Establishes a Maritime Security Trust Fund to provide consistent funding for maritime programs in addition to a shipbuilding financial incentives program to boost private investment in U.S. shipbuilding.
- Expands Mariner training and education through an investment in the U.S. Merchant Marine Academy and a plan for expanding training opportunities.
- Directs the U.S. government to engage and align with our allies and trade partners to align trade policies to disrupt China's non-market practices in the international supply chain and logistics sector.

2025 Interim National Defense Strategic Guidance

In March 2025, Secretary of Defense Hegseth released the 2025 Interim National Defense Strategic Guidance (INDSG). The INDSG serves as the strategic roadmap for the Department of Defense. As such, it will provide clear direction for the Department to implement President Trump's America First and Peace Through Strength agenda. Consistent with the President's intent, the INDSG prioritizes defense of the U.S. homeland, including America's skies and borders, and deterring China in the Indo-Pacific. At the same time, the INDSG prioritizes empowering our allies and partners around the world to do more for their own defense, and in the process, strengthening those relationships and setting conditions for lasting peace. The DON's PB26 request is well aligned with the INDSG guidance.

Secretary of Defense Strategic Priorities

On January 25, 2025, Secretary of Defense Hegseth issued a Message to the Force detailing the priorities of the Department of Defense in order to achieve peace through strength. With a focus on lethality, meritocracy, accountability, standards, and readiness, the three priorities laid out in the Secretary's message include:

Restore the warrior ethos and trust in our military. Our standards will be high,

uncompromising, and clear. The strength of our military is our unity and our shared purpose.

Rebuild our military by matching threats to capabilities. This means reviving our defense industrial base, reforming our acquisition process, passing a financial audit, and rapidly fielding emerging technologies. We will remain the strongest and most lethal force in the world.

Reestablish deterrence by defending our homeland, on the ground and in the sky. We will work with allies and partners to deter aggression in the Indo-Pacific by Communist China, as well as supporting the President's priority to end wars responsibly and reorient to key threats. We will stand by our allies, and our enemies are on notice.

Secretary of the Navy Strategic Guidance

The Secretary of the Navy John Phelan (SECNAV) is leading this Department with three focus areas that guide our vision for the United States Navy and Marine Corps: 1) Strengthen Shipbuilding and the Maritime Industrial Base, 2) Foster and Adaptive, Accountable, and Innovative Warfigher Culture, and 3) The Health, Welfare, and Training of Our People and Their Families.

These three priorities will steer the Department and shape the future of our fleet and force. Our focus is on maritime warfighting dominance far into the future.

Strengthening Shipbuilding and the Maritime Industrial Base

The Navy and Marine Corps' ability to maintain maritime dominance is increasingly being challenged in a volatile and unpredictable world. Our industrial base, installations, and physical infrastructure are in urgent need of significant investments to build and sustain the Navy and U.S. flag shipping fleets. We are aggressively seeking to improve and accelerate ship construction, prioritizing modernization, and expanding the capacity of our maritime industrial base, forged by a new path that enhances our naval capabilities at the speed of relevance.

Fostering an Adaptive, Accountable, and Innovative Warfighter Culture

As the nation's first line of defense, the Navy and Marine Corps play an indispensable role in securing national interests and protecting our way of life. To truly strengthen our defense posture, we must first ensure that the Department of the Navy is accountable to the American taxpayer. Without a solid foundation of fiscal responsibility, transparency, and efficient resource management, we cannot expect to foster a culture of adaptability and warfighting excellence that is critical to our future success. Not just for appearance's sake, but because no military can sustain its edge without earning the trust of the American taxpayer every single day.

The Health, Welfare, and Training of Our People and Their Families

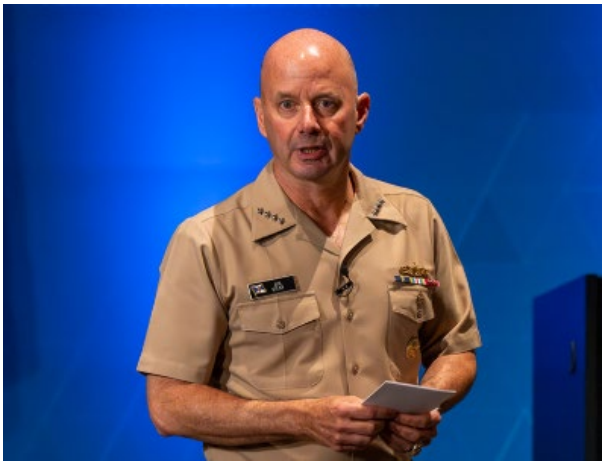
Our greatest asset is the extraordinary men and women who serve amongst us – the Sailors, Marines, and Department of the Navy civilians. We will continue to invest in the recruitment, training, and retention of the highest caliber personnel.

We will prioritize Quality of Life and Quality of Service initiatives to ensure that our Sailors, Marines, and their families have the resources available to succeed when called upon to meet the mission.

The DON's budget request for fiscal year (FY) 2026 funds a strong, global Navy and Marine Corps

that is postured and ready to defend our homeland, deter adversaries, and prevail in war, prioritizing China as our most consequential opponent. It is a thorough, strategy-driven budget that is focused on delivering resources to ensure our naval forces remain ready, resilient, flexible, and agile to execute national tasking and preserve peace through strength.

Acting Chief of Naval Operations (CNO) Strategic Guidance



On February 21, 2025, Admiral James Kilby assumed the role of Acting Chief of Naval Operations. His guidance to the fleet defines today's Navy and reinforces naval priorities.

The Navy provides our Nation with the seapower and sea control needed to preserve our way of life and ensure security and prosperity. In the past year, the Sailors have defeated hundreds of drones and missiles and executed dozens of offensive strikes in the Red Sea and Eastern Mediterranean. They have strengthened alliances and deterred Chinese aggression in the Western Pacific. Sailors have supported operations on the Southern Border. They have maintained an unbroken strategic deterrent with our ballistic missile submarines. In short, the Navy, integrated with the Joint Force, remains postured and ready to fight and win. We remain committed to a strong, global Navy – one that is prepared to defend our homeland, deter our adversaries, and prevail in war. We are laser-focused on China as our most consequential opponent, while strengthening the defense of the homeland. We prioritize our operations, training, and readiness accounts to ensure our naval forces remain ready, resilient, and agile to execute national tasking.

The Navigation Plan is based on a clear vision of how we fight to win and exploit sea control in a high-end, information-centric, global battlespace. The Navigation Plan drives towards two strategic ends: readiness for the possibility of war with the People's Republic of China by 2027 and enhancing the Navy's long-term advantage. The key targets are:

- Ready the force by eliminating ship, submarine, and aircraft maintenance delays.
- Scale robotic and autonomous systems to integrate more platforms at speed.
- Create the command centers our fleets need to win on a disturbed battlefield.
- Recruit and retain the force we need to get more players on the field.
- Deliver a quality of service commensurate with the sacrifices of our Sailors.
- Train for combat as we plan to fight, in the real world and virtually.
- Restore the critical infrastructure that sustains and projects the fight from shore.

The events of the last two years in the Red Sea, the Eastern Mediterranean, and the Indo-Pacific demonstrate the enduring importance of American naval power. America's Navy is a key pillar of national power and a critical part of our Joint Force's ability to maintain peace through strength. Achieving these seven key tasks will ensure a lethal, combat-credible Navy that contributes layered effects to the Joint Force and can fight and win our Nation's wars in the maritime environment.

Commandant of the Marine Corps (CMC) Strategic Guidance

The Commandant of the Marine Corps, General Eric Smith's vision is expressed in the Commandant 's Planning Guidance (CPG), which provides the strategic direction to fight and win today and to set conditions to win in the future. The strategic priority remains the continued implementation of Force Design, the Service-wide transformation effort to make the Marine Corps lighter, more naval, more versatile, and more lethal. Modernizing the Corps in this way improves the ability to deter potential adversaries by providing credible forces for naval campaigns and expanding integration with the Naval and Joint Force, as well as our allies and partners. Today, Marines are standing-in across multiple theaters to disrupt adversary plans and prevent conflict. If necessary, they are prepared to seize and defend key maritime terrain. The concepts and capabilities stemming from Force Design are being used today across the globe.

Current and future readiness is a continuous process through a Campaign of Learning based on the Marine Corps' understanding of emerging and evolving threats, the trajectory of technology, and the missions the Corps is tasked to undertake. Ongoing efforts to create and sustain warfighting advantage over the long term will ensure the Fleet Marine Force remains organized, trained, and equipped to succeed in an ever-evolving operational environment, regardless of time or place, maintaining its role as America's premier expeditionary force-in-readiness, deterring adversaries, and responding to crises globally.

To best posture the Marine Corps for both the fights of today and the future, the CMC's priorities for the FY 2026 budget request, nested within the CPG, are as follows:

Amphibious Readiness and Littoral Mobility: Achieving a sustained presence of three Amphibious Ready Groups with Marine Expeditionary Units is the Corps' guiding goal. These units provide forward-deployed, lethal options that complicate adversary planning and enable joint campaigning with allies. The Marine Corps is also advancing organic littoral mobility capabilities to support low-profile Stand-in-Forces that operate within enemy threat zones throughout conflict phases.

Accelerate Force Design Modernization: The Corps is committed to agility in adapting to evolving threats by integrating new technologies, refining its organizational structure, and strengthening joint operations. This commitment ensures Marines remain lethal, survivable, and ahead of adversaries as warfare evolves.

Modernize Barracks and Improve Quality of Life: The Barracks 2030 initiative represents the largest infrastructure investment in Marine Corps history, aimed at providing Marines with safe and modern living environments. Enhancing quality of life through childcare, spousal employment, and wellness programs is essential to readiness and retention.

Recruit, Make, and Retain Marines: The Marine Corps continues to meet recruiting goals without compromising standards, employing data-driven strategies to attract and retain high-quality Marines. Supporting Marines and their families underpins the Corps' ability to maintain an elite, ready force.

The CMC's vision is to maintain a forward-leaning, versatile, and lethal Marine Corps capable of prevailing across all domains today and in the future.

Security and Operational Environment

In today's increasingly hostile, volatile, and unpredictable global maritime security environments, from the Red Sea, the Indo-Pacific, to the Information Environment, our Sailors and Marines face existential threats. The Nation and our allies depend on the Navy and Marine Corps team to sustain a lethal, agile, and ready force capable of responding to these evolving challenges.

Our Nation finds itself at a critical crossroads, facing an increasingly hostile, volatile, and unpredictable global maritime security environment. Our forces face existential threats, ranging from strategic competition to regional instability. The Nation and our allies depend on the Navy and Marine Corps team to sustain a lethal, agile, and ready force capable of responding to these evolving challenges.

Our adversaries are not waiting. China is building a navy to challenge American dominance. China continues to expand its fleet, build more advanced submarines, and operate more provocatively and aggressively in contested waters. If we fail to respond with urgency and resolve, we invite instability and risk ceding the seas to authoritarian influence.

Our Sailors and Marines have met these threats with professionalism and bravery. We must take decisive action to deter China's assertiveness and uphold peace through strength, ensuring the United States remains preeminent and fully prepared to defend its interests in every domain.

In the Indo-Pacific, China is pursuing rapid and concerning growth, particularly in its naval capabilities. By 2030, China is projected to have nearly 1,000 nuclear warheads, with a significant portion carried by its growing fleet of ballistic missile submarines. By the end of this calendar year, China is projected to surpass a significant milestone with nearly 400 ships in its naval fleet – a dramatic expansion. This growth greatly enhances its strategic reach and power projection capabilities. Regionally, China's aggressive actions in the South China Sea pose a direct threat to freedom of navigation, continuing to challenge international law and disrupt the rights of coastal nations like the Philippines. We remain committed to supporting the Philippines and other regional allies to uphold a free and open Indo-Pacific.

In the Red Sea, we have successfully defended maritime shipping from Houthi rebels. Our Sailors and Marines are the backbone of Operation PROSPERITY GUARDIAN, not only countering Houthi missile and drone strikes with precision and professionalism but also providing essential protection to commercial vessels. Our actions in this region stand as a testament to the readiness of our Navy and Marine Corps and send a clear message to the world that the United States will uphold international law and maintain freedom of navigation.

Russia remains dangerous. Russia's illegal and unprovoked invasion of Ukraine drew global

condemnation and prompted Finland and Sweden to join the North Atlantic Treaty Organization (NATO). On the battlefield, however, Russia has demonstrated operational learning, adapting technologically and tactically to Ukrainian innovations.

Closer to home, our Sailors and Marines are defending our Nation's homeland at the southern border through Operation SOUTHERN GUARDIAN, specifically Task Force Sapper. Since January 2025, Marines from the 1st Combat Engineer Battalion, 1st Marine Division, the 7th Engineer Support Battalion, and the 1st Marine Logistics Group have been tirelessly working alongside members of other Federal agencies to fortify border security and provide vital surveillance, logistics, and manpower support to the enforcement of our immigration laws. Their presence strengthens national defense and protects the homeland.

America is a maritime nation. For 250 years, America's Sailors and Marines have sailed the globe in defense of freedom. Because the seas are the lifeblood of our economy, our national security, and our way of life, we operate around the world and the clock.

FY 2026 President's Budget Request Overview

The Department of the Navy requires both discretionary and mandatory funding to successfully execute the budget. The FY 2026 budget rebuilds, reforms, and refocuses on what matters – readiness, accountability, efficiency, and deterrence to meet existential threats and sustain maritime superiority.

Figure 6.2 – FY 2026 Total Budget Request by Appropriation Group ($ in Billions)

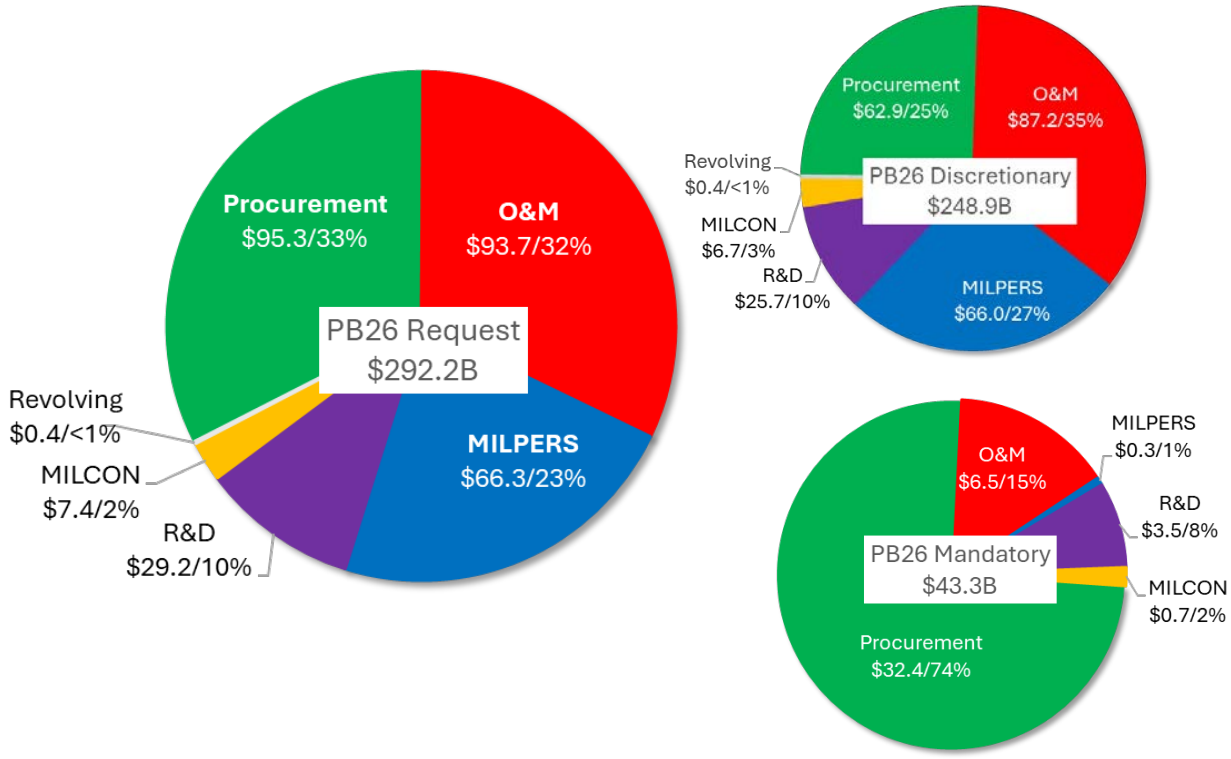


Figure 6.2 breaks out the $292.2 billion budget request, comprised of $248.9B in discretionary funds and $43.3B in mandatory (reconciliation) funds by major appropriation group. This budget

represents a $29.2 billion or 11 percent increase over our FY 2025 enacted President's Budget. There are significant increases across multiple appropriations, which demonstrate our strong focus on expanding capabilities, maintaining readiness, supporting personnel, advancing technology, and improving infrastructure. Specific increases include military construction at 19.5 percent; procurement, 16.4 percent; research, development, test, and evaluation, 12.3 percent; operation and maintenance, 8.0 percent; and military personnel, 6.6 percent.

The budget makes key investments across shipbuilding, aircraft, ground equipment, and research and development, ensuring balanced funding that rebuilds our fleet, modernizes capabilities, and fuels innovation. The budget accelerates efforts to restore operational readiness, reduce maintenance backlogs, and support the health and effectiveness of our Sailors and Marines. Fiscal reforms enhance our workforce, infrastructure, and financial stewardship, which is critical to sustained success. The budget is firmly grounded in Secretary Phelan's enduring priorities, which are the guiding principles that inform our decisions. These priorities are designed to ensure we strengthen shipbuilding and the maritime industrial base, foster an adaptive, accountable, and innovative Warfighter culture, and invest in the Health, Welfare, and Training of our People.

Strengthening Shipbuilding and the Maritime Industrial Base

First, we are strengthening shipbuilding and the maritime industrial base. This budget includes investments in shipyard worker wage increases, workforce development, modernizing infrastructure, re-skilling the workforce, and increasing capacity. By investing in shipyards and their suppliers with greater domestic and foreign capital, modernizing infrastructure, and re-skilling the workforce, we will ensure that the U.S. can build and maintain the most advanced naval vessels in the world. These investments are essential to ensuring we can build and maintain the advanced naval vessels needed to deter aggression and defend our interests.

Industrial Base

The request invests in industry underpinning the future of naval force capabilities. For shipbuilding, funds are provided for the Submarine Industrial Base to increase the shipbuilder's health and supply chain enterprise, as well as nuclear shipbuilder wages. This is necessary to meet a generational increase in demand driven by recapitalizing the most survivable leg of the Nuclear Triad – the Columbia, on-time delivery of Virginia-class Submarines, maintenance of in-service submarines, and national commitments made under the Australia, United Kingdom, and United States (AUKUS) agreement. Funding is also requested for the weapons industrial base to increase production and strengthen secondary and tertiary suppliers for continuity of critical components.

The budget request reflects investments made in the Shipyard Infrastructure Optimization Program (SIOP), which will deliver required dry dock repairs and upgrades to support nuclear-powered aircraft carriers and submarines. For aviation depots, funding supports the fleet readiness centers' infrastructure and modernization optimization plan to improve aviation throughput.

Procurement

Our ships, aircraft, and weapons are a reminder that America will defend its borders, its people,

and its principles. Our FY 2026 procurement request makes the appropriate investments to increase our assets in a prudent and financially responsible way.

The DON's FY 2026 shipbuilding budget request of $47.4 billion (including $26.5 billion mandatory) procures 19 battle force ships (3 in discretionary and 16 in mandatory) and funds cost-to-complete for prior year shipbuilding across multiple programs. The FY 2026 request funds one Columbia-class nuclear Ballistic Missile submarine (in discretionary) as the first of three years of incremental funding, as well as advance procurement for the future ships. Two Block VI Virginia-class submarines (one in discretionary and one in mandatory) are procured, as well as advance procurement for future ships. Continued incremental funding for CVNs 80 and 81 is requested, along with the first year of advanced procurement for CVN 82.

Two Arleigh Burke-class destroyers, the seventh and eighth firm ships, are requested (in mandatory). One Explorer-class ocean surveillance ship (T-AGOS) (in discretionary) and two John Lewis-class oilers (in mandatory) are requested.

To support the amphibious ship requirement, the following are requested (all in mandatory): one San Antonio class LPD, one America class LHA, and nine McClung class Medium Landing Ships providing maneuver forces for the Navy and Marine Corps.

The aircraft procurement request is $17.1 billion (including $0.1 billion in mandatory funding) in FY 2026. This includes 43 fixed-wing, rotary-wing, and unmanned aircraft (all in discretionary). Our aviation investments include: twenty-three F-35 Lightning Bs and Cs, twelve heavy lift CH-53K King Stallions, four E-2D Advanced Hawkeyes, and one UC-12W Operational Support Airlift. To continue our investment in unmanned platforms, three MQ-25s are procured, plus advance procurement for long-lead time material for future aircraft.

The weapons procurement request is $7.9 billion ($2.2 billion in mandatory funding). The request continues procurement for Naval Strike Missile (106 discretionary) and Long-Range Anti-Ship Missile (30 discretionary). There is increased production for several weapons, including: Standard Missile (28 discretionary, 111 mandatory), Joint Air-to-Ground Missile (277 discretionary), Small Diameter Bombs II (273 discretionary), Long-Range Anti-Ship Missile ER (26 discretionary, 64 mandatory), and Tomahawk Missiles (57 mandatory). Other ship weapons include Rolling Airframe Missile (123 discretionary), Evolved Sea Sparrow Missile (305 discretionary), Patriot PAC-3/MSE (12 mandatory), MK54 Lightweight Torpedo Mod 1 (54 mandatory), MK 48 heavyweight torpedo (63 mandatory), and LSC Surface-to-Surface Mission Mods (10 discretionary). Other aircraft weapons include AIM-9X Sidewinder (146 discretionary), Advanced Anti-Radiation Guided Missile (147 discretionary), and Advanced

Medium Range Air-to-Air Missile (51 discretionary).

The ground procurement request for the Marine Corps of $3.8 billion continues the commitment to Force Design. Procurements (all discretionary) include Amphibious Combat Vehicles with improved lethality (80) with the MK-44 30mm cannon and the M240 7.62mm coax machine gun, Javelin Missiles (56), Joint Light Tactical Vehicles (138), and Medium Range Intercept Capability systems (80). Funding is included for the sustainment of the Ground/Air Task Oriented Radar. There is also a focus on enhanced capabilities for communications and navigation which are critical to achieving the Force Design 2030.

Military Construction

PB26 prioritizes critical shore investments to increase Fleet readiness. The FY 2026 budget request of $6.8 billion (including $748 million mandatory) includes 48 projects in support of new platforms, shipyard improvements in Kittery, Maine, and Norfolk, Virginia, safety, Global Posture, and quality of life infrastructure requirements. The request provides $1.9 billion for the U.S. Indo-Pacific Command (USINDOPACOM) and the U.S. European Command (USEUCOM) Posture construction, to include major construction supporting the relocation of U.S. Marines from Okinawa to Guam and Darwin, Australia, Palau Port and Harbor Improvements, Unspecified Minor Construction, as well as Planning and Design for unaccompanied housing, child development centers, shipyards, and Guam.

Allies and Partners

We are building alliances, deterring adversaries, and cementing America's dominance at sea for decades to come. We continue to support the AUKUS trilateral agreement. This once-in-a-generation opportunity demonstrates shared interest in strengthening peace, stability, and deterrence across the Indo-Pacific and represents a leap in integrated deterrence and undersea warfighting. Royal Australian Navy Sailors are currently serving on American submarines and in the nuclear training pipeline. Last fall, U.S. Sailors assigned to the submarine tender USS Emory S. Land (AS 39) executed planned and emergent maintenance on the USS Hawaii (SSN 776) alongside their Royal Australian Navy counterparts — the first time Australian personnel have worked on a nuclear-powered attack submarine under the auspices of AUKUS.

Foster an Adaptive, Accountable, and Innovative Warfighter Culture

Fostering an accountable and innovative Warfighter culture means prioritizing funding for autonomous systems, artificial intelligence, and cyber capabilities to enhance decision-making speed and operational flexibility. It also means eliminating wasteful spending on programs misaligned with defense priorities.

As the Nation's first line of defense, the Navy and Marine Corps play an indispensable role in securing national interests and protecting our way of life. However, to truly strengthen our defense posture, we must first ensure that the Department of the Navy is accountable to the American taxpayer. Without a solid foundation of fiscal responsibility, transparency, and efficient resource management, we cannot expect to foster a culture of adaptability and warfighting excellence that is critical to our future success.

Research and Development

In this budget request of $29.2 billion (including $3.5 billion in mandatory funding) for Research, Development, Test, and Evaluation, the Navy invests in the warfighting naval force to provide our Sailors and Marines with the most cutting-edge systems, weapons, and platforms to win decisively in an increasingly complex environment. The request remains committed to the strategic deterrence mission, funding the generational recapitalization of all sea-based portions of the triad, including submarines, TACAMO, Trident D5, and our Nuclear Command, Control, and Communications networks. Additionally, it covers investments in future large surface combatants programs with newer technologies to counter emerging threats. Within aviation, key efforts requested include the Next Generation Jammer, E-2D, and JSF (F-35B/F-35C). The Department continues to focus on key enabling technologies for Robotic Autonomous Systems (RAS) to maximize interoperability and capability, increasing investment in large unmanned surface vessels (LUSVs) and extra-large unmanned undersea vehicles (XLUUVs). In aviation, we continue investments for MQ-4 Triton and MQ-25. The request also includes increased development efforts for Information Warfare in the areas of cybersecurity and operational maneuver, and investment in Command-and-Control Systems to develop, integrate, and harden the logistics information technology family of systems. Lastly, investments are made in the development of Marine Corps capabilities, including the Amphibious Combat Vehicle and Marine Air Defense Integration Systems.

Better Business Practices

The Department's better business practices and reform efforts will help rebuild our military by aligning resources to counter threats. To increase accountability and efficiency, the DON is conducting a thorough review of contracts to identify funding that could be reduced, retooled, or eliminated to better align with higher priority Navy and Marine Corps efforts. The Department is also eliminating funding for efforts that are not a priority for this Administration, including Diversity, Equity, and Inclusion initiatives and climate, as well as to focus on workforce optimization. To build a more resilient and responsive force, we must embrace the principles of better business practices in all aspects of our operations. By applying proven business strategies and techniques, we can eliminate inefficiencies, reduce waste, and ensure that we deploy resources where they will have the most significant impact.

Information Technology and Cyber

DON investments in enterprise information technology and cyber activities ensure the Navy and Marine Corps' ability to project naval power and sustain maritime operations in a continuously evolving threat environment. The DON remains focused on optimizing its information technology ecosystem to support warfighting and business mission objectives and on securing our enterprise networks, weapon systems, platforms, and critical infrastructure. For PB26, this includes significant investments in zero trust implementation for unclassified and classified networks, resilient transport, and cryptologic modernization.

Audit

The DON is committed to producing accurate and comprehensive annual financial statements and making continuous progress toward achieving a clean audit opinion. Attaining a clean audit opinion is essential not only for the DON but also for the Department of Defense and the U.S. Government, as it signifies transparency, accountability, and sound financial management. To

accomplish this, the DON is executing its proven financial management strategy, which emphasizes transformational changes aimed at the most impactful areas. These strategic initiatives focus on enhancing financial systems, strengthening internal controls, streamlining processes, and leveraging technology to ensure reliable financial data. Through these concerted efforts, the DON aims to improve its financial stewardship, support informed decision-making, and ultimately secure a clean audit opinion that reflects fiscal responsibility and effective management of resources.

The Health, Welfare, and Training of Our People and Their Families

Finally, we are not just investing in hardware, but in our people. This means providing our Sailors and Marines with unmatched, world-class training and a renewed emphasis on the warrior ethos. We are focused on providing our people the right resources to be successful in any combat environment.

The request funds an overall DON military end strength of 608,000 and fully supports the President's America First agenda, growing and maintaining our warriors to achieve peace through strength. The budget also takes care of our people by providing a 3.8 percent pay raise to uniformed personnel.

Personnel

For the Active Navy, the PB26 request of $43.6 billion (including $169.8 million mandatory) funds 344,600 Sailors. This end strength level allows us to continue our goal to maintain the optimal mix of personnel with the right skills and experience to support the fleet. The Navy Reserve request of $3.0 billion (including $5.2 million mandatory) funds 57,500 Reservists, which maintains our focus on recruitment and retention, with a renewed emphasis on aligning personnel with the right skills and experience to effectively support fleet requirements.

For the Active Marine Corps, the PB26 budget request of $18.6 billion (includes $118.4 million mandatory) for 172,300 Marines. The Reserve Marine Corps request is $1.1 billion and includes $4.1 million mandatory for 33,600 Marine Reservists. The Marine Corps continues to budget for what is achievable, while working towards the Force Design enduring level of 174,600 (active component) and 36,800 (reserve component). This request invests in bonus and incentive programs to continue meeting our retention goals and targeted maturation of small unit leaders and technically skilled personnel.

The civilian workforce plays a critical role in supporting the warfighting mission and contributing to our continued position as the world's preeminent maritime force. The FY 2026 budget requests $33.8 billion for 222,089 civilians, including U.S. direct hires, foreign national direct hires, and foreign national indirect hires. The Department is strategically responding to the impacts of the Deferred Resignation Program, and a thoughtful reorganization of functions is being reviewed to ensure alignment with evolving requirements.

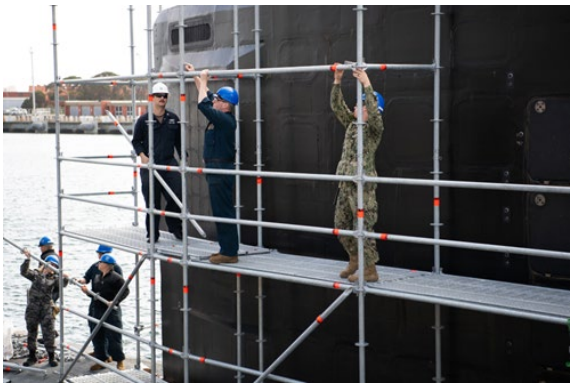
Family Housing

The budget request of $551.7 million reflects the Department's commitment to provide high-quality, safe, and well-maintained homes to our service members and their families. There are three housing construction projects and planning and design, as well as the operation and maintenance of 8,650 government-owned units and ~1,650 leased units.

Readiness

The readiness within the DON is built and maintained through a comprehensive network of resources and activities. This includes shipyards, aviation depots, and ground depots responsible for maintenance and repairs, as well as a global network of bases and stations that ensure operational presence worldwide. Additionally, readiness is reinforced through the steaming and flying hours that enable Sailors and Marines to develop and sustain their skills. The budget request supports both maintaining a strong presence globally and fulfilling crisis response responsibilities, ensuring that the DON remains prepared for a range of operational demands.

The ship maintenance request of $16.2 billion (all discretionary) funds critical maintenance for Military Sealift Command support ships and moves submarines and ships through public and private shipyards and returns them to the Fleet for operations through 57 availabilities. The ship operations request of $7.3 billion (including $1.9 billion mandatory) sustains the necessary training and deployment costs of the Fleet, ensuring full capability with essential spare parts and 58 underway days per quarter for deployed Fleet forces.



The Fleet Marine Force Readiness request of $4.6 billion (including $0.5 billion mandatory) advances Global posture capabilities, integrates Marine Corps Regiments, and enhances maintenance and logistics for strategic agility.

The flight operations request of $11.4 billion (all discretionary) funds over 940,000 Navy and Marine Corps active and reserve flying hours, balanced to resource Fleet preparation and execution of operational requirements. The aviation maintenance request of $2.0 billion includes $0.1 billion mandatory) funds 340 airframe and 1,275 engine events, as well as sustaining reforms over the last several years, and invests in depot overhauls and aircraft spares to increase mission-capable aircraft numbers.

The DON is committed to making affordable investments in facilities to sustain our critical advantage in supporting and sustaining combat forces. In this effort, we actively pursue opportunities to improve efficiency and resiliency. The Facilities Sustainment, Restoration, and Modernization (FSRM) program directs investments toward enhancing warfighting readiness and capabilities across 90 installations and their multiple annexes. FY 2026 FSRM request for the Navy is $5.7 billion (includes $1.7 billion mandatory), which includes funds for modernizing the Navy's four public shipyards as part of the Shipyard Infrastructure Optimization Program. The request funds critical upgrades to heating, ventilation, air conditioning, electrical, and plumbing systems to enhance unaccompanied housing facilities currently in poor or failing condition. The request also supports Basic Allowance for Housing for Sailors as part of a privatized unaccompanied housing pilot project in the Hampton Roads, Virginia area. Additionally, the budget invests in improvements to the Child Care Fee Assistance program. The Marine Corps FSRM request of $3.4 billion (includes $1.2 billion mandatory) makes significant investments in

Barracks 2030, as well as the demolition of failing facilities.

The Base Operating Support (BOS) request of $9.4 billion ($0.1 billion in mandatory funding) ensures the safe and efficient operation of shore-based installations worldwide for the DON. The BOS encompasses a wide range of essential services, including childcare, utilities, transportation, environmental and engineering support, base services, physical security, anti-terrorism and force protection, as well as port and airfield operations.

Resource Summary

The DON combined discretionary and mandatory funding in the FY 2026 President's Budget request is $292.2 billion. This budget is fully aligned with leadership guidance and direction from the President on down with a focus on expanding capabilities, maintaining readiness, supporting personnel, advancing technology, and improving infrastructure to ensure the U.S. Navy and Marine Corps maintain their status as the world's leading force across all domains—on the surface, beneath the waves, in the air, and beyond.

DEPARTMENT OF THE AIR FORCE

Budget Authority in Billions Department of the Air Force	FY 2024 Actuals1	FY 2025 Enacted2	FY 2026 Disc. Req.	FY 2026 Reconc. Req.	FY 2026 Total
Military Personnel	47.5	49.1	52.2	0.2	52.4
Operation and Maintenance	79.4	79.5	80.3	4.5	84.8
Procurement	65.6	59.1	57.6	10.0	67.6
RDT&E	66.0	64.8	67.5	23.8	91.3
Revolving and Management Funds	0.1	0.1	0.1	0.0	0.1
Military Construction	4.0	3.8	4.1	0.1	4.2
Family Housing	0.6	0.6	0.6	0.0	0.6
Total Department of the Air Force	**263.1**	**257.0**	**262.5**	**38.6**	**301.1**

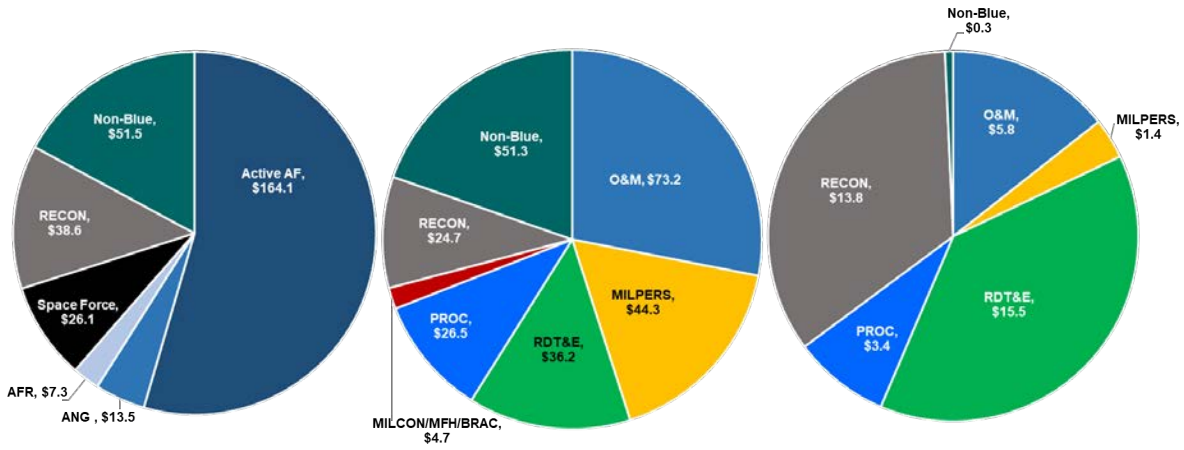
[1] FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).

[2] Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4) but excludes supplemental funding from P.L. 118-158.

Introduction

The Department of the Air Force's (DAF) Fiscal Year (FY) 2026 President's Budget request of $301.1 billion, which includes $38.6 billion in reconciliation funding, positions the Department to implement strategic guidance. The DAF is focused on the Department of Defense's (DoD) mission to achieve peace through strength. This budget request will restore our warrior ethos, rebuild our military, and reestablish deterrence. The DAF will invest in the people and teams that are our decisive advantage.

The charts below display the budget by Service (Air Force and Space Force), appropriation, and total force component (Active Duty Air Force, Air Force Reserve (AFR), Air National Guard (ANG), and Space Force).



FY 2026 DAF Components

$301.1 Billion

FY 2026 U.S. Air Force

$260.9 Billion

FY 2026 U.S. Space Force

$40.2 Billion

*Numbers may not add due to rounding (all pie charts)

The Department's $301.1 billion FY 2026 budget request, including $38.6 billion in reconciliation, represents a 17.1 percent, $44.0 billion increase from the DAF's FY 2025 full-year Continuing Resolution (CR) enacted position. This budget request maintains readiness to respond to current threats and addresses key capability gaps while investing to manage risks that are increasing with time. The request continues to focus and build upon the modernization called for by the Defense Secretary's priorities to reform our acquisition process and field emerging technologies. The budget also invests in our Airmen and Guardians and resources the Air and Space Force's core functions in support of national defense.

The chart to the right provides procurement quantities for the Department's major aircraft, munitions, and space programs. Specific dollar amounts and details are listed in the following sections.

Major Procurement Programs (Quantities)	FY25 Enacted	FY26 PBR
Aircraft		
F-35A	44	24
F-15EX	18	21
KC-46A	15	15
MH-139	8	2
T-7	0	14
Missiles/Ammunition		
SDB II	868	806
SDB I	150	511
JASSM-ER	450	389
AMRAAM	290	483
AIM-9X	136	173
AARGM-ER (SIAW)	113	99
LRASM	115	118
JSM	40	112
FAMM	0	3010
Space		
National Security Space Launch	7	4
Space Dev. Agency Launch	4	7
GPS III Follow On	2	0

Department of the Air Force

The DAF plays an integral role in achieving the four priorities set forth by the Secretary of Defense: restore warrior ethos, rebuild our military, reestablish deterrence, and reform & optimize. After 20 years focused on counterterrorism and counterinsurgency, the DAF is ensuring our organization is optimized to address all threats we will continue to face in the coming decades. The Department is ready to deter and prevail against today's threats; however, to maintain our advantage and improve our operational posture, we must continue immediate and significant capability modernization to keep pace with the growing military capabilities of China. The Department will maintain readiness in the short term while investing in long-term capabilities to manage growing risk over time.

Taking Care of Airmen and Guardians

The Department's Airmen and Guardians within the Air Force and Space Force create the decisive advantage in our strategic competition and lead to the success in our mission as part of the Joint Force. To win the high-end fight, we attract, develop, employ, engage, and retain our nation's best talent. The DAF remains committed to maximizing opportunities for all members, both military and civilians, to serve to their fullest potential. This budget provides quality of life improvements with an across-the-board 3.8 percent pay raise, an increase of 4.2 percent for Basic Allowance for Housing, and 3.4 percent for Subsistence, and increases in Temporary Lodging Allowance and Temporary Lodging Expense. This budget also prioritizes enhanced childcare support, improved staffing ratios, and expanded family advocacy. Dedicated, talented, and selfless Airmen and Guardians enable our success and must be valued and supported.

United States Air Force

Air Superiority

The Air Force builds on previous modernization investments to attain a more lethal, resilient, sustainable, survivable, agile, and responsive force. These investments include multi-role air superiority capabilities and the capacity to defend the homeland, project airpower globally, and operate as a joint, allied and partner force. While crewed fighters will remain the core of Air Force combat power, Collaborative Combat Aircraft (CCA) can provide risk-tolerant, combat-effective mass at an affordable cost. The Future Fighter Force is tied to the F-47, which will provide air superiority in contested environments for the Joint Force in the 2030s. The Air Force preserves previous advances and invests across foundational accounts, while focusing resources on long-range kill chain capabilities. Our investments align with the national strategy to deliver warfighting solutions for the Joint Warfighting Concept.

The USAF fighter force will be comprised of a mix of 4th, 5th, and next-gen fighters. We will maintain fighter readiness while modernizing F-16s, F-15s, and F-22s to the maximum extent possible within fiscal constraints. Additionally, we will field Block 4 F-35s and the F-47 over the next decade. The F-22 modernization effort is focused on lethality, survivability, connectivity, and persistence in a highly contested environment (HCE).

Family of Systems directs the development of Collaborative Combat Aircraft (CCA) uncrewed systems, autonomy development through the Viper Experimentation and Next-gen Ops Model, CCA uncrewed aircraft integration with existing platforms, and the continued standup of the CCA Experimental Operational Unit. Our investment of $804.4 million will allow our Air Force to more effectively deter aggression and maintain air superiority in the air domain.

The USAF must evolve its fighter force to meet the threat posed by our most consequential adversaries to ensure air superiority and dominance over peer adversaries, as well as provide the capability and capacity to meet worldwide demands in the 2030s and beyond. An integral part of this evolution is accelerating the development of uncrewed, collaborative combat platforms to increase combat capability and affordable capacity.

Optimized Resilient Forward Basing requires that we ensure our bases and airfields are resilient, sustainable, and networked to provide effective and reliable sortie generation and mission execution in a contested environment. The Joint Force cannot successfully conduct operations at a rate needed to deter aggression in the Pacific without optimized resilient forward basing that can remain functional and effective while under heavy attack. Investment in infrastructure, agile communications, and base defense is critical to the success of this effort, and this budget includes $600.6 million to achieve this objective.

Global Strike

Continued strategic nuclear deterrence promotes global stability and modernization and will provide nuclear strike options for decades to come. The FY 2026 budget funds nuclear modernization and continues to recapitalize our contributions to the nation's nuclear triad and Nuclear Command, Control, and Communication (NC3). The FY 2026 budget funds $4.5 billion for the Sentinel system that replaces the +45-year Minuteman III Intercontinental Ballistic Missile.

Our nuclear-capable bomber force is the second leg of the Nation's nuclear triad. Investments focus on an expeditious transition to the B-21 and modernizing the B-52 fleet. We also continue sustaining the B-2 fleet to keep relevancy until divestiture. The FY 2026 budget request includes $5.5 billion to support B-21 low-rate initial production to attain a nuclear-capable bomber force.

The Air Force must build the right mix of hypersonic and long-range subsonic missiles. The FY 2026 budget invests in capabilities that can strike at long distances, including hypersonics by investing $802.8 million in the Hypersonic Attack Cruise Missile, $387.1M in the Air-Launched Rapid Response Weapon (ARRW), and $1.1 billion in the Joint Air-to-Surface Standoff Missile Extended Range (JASSM-ER). We aim to enable the industrial base to manufacture hypersonic systems affordably and at the capacity necessary to provide a decisive advantage on the battlefield. Similar to our previous request, the budget asks for multi-year procurement to build inventory levels for air dominance and global precision attack missions. The LRSO and JASSM-ER must continue development and production to provide nuclear and conventional long-range strike options.

Long-Range Strike Family of Systems directs the development and eventual employment of a long-range strike family of systems, integrating the B-21 bomber with advanced communications, sensors, and a broad mix of weapons and supporting systems to conduct long-range strike operations in a highly contested environment.

The DAF has a responsibility to invest in an affordable mix of both air-to-air and air-to-surface weapons that can deliver the capability and capacity needed to maintain a competitive advantage over our pacing challenge. To this end, investment in capabilities that enable rapid test and production of new technologies with open system architectures in relevant quantities is necessary. The Air Force is investing $656.3 million in the Family of Affordable Mass Missiles. Key attributes of future munitions include Government-referenced Open Systems Architecture compliance that enables rapid, agile upgrades, as well as mesh-network compatibility, survivability, and exportability.

Rapid Global Mobility

In FY 2026, the tanker Total Aircraft Inventory (TAI) remains at 466. Modernizing the aging tanker fleet is a priority in the Rapid Global Mobility portfolio. The Air Force is investing $3.3 billion to recapitalize the tanker enterprise, purchasing 15 KC-46As to support air operations worldwide.

The DAF maintains a tactical airlift C-130J/H TAI fleet of 271 aircraft. Given the notable remaining service life of the C-130H fleet, further recapitalization of the C-130H is not needed. The C-17A/C-5M aircraft TAI fleet remains at 274. The budget invests over $6.2 billion in key safety, modernization, and communication/connectivity modifications across the tactical and strategic airlift fleets in FY 2026.

The Joint force must be able to effectively deploy, conduct, and sustain operations against peer competitors in highly contested environments. A mix of survivable, connected, and agile mobility platforms that reliably provide range, flexible payloads, and unique capabilities are necessary for sustaining operations in highly contested environments. The FY 2026 budget sets options for future KC-46 production and provides the funding needed to establish a new tanker recapitalization contract in the future while improving tanker survivability.

The Next Generation Airlift (NGAL) program is intended to replace the C-5 and C-17 and will be capable of delivering cargo within a contested, degraded, and operationally limited (CDO) environment to meet dynamic Joint Force needs.

The long-term approach for the C-130 fleet is to retain the programmed mix of C-130J and C-130H aircraft, while continuing to ensure safety, airspace compliance, and continued warfighter capability.

Command and Control

A mix of space and airborne sensors is needed for Command and Control (C2) in the air domain to support Joint and coalition forces. Investments are critical to counter advanced and emerging air threats fielded or in development by adversaries.

In support of the modernization of our nuclear assets, the NC3 program is funded at $3.0 billion. As the Department of Defense modernizes the three legs of the nuclear triad, we must also modernize the communications systems and sensors that enable them to function; the Department of the Air Force provides 75 percent of the NC3 capabilities. NC3 enables broader Combined Joint All-Domain Command and Control (CJADC2) initiatives and must be developed in synchronization with other CJADC2 efforts.

The DAF must develop and migrate to a C2 architecture capable of resilient, high-speed battle management of a distributed, adaptive force and the operational ability to disaggregate execution when the threat requires it. The DAF BATTLE NETWORK architecture will integrate numerous Air Force and Space Force programs by enabling distributed C2 at a variety of disaggregated locations as dictated by the operational situation. Advanced Battle Management System (ABMS) is the program element that funds a subset of DAF BATTLE NETWORK capabilities, and will provide the connectivity, secure processing, and data management capabilities needed to battle manage DAF assets and contribute to the joint fight in a highly contested, dynamic, time-compressed environment at scale. The DAF BATTLE NETWORK is the DAF contribution to CJADC2.

Transition to Wartime Posture focuses on posturing the Department to mobilize and transition to war, as well as sustain operations in a contested environment, including supporting information technology systems. The Air Force is investing $1.6 billion in the modernization of our information technology infrastructure and platforms, and in improving our cybersecurity and resilience.

Intelligence, Surveillance, Reconnaissance, and Targeting

The ability to win future high-end conflicts requires accelerating our transition of the Intelligence, Surveillance, Reconnaissance, and Targeting (ISRT) force structure into a more survivable, persistent, and connected force. We need congressional support to move away from legacy systems that offer limited capability against peer competitors. Future ISRT capabilities will deliver time-relevant, tailor-made solutions against diverse operational problems to deliver target quality intelligence to the warfighter at speed and scale. ISRT enterprise supports combatant commanders while accepting a small risk by preparing to divest less survivable systems to focus resources on future capabilities.

The DAF is transitioning the ISR force structure into a more survivable, persistent, and connected force with sensors in all domains providing time-relevant, target-quality intelligence at speed and scale. In this budget, the Air Force is investing $1.3 billion in developing and sustaining a family of survivable, long-range, and persistent sensors. These sensing capabilities are underpinned by increased investment in technologies necessary to complete, automate, and sustain long-range kill chains. These investments will integrate complex external data, optimize sensor tasking,

provide necessary battle management, and enable weapon-target pairing necessary to close long-range kill chains.

Space-based sensors will provide greater capacity and global coverage, especially where legacy aircraft cannot penetrate anti-access, area-denial environments. Airborne assets can provide unwarned collection, greater collection sensitivity, and more accurate geolocations when utilized cooperatively with space-based sensors.

The DAF must achieve electromagnetic dominance to maintain the information advantage in highly contested environments. Advanced electromagnetic spectrum (EMS) systems and infrastructure will enhance operational effectiveness, particularly Electromagnetic Warfare, Electromagnetic Spectrum-Enabled Cyberspace Attack, and Electromagnetic Battle Management. The Air Force is investing $423.2 million to accelerate these efforts. To gain advantage in the EMS, we must invest in capabilities to augment our current Electronic Attack systems, help us characterize the EMS environment, command and control EMS operations (EMSO), and rapidly update and assess our aircraft EMS-sensing systems to adjust to real-time adversary changes.

United States Space Force

The Space Force's FY 2026 President's Budget request aligns with national defense guidance and statutory roles of the Space Force to organize, train, and equip to provide freedom of operation for the United States in, from, and to space, conduct space operations, and protect the interests of the United States in space.

Space Control

The Space Force exists to fight and win in the space domain, and the Service's essential function is space superiority – that is, the degree of control that allows our forces to operate at a time and place of their choosing without prohibitive interference from space or counterspace threats, while also denying the same to an adversary. The Space Force will achieve space superiority through space control, which includes the activities required to contest and control the space domain, such as offensive and defensive actions, referred to as counterspace operations.

Space Force requests $8.2 billion for space control capabilities.

Global Mission Operations

Space is central to all the other services carrying out their missions. The Space Force enables the Joint Force to defend U.S. interests and defeat adversary aggression. Space Global Mission Operations encompasses Space Force activities to deliver space capabilities to the Joint Force and the nation. The FY 2026 budget request includes funding for capabilities that strengthen our deterrence posture by preserving Joint Force freedom of action throughout the continuum of conflict, including negating adversary space-based ISR and closing long-range kill chain.

Space capabilities are also critical to defending the homeland and reestablishing deterrence. A strong defense will deter adversary actions against the homeland. Through the FY 2026 budget request, the Space Force will support the development of Golden Dome, providing critical space capabilities for sensing and tracking threats to the homeland. We are requesting $22.2 billion for the Global Mission Operations portfolio, including $3.3 billion for missile warning and missile tracking capabilities.

Space Access

Space access is a requirement for space superiority, and a key function of the Space Force is to ensure the movement and sustainment of equipment in, from, and to the space domain. We accomplish this through satellite control, space lift, and range control. Space Force launches from Vandenberg Space Force Base in California and Patrick Space Force Base in Florida. Our launch tempo has increased significantly, as has the commercial launch tempo. We are requesting $3.9 billion for National Security Space Launch (NSSL) and Space Development Agency (SDA) launches.

Enterprise

Space enterprise functions cover the range of activities that enable Space Force core functions, including intelligence, Command and Control, Space Domain Awareness, networks, test, science and technology, and more. Command and control capabilities are essential to ensure authority and direction for forces to accomplish their mission. Space Domain Awareness capabilities allow the Space Force to detect, characterize, attribute, predict, and target activities in the space domain. Our intelligence capabilities are vital for carrying out our Space Force mission and supporting the Joint Force. We are investing $7.2 billion for enterprise needs, including $240.0 million for the Space Force test portfolio, $739.7 million for Science and Technology, and $230.4 million for networks.

Conclusion

The DAF faces a generational challenge with an enduring strategic competition against a dynamic, well-resourced, and determined competitor. We are in a race for technological superiority. China is actively developing and expanding capabilities to defeat our ability to project power. Our FY 2026 budget request is informed by these threats and builds a ready force capable of engaging the strategic long-term challenge across the spectrum of operations from competition through crisis. It is aligned with the Interim National Defense Strategic Guidance and Secretary of Defense priorities and meets our mission requirements while taking care of people and fulfilling our role on the Joint and interagency team. The FY 2026 budget request will support the Air Force and Space Force pursuit of peace through strength, enhancing deterrence, and if deterrence fails, prevailing in conflict.

NATIONAL GUARD

Budget Authority in Billions National Guard Bureau	FY 2024 Actuals	FY 2025 Enacted1	FY 2026 Disc. Req.	FY 2026 Reconc. Req.	FY 2026 Total
Military Personnel	16.7	16.7	17.6	0.0	17.6
Operation and Maintenance	16.0	15.6	15.7	0.3	16.0
National Guard and Reserve Equipment	0.6	0.5	-	-	-
Military Construction	1.1	0.7	0.3	0.0	0.3
Subtotal National Guard Appropriations	**34.3**	**33.5**	**33.7**	**0.3**	**34.0**
Service Proc Programs Reserve Comp (P-1R)	3.5	2.8	2.5	0.0	2.5
Total National Guard	**37.9**	**36.3**	**36.1**	**0.3**	**36.5**

[1] Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4) but excludes supplemental funding from P.L. 118-158.

Introduction

In direct support of the Secretary of Defense's mandates to **Restore the Warrior Ethos, Rebuild the Military, and Reestablish Deterrence**, the FY 2026 budget request represents a forward-looking investment in the National Guard's future, strengthening today's capabilities while positioning forces for the dynamic challenges of tomorrow. Embracing modernization transforms readiness through the integration of cutting-edge technologies such as advanced communications systems, cyber defense tools, unmanned platforms, and artificial intelligence-driven analytics. These enhancements enable rapid decision-making and precision execution on the battlefield to deter adversaries, and when called upon, win wars.

At the heart of this transformation lies the National Guard Mission Triad—**Homeland, Warfight, and Partnerships**. National Guard Soldiers and Airmen are qualified and ready, while Service-led modernization efforts are seamlessly paired with a deep-rooted commitment to community integration, which is the lifeblood of the Guard's citizen-soldier heritage. The forces that are drawn from local neighborhoods across all States, Territories, and the District of Columbia are a cornerstone in the foundation of defense. This inherent local and longstanding bond fosters trust, resilience, and rapid mobilization; professional Soldiers and Airmen are ready to deploy anytime the United States or communities need us.

These operational advantages are further amplified through strategic partnerships. Domestically, close coordination with State and local agencies enhances the Guard's ability to respond swiftly to natural disasters and defend critical infrastructure. On an international level, the State Partnership Program (SPP) extends integration and interoperability of U.S. forces with allies and partners. It is a unique security cooperation program that delivers enduring relationships with 115 countries, representing 60 percent of the world's nations. The SPP relationships build partner capacity, facilitate burden sharing, and increase partner resiliency in responding to emerging global challenges for less than one percent of the DoD security cooperation budget.

With an authorized end strength of 434,300, the National Guard remains a force multiplier in the

total Joint Force. Investments in modernizing technologies, maintaining combat readiness, and expanding partnerships reinforce the capacity to defend the Homeland, deter adversaries, and empower allies. In doing so, this keeps the National Guard's promise to America of an elite and lethal force that is **Always Ready, Always There**!

Army National Guard (ARNG) Budget Request

The FY 2026 ARNG budget request supports an end strength of 328,000 Soldiers. To meet end strength goals, the ARNG remains focused on new recruiting and retention initiatives. The FY 2026 budget funds 4,052 full-time and 533 part-time recruiters and fully invests in the ARNG marketing and advertising strategies. It also funds ARNG statutory programs; the basic pay increases for Junior Enlisted Pay Reform in the National Defense Authorization Act for FY 2025; and Basic Housing Allowance, Basic Allowance for Subsistence, Retired Pay Accrual, and Initial Entry Training.

The FY 2026 budget resources 26,688 civilian Full-Time Equivalents, a net reduction of 623 positions from the 27,311 enacted in the FY 2025 budget request.

As the primary combat reserve of the Army, the ARNG continues to support Active forces in sustaining joint operations through a responsive and ready force-generating capability. To build readiness and deter adversaries around the globe while operating in a multidomain environment as part of the Joint Force, the ARNG will conduct two Combat Training Center rotations at the National Training Center and the Joint Readiness Training Center. The ARNG will also conduct two Exportable Combat Training Capability events, with one at Camp Grayling, Michigan, and one at Camp Atterbury, Indiana. The FY 2026 budget supports ARNG flying hour program proficiency hours at 7.4 hours per crew per month and builds readiness in the force to respond to threats to the Homeland and natural disasters like hurricanes and wildfires.

The FY 2026 budget request funds facility sustainment at 85 percent, which allows for scheduled preventative maintenance and timely response to on-demand work orders at all facilities and installations. The FY 2026 budget request also funds base operations support at 90 percent to enable ARNG Soldier support and family programs, fire and emergency services, prevention programs, installation protection services, municipal services to installations, and airfield support across the States, Territories, and the District of Columbia.

The Army Transformation Initiative, Transformation in Contact model was used to evaluate what the Army buys, how it organizes, and how it trains, and was applied to the ARNG FY 2026 President’s Budget programs and priorities. The ARNG must transform at an accelerated pace by divesting of outdated, redundant, and inefficient programs to focus on these transformation priorities and goals. For the ARNG, this resulted in the restructuring of headquarters, implementing a civilian workforce reduction, and reducing some force structure to balance end strength with modern and improved force readiness.

Air National Guard (ANG) Budget Request

The FY 2026 ANG budget request is strategically aligned to support the Interim National Defense Strategic Guidance by focusing on readiness, warfighting, and peace through strength. The proposed budget sustains an end strength of 106,300 Airmen, a critical level necessary to meet ANG demanding mission requirements and ensures the ANG can effectively contribute to national security objectives across a spectrum of operational domains. The FY 2026 budget request includes funding for 139,024 flying hours specifically designed to enhance and sustain the critical skills of pilots and aircrew and increase warfighter readiness. Furthermore, the FY 2026 budget request prioritizes the modernization and sustainment of the ANG aircraft fleet, funding 87 percent of the required Weapon System Sustainment for the 882 aircraft in inventory. The ANG remains a vital and indispensable component of America's defense, playing a crucial role in optimizing DoD resources to effectively achieve its Interim National Defense Strategic Guidance responsibilities and priorities. The unique structure and capabilities of the ANG provide cost-effective solutions to complex defense challenges, ensuring American taxpayer dollars are used efficiently to maintain a strong and ready military force.

"The National Guard is synonymous with the Interim National Defense Strategic guidance: Homeland, Warfight, Partnerships. Our Guardsmen are combat-ready, cost-effective, experienced and dual role - both state and federal - like no other force. As the primary combat reserve of the Army and the Air Force, the National Guard delivers elite operational capability with strategic depth to deter our adversaries. We represent 20% of the Joint Force at less than 4% of the budget"

- Chief of the National Guard Bureau General Steven S. Nordhaus, May 2025

APPENDIX A: RESOURCE EXHIBITS

Chart A-1. FY 2026 DoD Budget Request by Military Department

$961.6B Discretionary + Mandatory Reconciliation

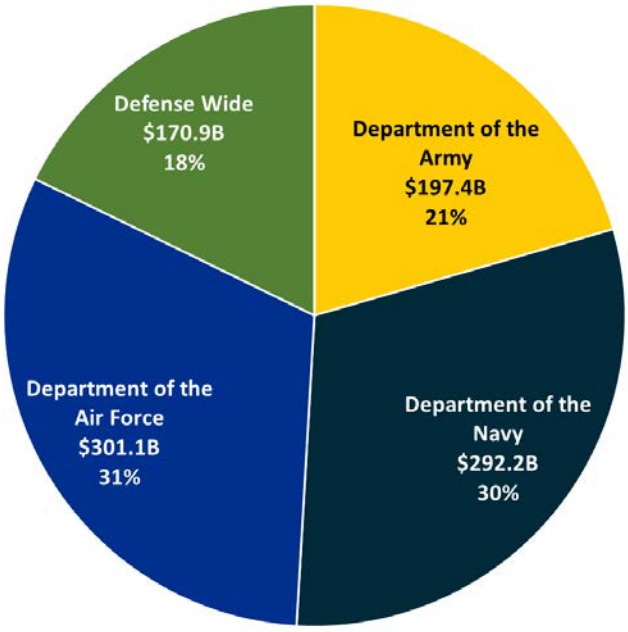


Chart A-2. FY 2026 DoD Budget Request – Additional Details

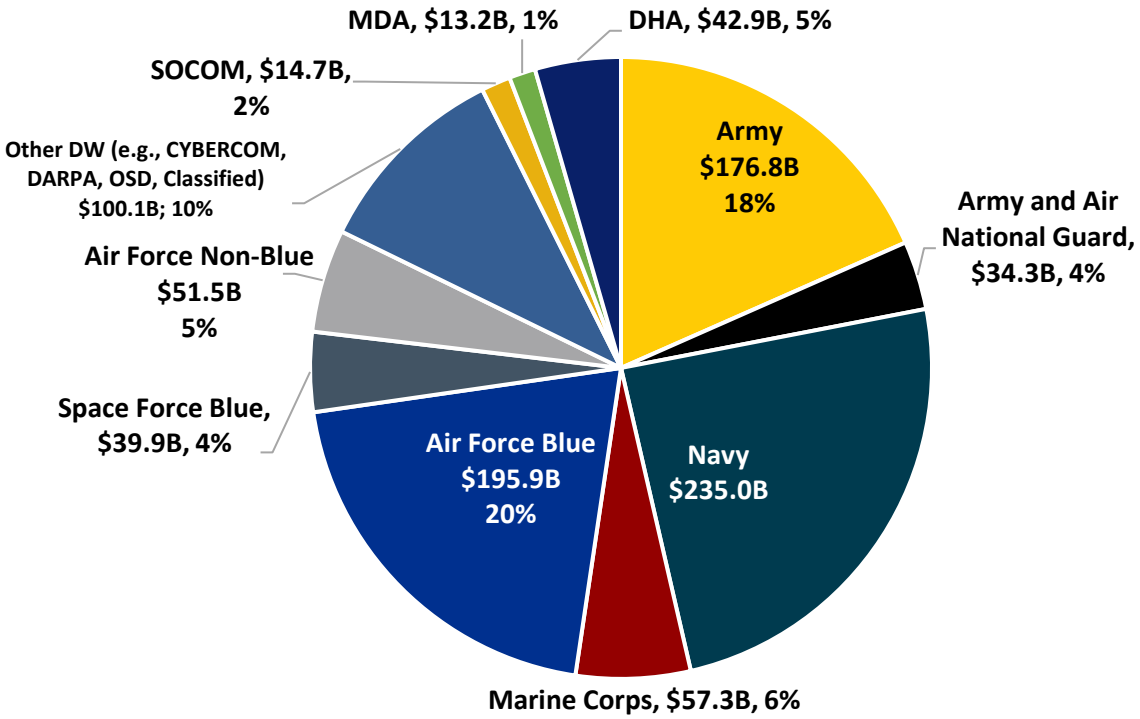


Table A-1. DoD Total (Discretionary + Supplemental + Mandatory Reconciliation) Budget by Appropriation Title *($ in millions)*

Total Budget	FY 2024[1]	FY 2025 Enacted[2]	FY 2026 Disc.	FY 2026 Mand.	FY 2026 Total
Military Personnel	176,449	182,434	194,653	687	195,340
Operation and Maintenance	363,237	341,935	337,430	22,708	360,138
Procurement	200,931	173,772	153,280	51,944	205,224
RDT&E	148,110	140,748	142,001	37,069	179,070
Revolving and Management Funds	1,975	1,891	2,038	--	2,038
Offsetting Receipts	-9	--	--	--	--
Defense Bill	**890,693**	**840,780**	**829,402**	**112,408**	**941,810**
Military Construction	16,967	17,131	17,038	892	17,930
Family Housing	1,971	2,143	1,855	--	1,855
Military Construction Bill	**18,938**	**19,274**	**18,893**	**892**	**19,785**
DoD TOTAL	**909,631**	**860,054**	**848,295**	**113,300**	**961,595**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).*

[2] *Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4) and supplemental funding from P.L. 118-158.*

Table A-2. DoD Total (Discretionary + Supplemental + Mandatory Reconciliation) Budget by Military Department *($ in millions)*

Total Budget	FY 2024[1]	FY 2025 Enacted[2]	FY 2026 Disc.	FY 2026 Mand.	FY 2026 Total
Army	206,104	185,104	192,055	5,353	197,409
Navy	262,744	262,877	248,915	43,318	292,233
Air Force	263,054	258,765	262,517	38,561	301,078
Defense-Wide	177,729	153,308	144,808	26,067	170,876
DoD TOTAL	**909,631**	**860,054**	**848,295**	**113,300**	**961,595**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).*

[2] *Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4) and supplemental funding from P.L. 118-158.*

Table A-3. DoD Total (Discretionary + Supplemental + Mandatory Reconciliation) Budget by Military Department and Appropriation Title *($ in millions)*

Department of the Army	FY 2024[1]	FY 2025 Enacted[2]	FY 2026 Disc. Req.	FY 2026 Recon.	FY 2026 Total
Military Personnel	69,897	71,179	76,436	202	76,638
Operation & Maintenance	76,576	69,914	71,469	2,315	73,784
Procurement	38,590	25,570	26,434	1,989	28,423
RDT&E	17,058	14,363	14,549	847	15,396
Revolving and Management Funds	149	144	21	--	21
Military Construction	3,134	3,172	2,540	--	2,540
Family Housing	700	762	607	--	607
ARMY TOTAL	**206,104**	**185,104**	**192,055**	**5,353**	**197,409**

Department of the Navy	FY 2024[1]	FY 2025 Enacted[2]	FY 2026 Disc.	FY 2026 Mand.	FY 2026 Total
Military Personnel	59,094	62,195	65,975	298	66,273
Operation & Maintenance	86,308	86,782	87,246	6,467	93,713
Procurement	82,730	81,739	62,924	32,352	95,276
RDT&E	27,606	25,916	25,708	3,452	29,160
Revolving and Management Funds	32	30	382	--	382
Military Construction	6,324	5,453	6,128	749	6,877
Family Housing	651	763	552	--	552
NAVY TOTAL	**262,744**	**262,877**	**248,915**	**43,318**	**292,233**

Department of the Air Force	FY 2024[1]	FY 2025 Enacted[2]	FY 2026 Disc.	FY 2026 Mand.	FY 2026 Total
Military Personnel	47,459	49,060	52,242	187	52,429
Operation & Maintenance	79,392	80,510	80,315	4,527	84,842
Procurement	65,583	59,307	57,637	9,964	67,601
RDT&E	65,976	64,913	67,504	23,775	91,278
Revolving and Management Funds	84	87	90	--	90
Military Construction	3,999	4,330	4,095	108	4,203
Family Housing	561	558	634	--	634
AIR FORCE TOTAL	**263,054**	**258,765**	**262,517**	**38,561**	**301,078**

Defense - Wide	FY 2024[1]	FY 2025 Enacted[2]	FY 2026 Disc.	FY 2026 Mand.	FY 2026 Total
Operation & Maintenance	120,962	104,728	98,399	9,398	107,798
Procurement	14,028	7,156	6,286	7,638	13,924
RDT&E	37,471	35,556	34,240	8,996	43,236
Revolving and Management Funds	1,709	1,630	1,545	--	1,545
Offsetting Receipts	-9	--	--	--	--
Military Construction	3,510	4,177	4,275	35	4,310
Family Housing	58	61	62	--	62
DEFENSE - WIDE TOTAL	**177,729**	**153,308**	**144,808**	**26,067**	**170,876**

DoD TOTAL	**909,631**	**860,054**	**848,295**	**113,300**	**961,595**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).*

[2] *Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4) and supplemental funding from P.L. 118-158.*

Table A-4. Combat Force Structure Overview

Service	FY 2024	FY 2025	FY 2026	Δ FY25-26
Army Active				
Brigade Combat Teams (BCT)	31	31	31	0
Combat Aviation Brigades (CAB)	11	11	11	0
Army National Guard				
BCT	27	27	27	0
CAB/Theater Aviation Brigade	10	10	10	0
Army Reserve				
CAB	2	2	0	-2
Navy				
Number of Battle Force Ships	296	288	287	-1
Carrier Strike Groups	11	11	11	0
Marine Corps Active				
Marine Expeditionary Forces	3	3	3	0
Infantry Battalions	21	21	21	0
Marine Corps Reserve				
Marine Expeditionary Forces	0	0	0	0
Infantry Battalions	8	8	8	0
Air Force Active				
Combat Coded Squadrons	166	161	158	-3
Aircraft Inventory (TAI)	3,668	3,517	3,393	-124
Air Force Reserve				
Combat Coded Squadrons	26	24	24	0
Aircraft Inventory (TAI)	317	322	269	-53
Air National Guard				
Combat Coded Squadrons	20	20	20	0
Aircraft Inventory (TAI)	955	923	882	-41

Table A-5. Active Component End Strength

Service	FY 2024[1]	FY 2025 Authorized	FY 2025 Projected	FY 2026
Army	449,816	442,300	451,904	454,000
Navy	332,336	332,300	338,453	344,600
Marine Corps	173,096	172,300	172,606	172,300
Air Force	315,958	320,000	318,235	321,500
Space Force	9,446	9,800	10,074	10,400
TOTAL	**1,280,652**	**1,276,700**	**1,291,272**	**1,302,800**

[1] *FY 2024 actuals*

Table A-6. Reserve Component End Strength

Service	FY 2024[1]	FY 2025 Authorized	FY 2025 Projected	FY 2026
Army Reserve	172,717	175,800	170,200	172,000
Navy Reserve	56,067	57,700	58,332	57,500
Marine Corps Reserve	32,579	32,500	32,855	33,600
Air Force Reserve	65,679	67,000	65,984	67,500
Army National Guard	323,756	325,000	328,000	328,000
Air National Guard	103,605	108,300	106,125	106,300
TOTAL	**754,403**	**766,300**	**761,496**	**764,900**

[1] *FY 2024 actuals*

Table A-7. DoD Discretionary Budget by Appropriation Title *($ in millions)*

Discretionary Budget	FY 2024	FY 2025 Enacted[1]	FY 2026 Disc.	Δ FY25-26
Military Personnel	176,194	182,434	194,653	+12,219
Operation and Maintenance	327,305	338,036	337,430	-606
Procurement	171,078	167,788	153,280	-14,508
RDT&E	147,092	140,638	142,001	+1,363
Revolving and Management Funds	1,974	1,891	2,038	+147
Offsetting Receipts	-9	--	--	--
Defense Bill	**823,635**	**830,786**	**829,402**	**-1,384**
Military Construction	16,685	15,495	17,038	+1,543
Family Housing	1,971	2,014	1,855	-159
Military Construction Bill	**18,656**	**17,509**	**18,893**	**+1,384**
DoD DISCRETIONARY TOTAL	**842,291**	**848,295**	**848,295**	**--**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4).*

Table A-8. DoD Discretionary Budget by Military Department *($ in millions)*

Discretionary Budget	FY 2024	FY 2025 Enacted[1]	FY 2026 Disc.	Δ FY25-26
Army	186,256	184,419	192,055	+7,636
Navy	254,840	254,466	248,915	-5,552
Air Force	257,158	257,034	262,517	+5,483
Defense-Wide	144,035	152,376	144,808	-7,568
DoD DISCRETIONARY TOTAL	**842,291**	**848,295**	**848,295**	**--**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4).*

Table A-9. DoD Discretionary Budget by Military Department and Appropriation Title *($ in millions)*

Department of the Army	FY 2024	FY 2025 Enacted[1]	FY 2026 Disc.	Δ FY25-26
Military Personnel	69,674	71,179	76,436	+5,257
Operation & Maintenance	70,939	69,417	71,469	+2,052
Procurement	24,621	25,445	26,434	+989
RDT&E	17,039	14,322	14,549	+227
Revolving and Management Funds	149	144	21	-123
Military Construction	3,134	3,151	2,540	-611
Family Housing	700	762	607	-155
ARMY DISCRETIONARY TOTAL	**186,256**	**184,419**	**192,055**	**+7,636**

Department of the Navy	FY 2024	FY 2025 Enacted[1]	FY 2026 Disc.	Δ FY25-26
Military Personnel	59,089	62,195	65,975	+3,780
Operation & Maintenance	84,018	85,319	87,246	+1,927
Procurement	77,474	76,048	62,924	-13,123
RDT&E	27,535	25,916	25,708	-208
Revolving and Management Funds	32	30	382	+352
Military Construction	6,042	4,326	6,128	+1,802
Family Housing	651	633	552	-81
NAVY DISCRETIONARY TOTAL	**254,840**	**254,466**	**248,915**	**-5,552**

Department of the Air Force	FY 2024	FY 2025 Enacted[1]	FY 2026 Disc.	Δ FY25-26
Military Personnel	47,431	49,060	52,242	+3,182
Operation & Maintenance	78,708	79,503	80,315	+812
Procurement	60,932	59,139	57,637	-1,503
RDT&E	65,444	64,844	67,504	+2,660
Revolving and Management Funds	84	87	90	+3
Military Construction	3,999	3,842	4,095	+252
Family Housing	561	558	634	+76
AIR FORCE DISCRETIONARY TOTAL	**257,158**	**257,034**	**262,517**	**+5,483**

Defense - Wide	FY 2024	FY 2025 Enacted[1]	FY 2026 Disc.	Δ FY25-26
Operation & Maintenance	93,641	103,796	98,399	-5,397
Procurement	8,052	7,156	6,286	-870
RDT&E	37,074	35,556	34,240	-1,316
Revolving and Management Funds	1,709	1,630	1,545	-85
Offsetting Receipts	-9	--	--	--
Military Construction	3,510	4,177	4,275	+99
Family Housing	58	61	62	+1
DEFENSE - WIDE DISCRETIONARY TOTAL	**144,035**	**152,376**	**144,808**	**-7,568**

DoD DISCRETIONARY TOTAL	**842,291**	**848,295**	**848,295**	**--**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *Reflects Full-Year Continuing Appropriation and Extensions Act, 2025 (P.L. 119-4).*

Table A-10. DoD Supplemental / Reconciliation Funding by Purpose *($ in millions)*

Supplemental / Reconciliation Funding	FY 2024 [1]	FY 2025 [2]	FY 2026	Δ FY25-26
Ukraine	48,430	--	--	--
Israel	13,040	--	--	--
Indo-Pacific	2,442	--	--	--
Sub. Industrial Base/Shipbuilding	3,428	5,691	--	-5,691
National Security Systems	--	913	--	-913
Natural Disaster Relief	--	5,154	--	-5,154
Reconciliation (Mandatory)	--	--	113,300	+113,300
DoD SUPP. / RECON. TOTAL	**67,340**	**11,759**	**113,300**	**+101,541**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).*

[2] *Reflects Supplemental funding from American Relief Act, 2025 (P.L. 118-158) (Divisions A and B).*

Table A-11. DoD Supplemental Funding by Appropriation Title *($ in millions)*

Supplemental / Reconciliation Funding	FY 2024 [1]	FY 2025 [2]	FY 2026	Δ FY25-26
Military Personnel	255	--	687	+687
Operation and Maintenance	35,932	3,899	22,708	+18,809
Procurement	29,853	5,984	51,944	+45,960
RDT&E	1,018	111	37,069	+36,958
Revolving and Management Funds	--	--	--	--
Defense Bill	**67,059**	**9,994**	**112,408**	**+102,414**
Military Construction	282	1,636	892	-743
Family Housing	--	130	--	-130
Military Construction Bill	**282**	**1,765**	**892**	**-873**
DoD SUPP. / RECON. TOTAL	**67,340**	**11,759**	**113,300**	**+101,541**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).*

[2] *Reflects Supplemental funding from American Relief Act, 2025 (P.L. 118-158) (Divisions A and B).*

Table A-12. DoD Supplemental Funding by Military Department *($ in millions)*

Supplemental / Reconciliation Funding	FY 2024 [1]	FY 2025 [2]	FY 2026	Δ FY25-26
Army	19,848	685	5,353	+4,668
Navy	7,904	8,411	43,318	+34,907
Air Force	5,895	1,731	38,561	+36,831
Defense-Wide	33,694	932	26,067	+25,135
DoD SUPP. / RECON. TOTAL	**67,340**	**11,759**	**113,300**	**+101,541**

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).*

[2] *Reflects Supplemental funding from American Relief Act, 2025 (P.L. 118-158) (Divisions A and B).*

Table A-13. DoD Supplemental / Reconciliation Funding by Military Department and Appropriation Title *($ in millions)*

Department of the Army	FY 2024 [1]	FY 2025 [2]	FY 2026	Δ FY25-26
Military Personnel	222	--	202	+202
Operation & Maintenance	5,638	498	2,315	+1,818
Procurement	13,969	125	1,989	+1,864
RDT&E	19	41	847	+805
Revolving and Management Funds	--	--	--	--
Military Construction	--	21	--	-21
Family Housing	--	--	--	--
ARMY SUPP. / RECON. TOTAL	**19,848**	**685**	**5,353**	**+4,668**

Department of the Navy	FY 2024 [1]	FY 2025 [2]	FY 2026	Δ FY25-26
Military Personnel	5	--	298	+298
Operation & Maintenance	2,290	1,463	6,467	+5,004
Procurement	5,256	5,691	32,352	+26,661
RDT&E	71	--	3,452	+3,452
Revolving and Management Funds	--	--	--	--
Military Construction	282	1,127	749	-378
Family Housing	--	130	--	-130
NAVY SUPP. / RECON. TOTAL	**7,904**	**8,411**	**43,318**	**+34,907**

Department of the Air Force	FY 2024 [1]	FY 2025 [2]	FY 2026	Δ FY25-26
Military Personnel	27	--	187	+187
Operation & Maintenance	684	1,007	4,527	+3,521
Procurement	4,651	168	9,964	+9,797
RDT&E	532	69	23,775	+23,705
Revolving and Management Funds	0	--	--	--
Military Construction	--	487	108	-379
Family Housing	--	--	--	--
AIR FORCE SUPP. / RECON. TOTAL	**5,895**	**1,731**	**38,561**	**+36,831**

Defense - Wide	FY 2024 [1]	FY 2025 [2]	FY 2026	Δ FY25-26
Operation & Maintenance	27,320	932	9,398	+8,466
Procurement	5,977	--	7,638	+7,638
RDT&E	397	--	8,996	+8,996
Revolving and Management Funds	--	--	--	--
Military Construction	--	--	35	+35
Family Housing	--	--	--	--
DEFENSE-WIDE SUPP. / RECON. TOTAL	**33,694**	**932**	**26,067**	**+25,135**

DoD SUPP. / RECON. TOTAL	67,340	11,759	113,300	+101,541

Source: Next Generation Resource Management System *Numbers may not add due to rounding.*

[1] *FY 2024 Actuals include supplemental funding from P.L. 118-50 for Israel (Div. A), Ukraine (Div. B), and Indo-Pacific (Div. C).*

[2] *Reflects Supplemental funding from American Relief Act, 2025 (P.L. 118-158) (Divisions A and B).*

APPENDIX B: ACRONYMN LIST

NOTE: This is not a comprehensive list of all acronyms used in the Overview.

ABMS	Advanced Battle Management System
ACAT	Acquisition Category
ACC	Air Combat Command
AEA	Airborne Electronic Attack
AFC	Army Futures Command
AFFORGEN	Air Force Generation
AFR	Air Force Reserve
AFX	Adversary Force Exercise
AHE	Advanced Hawkeye
ALCM	Air Launched Cruise Missile
AMPV	Armored Multi-Purpose Vehicle
AMRAAM	Advanced Medium Range Air-to-Air Missile
ANG	Air National Guard
AORs	Area of Responsibilities
APFIT	Accelerate the Procurement and Fielding of Innovative Technologies
ARNG	Army National Guard
ARRW	Air-launched Rapid Response Weapon
ATI	Army Transformation Initiative
AUKUS	Australia, the United Kingdom, and the United States
AUR	All-Up Round
AW	ABLE WARRIOR
BA	Budget Activity
BCA	Budget Control Act
BCTs	Brigade Combat Teams
BLI	Budget Line Item
BMD	Ballistic Missile Defense
BoR	Bill of Rights
BOS	Base Operating Support
CA	Cyberspace Activities
CABs	Combat Aviation Brigades
CAF	Combat Air Force
CAPE	Cost Assessment and Program Evaluation
CBP	Customs and Border Protection
CBRNE	Chemical, Biological, Radiological, Nuclear, and Explosives
CCA	Collaborative Combat Aircraft
CCDRs	Combatant Commanders
CCMDs	Combatant Commands
CCP	Chinese Communist Party
CDO	Contested, Degraded, and Operationally limited

CF	Conventional Force
CHIPS	Creating Helpful Incentives to Produce Semiconductors
CIRCM	Common Infrared Countermeasures
CJCS	Chairman of the Joint Chiefs of Staff
CM	Cryptographic Modernization
CMC	Commandant of the Marine Corps
CMMC	Cybersecurity Maturity Model Certification
CMP	Civil Military Program
CNO	Chief of Naval Operations
CO	Cyberspace Operations
COF	Cyberspace Operations Forces
CONUS	Contiguous United States
CPG	Commandant's Planning Guidance
CPI	Continuous Process Improvement
CPM	Capability Portfolio Management
CPS	Conventional Prompt Strike
CPX	Command Post Exercise
CR	Continuing Resolution
CRCs	Concept Required Capabilities
CS	Cybersecurity
CSAR	Combat Search and Rescue
CT	Counterterrorism
CTEF	Counter-ISIS Train and Equip Fund
CTOL	Conventional Take-Off and Landing
CuAS	Counter-Unmanned Aerial Systems
CVEO	Countering Violent Extremist Organizations
CVNs	Nuclear Aircraft Carriers
CWMD	Countering Weapons of Mass Destruction
DA	Data Analytics
DAE	Defense Acquisition Executive
DARPA	Defense Advanced Research Projects Agency
DBIMP	Distributed Bioindustrial Manufacturing Program
DCA	Dual-Capable Aircraft
DCI	Defense Critical Infrastructure
DDGs	Guided-Missile Destroyers
DE	Directed Energy
DEI	Diversity, Equity, and Inclusion
DETO	Domestic Employees Teleworking Overseas
DHA	Defense Health Agency
DHP	Defense Health Program
DHS	Department of Homeland Security

DIA	Defense Intelligence Agency
DIB	Defense Industrial Base
DIU	Defense Innovation Unit
DMO	Distributed Maritime Operations
DoD	Department of Defense
DoDEA	Department of Defense Education Activity
DoDIN	DoD Information Network
DOGE	Department of Government Efficiency
DON	Department of the Navy
DPAP	Department leverages the Defense Production Act Purchases
DPIF	Defense Performance Improvement Framework
DRT	Directed Readiness Table
DSEC	Defense STEM Education Consortium
DTCA	Defense Training Capability Assessments
DTRA	Defense Threat Reduction Agency
EA	Electromagnetic Attack
EABO	Expeditionary Advanced Base Operations
EAM	Emergency Action Message
EC	ELITE CONSTELLATION
ECABs	Expeditionary Combat Aviation Brigades
EE	Essential Elements
EMD	Engineering and Manufacturing Development
EMS	Electromagnetic Spectrum
EMSO	Electromagnetic Spectrum Operations
EMTEC	European Multi-Domain Training and Experimentation Capability
EPAWSS	Eagle Passive Active Warning and Survivability System
ERC	Exercise-Related Construction
ERPs	Employment Readiness Programs
ESLs	Expected Service Lives
ESS	Evolved Strategic Satcom
ESTCP	Environmental Security Technology Certification Program
EW	Electronic Warfare
FBWT	Fund Balance with Treasury
FFRDCs	Federally Funded Research and Development Centers
FH	Family Housing
FLRAA	Future Long-Range Assault Aircraft
FMF	Fleet Marine Force
FMR	Financial Management Regulation
FNIH	Foreign National Indirect Hire
FSRM	Facility Sustainment, Restoration, and Modernization
FTEs	Full-time Equivalents

FTX	Field Training Exercise
FUA	Fielding and Use Assessment
FY	Fiscal Year
FYDP	Future Years Defense Program
GAO	Government Accountability Office
GBIs	Ground-Based Interceptors
GBSD	Ground Based Strategic Deterrent
GDA	Golden Dome for America
GEO	Geostationary Earth Orbit
GF	GREEN FLAG
GFMAP	Global Force Management Allocation Plan
GIUK	Greenland-Iceland-UK
GJTI	Global Joint Training Infrastructure
GMD	Ground-Based Midcourse Defense
GMLRS	Guided Multiple Launch Rocket System
GPI	Glide Phase Intercept
GPS	Global Positioning System
HACM	Hypersonic Attack Cruise Missile
HBCUs	Historically Black Colleges and Universities
HBTSS	Hypersonic and Ballistic Tracking Space Sensor
HCE	Highly Contested Environment
HEO	Highly Elliptical Orbit
HMMWV	High Mobility Multipurpose Wheeled Vehicle
IA	Inter-Agency
IAMD	Integrated Air and Missile Defense
IBAS	Industrial Base Analysis and Sustainment
IBCS	Integrated Battle Command System
IBCTs	Infantry Brigade Combat Teams
ICBM	Intercontinental Ballistic Missile
ICE	Immigration and Customs Enforcement
IFPC	Indirect Fire Protection Capability
IOCs	Initial Operational Capabilities
IRBM	Intermediate Range Ballistic Missiles
IRST	Infrared Search and Track
ISCP	International Security Cooperation Programs
ISIS	Islamic State of Iraq and Syria
ISR	Intelligence, Surveillance, and Reconnaissance
ISRT	Intelligence, Surveillance, Reconnaissance, and Targeting
ISVs	Infantry Squad Vehicles
IT	Information Technology
ITX	Integrated Training Exercise

IW	Irregular Warfare
JAFQ	Joint Advanced Fires Qualification
JAGM	Joint Air-to-Ground Missile
JASSM	Joint Air-to-Surface Standoff Missile
JCDE	Joint Capability Development Environment
JCWA	Joint Cyber Warfighting Architecture
JEP	Joint Exercise Program
JETEP	Joint Engineering and Test Enterprise Portal
JITCs	Joint Integrated Training Centers
JKO	Joint Knowledge Online
JLTV	Joint Light Tactical Vehicle
JLVC	Joint Live, Virtual, and Constructive
JMEIS	Joint Modular Emitter Interphase Standards
JNTC	Joint National Training Capability
JPARC	Joint Pacific Alaska Range Complex
JS	Joint Staff
JSE	Joint Simulation Environment
JSF	Joint Strike Fighter
JTCP	Joint Training Coordination Program
JTEEP	Joint Training Exercise and Evaluation Program
JTF	Joint Task Force
JTIFC	Joint Tactical Integrated Fire Control
KOP	Key Operational Problems
LEO	Low Earth Orbit
LOCE	Littoral Operations in a Contested Area
LRASM	Long Range Anti-Ship Missile
LRDR	Long-Range Discrimination Radar
LRHW	Long Range Hypersonic Weapon
LRSO	Long Range Stand-Off Weapon
LSGE	Large-Scale Global Exercise
LTAMDS	Lower-Tier Air and Missile Defense System
LUSVs	Large Unmanned Surface Vessels
MAF	Mobility Air Force
MAGTF	Marine Corps Air-Ground Task Force
MAP	Maritime Action Plan
MBCTs	Mobile Brigade Combat Teams
MDA	Missile Defense Agency
MDD	Missile Defeat and Defense
MDS	Missile Defense System
MEO	Medium Earth Orbit
MGUE	Military GPS User Equipment

MHPI	Military Housing Privatization Initiative
MHS	Military Health System
MIIs	Manufacturing Innovation Institutes
MilCon	Military Construction
MILCON	Military Construction
MILNET	Military Network
MILSATCOM	Military Satellite Communications
MIs	Minority Institutions
MISO	Military Information Support Operations
MME	Modular Mission Environment
MRBM	Medium Range Ballistic Missiles
MRTFB	Major Range and Test Facility Base
MSCAP	Military Spouse Career Accelerator Pilot
MSE	Missile Segment Enhancement
MSEP	including the Military Spouse Employment Partnership
MST	Maritime Strike Tomahawks
MTFs	Military Treatment Facilities
MTX	Mountain Exercise
MWR	Morale, Welfare, and Recreation
MWX	Marine Warfighting Exercise
MyCAA	My Career Advancement Account
NAE	Naval Aviation Enterprise
NATO	North Atlantic Treaty Organization
NCA	National Command Authority
NDAA	National Defense Authorization Act
NDAs	National Defense Areas
NDEP	National Defense Education Program
NDIS	National Defense Industrial Strategy
NDSTF	National Defense Stockpile Transaction Fund
NGAD	Next Generation Air Dominance
NGAL	Next-Generation Airlift
NGI	Next Generation Interceptor
NGJ	Next Generation Jammer
NGSW	Next Generation Squad Weapon
NSA	National Security Agency
NSIP	NATO Security Investment Program
NSM	Naval Strike Missile
NSSL	National Security Space Launches
NTTR	Nevada Test and Training Range
OAIs	Operations, Activities, and Investments
OCO	Overseas Contingency Operations

OCONUS	Outside the Contiguous United States
OCX	Operational Control System
OECIF	Operational Energy Capability Improvement Fund
OEPF	Operational Energy Prototype Fund
OIB	Organic Industrial Base
OIR	Operation INHERENT RESOLVE
OMFV	Optionally Manned Fighting Vehicle
OPN	Other Procurement Navy
OSD	Office of the Secretary of Defense
OTI	Operational Training Infrastructure
OTTI	Operational Test and Training Infrastructure
PACAF	Pacific Air Forces
PBR	Program Budget Review
PCS	Permanent Change of Station
PCTE	Persistent Cyber Training Environment
PDI	Pacific Deterrence Initiative
PIIs	Performance Improvement Initiatives
PMTEC	Pacific Multi-Domain Training and Experimentation Capability
PN	Partner Nation
PNT	Positioning, Navigation, and Timing
PNVC	Presidential and National Voice Conferencing
POTFF	Preservation of the Force and Family
PPBE	Planning, Programming, Budgeting, and Execution
PR	Personnel Recovery
PRC	People's Republic of China
PrSM	Precision Strike Missile
RAS	Robotic Autonomous Systems
RCV	Robotic Combat Vehicle
RDA	Research, Development, and Acquisition
ReARMM	Regionally Aligned Readiness and Modernization Model
RF	Radio Frequency
ROI	Returns on Investment
RPS	Radioisotope Power System
RSLP	Rocket Systems Launch Program
RSOI	Reception, Staging, Onward Movement, and Integration
SAGs	Sub Activity Groups
SAOC	Survivable Airborne Operations Center
SATCOM	Satellite Communications
SAW	Squad Automatic Weapon
SBIR	Small Business Innovation Research
SBIRS	Space Based Infrared System

SC	Security Cooperation
SCO	Strategic Capabilities Office
SDA	Space Development Agency
SECNAV	Secretary of the Navy
SECO	Spouse Education and Career Opportunities
SERDP	Strategic Environmental Research and Development Program
SIB	Submarine Industrial Base
SIOP	Single Integrated Operational Plan
SLBM	Submarine-Launched Ballistic Missile
SMART	Science, Mathematics, and Research for Transformation
SMP	Strategic Management Plan
SOF	Special Operations Forces
SOP	Standard Operating Procedures
SPAFORGEN	Space Force Generation
SPP	State Partnership Program
SPRs	Strategic Portfolio Reviews
SRBM	Short Range Ballistic Missiles
SS	SONIC SPEAR
SSBN	Ballistic Missile Submarine
STEM	Science, Technology, Engineering, and Mathematics
STOVL	Short Take-Off and Vertical Landing
STRLs	Science and Technology Reinvention Laboratories
STTR	Small Business Technology Transfer
SUNVANA	Secure Unclassified Advana (Advancing Analytics)
TACAMO	Take Charge and Move out
TAI	Total Aircraft Inventory
THAAD	Terminal High Altitude Area Defense
TiC	Transformation in Contact
TITAN	Tactical Intelligence Targeting Access Nodes
TLAM	Tomahawk Land Attack Missile
TMTR	Technology Modernization Transition Review
TRADOC	Army Training and Doctrine Command
TSCI	Taiwan Security Cooperation Initiative
TSS	Training Support Systems
UAS	Unmanned Aircraft System
UH	Unaccompanied Housing
UMB	Unified Medical Budget
USAFRICOM	United States Africa Command
USCENTCOM	United States Central Command
USCYBERCOM	United States Cyber Command
USDA	United States Department of Agriculture

USEUCOM	United States European Command
USINDOPACOM	United States Indo-Pacific Command
USMC	United States Marine Corps
USNORTHCOM	United States Northern Command
USSF	United States Space Force
USSOCOM	United States Special Operations Command
USSOUTHCOM	United States Southern Command
USSTRATCOM	United States Strategic Command
WFS	Warfighter and Family Services
WGS	Wideband Global SATCOM Satellite
WS	Weapons Systems
WSS	Weapons System Sustainment
XLUUVs	Extra Large Unmanned Surface Vessels
ZT	Zero Trust

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