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Defense Spending and Your District

Defense spending touches every Member of Congress's district through pay and benefits for military servicemembers and retirees, economic and environmental impact of installations, and procurement of weapons systems and parts from local industry, among other activities. This product is intended to familiarize Members with the scope of federal funding for defense-related activities, and to help prepare them to deliberate on defense policy and funding legislation.

Major Activities in Defense Policy

Members typically influence defense policy and funding in legislation that addresses three broad categories of national defense-related activities: (1) military and intelligence activities of the Department of Defense (DOD); (2) atomic energy defense activities primarily of the Department of Energy, including development of nuclear weapons and propulsion systems; and (3) other defense-related activities (e.g., FBI counterintelligence activities). In the President's FY2025 budget request to Congress, national defense-related activities accounted for \$921 billion (12%) of \$7.5 trillion in total federal funding. Of the \$921 billion, \$895 billion was requested for *discretionary* budget authority (i.e., funding provided in appropriations acts). Congress can choose to provide lesser, the same, or greater amounts.

DOD Budget

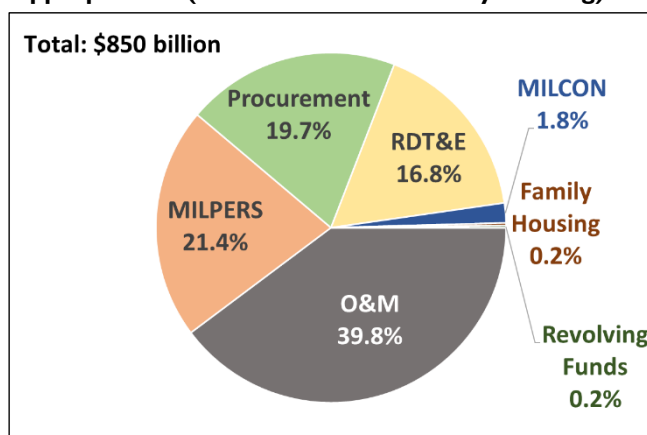
DOD accounts for \$850 billion (95%) of the \$895 billion in discretionary funding requested for national defense-related activities. The annual defense budget process provides an opportunity for Members to prioritize funding for various types of military activities. In terms of major categories, or titles, the largest share of funding in DOD's portion of the President's FY2025 budget request was \$337.9 billion (40%) for Operation and Maintenance (O&M) to operate and maintain the armed services; followed by \$181.9 billion (21%) for Military Personnel (MILPERS) to pay for servicemembers; \$167.5 billion (20%) for Procurement to buy weapons, equipment, and services; \$143.2 billion (17%) for Research, Development, Test, and Evaluation (RDT&E) to develop new technology; \$15.6 billion (2%) for military construction (MILCON) to fund construction projects and land acquisition; \$2.0 billion (0.2%) for family housing (FH); and \$1.7 billion (0.2%) for revolving funds (see **Figure 1**).

Operation and Maintenance

Members and their staff typically express interest in O&M activities, in part because this portion of the DOD budget funds a range of activities occurring in or around congressional districts—and throughout the world. These activities include military recruiting; minor repairs of military installations (e.g., replacing roofs, refinishing wall surfaces, repairing or replacing heating and cooling

systems); routine maintenance of aircraft, ground vehicles, and ships; headquarters and supply operations; and paying civilian personnel. O&M funding also supports the Military Health System (MHS), which offers health care benefits and services through its TRICARE program to approximately 9.6 million beneficiaries composed of servicemembers, military retirees, and family members. The MHS administers Congressionally Directed Medical Research Programs funding to certain medical research programs on a variety of diseases and topics. O&M funding also supports military training exercises and other activities related to *readiness* (i.e., the ability of military forces to fight and meet the demands of assigned missions).

Figure 1. FY2025 DOD Budget Request, by Major Appropriation (as Share of Discretionary Funding)



Source: CRS analysis of White House Office of Management and Budget, *Analytical Perspectives, Budget of the United States Government, Fiscal Year 2025*, Table 25-1.

Note: Percentages may not add to 100% due to rounding.

Military Personnel

Every congressional district has some military-connected constituents, such as active-duty servicemembers, reservists, retirees, DOD employees, contractors, and/or military families. During the legislative cycle, Members may weigh decisions about compensation, benefits (e.g., health care, leave time), and other policies that affect these populations. The basic MILPERS spending questions facing Congress on an annual basis typically include "How many people?" and "How much to pay them?" Title 10, Section 101, of the *United States Code* gives Congress the authority to establish *end-strengths* (the total force size) for the active and reserve components. Elements of military compensation (e.g., basic pay and housing allowances) are specified in law, including formulas tying pay increases to inflation, unless modified by Congress. Factors influencing force size and compensation decisions may include

economic conditions, recruiting and retention concerns, fiscal constraints, and private-sector trends.

Research, Development, Test, and Evaluation

Many congressional districts include universities, federally funded research and development centers, or other entities that receive funding to develop defense technologies and new weapons components or systems. DOD's RDT&E accounts fund a range of activities, including basic research examining promising areas of scientific advancement, advanced research to develop prototype military systems for field testing, and software and digital technology programs. Some RDT&E funding is provided to colleges and universities to study general areas of research with defense applications.

Procurement

Some congressional districts include companies that receive funding to manufacture defense weapon systems, provide services and supplies to the U.S. military, and carry out other contractual activities. From major defense contractors (e.g., Lockheed Martin and Boeing) to smaller suppliers, more than 200,000 companies make up the defense industrial base that manufactures and supplies DOD weapons systems. DOD procurement accounts typically fund the purchase of new equipment and modifications to existing weapons, including ships, aircraft, ground combat vehicles, and munitions, and other products and services.

Military Construction

Some Members may have substantial military infrastructure in their districts, such as military installations, ports, and weapons depots. MILCON accounts fund military construction projects; major infrastructure improvements; land acquisition; construction and operation of military family housing; privatized housing through the Family Housing Improvement Fund and the Military Unaccompanied Housing Improvement Fund; construction and environmental cleanup projects required by the base closure and realignment commission (BRAC) process; and contributions to the North Atlantic Treaty Organization (NATO) Security Investment Program, which funds infrastructure projects and cost-sharing expenses for collective defense. MILCON decisions may result in economic and environmental impacts on local communities.

Major Defense Legislation and Committees of Jurisdiction

Funding for national defense-related activities is generally subject to an annual defense authorization and appropriations process. This two-part process typically involves enactment of (1) an authorization act to set policy and recommend funding levels for defense programs, projects, and activities; and (2) appropriations acts to provide funding for such activities. A single bill, known as the National Defense Authorization Act (NDAA), authorizes the vast majority of appropriations for national defense-related activities. Meanwhile, several appropriations acts typically provide funding for such activities—the largest of which is the Department of Defense Appropriations Act.

National Defense Authorization Act (NDAA)

The House Armed Services Committee (HASC) and Senate Armed Services Committee (SASC) have jurisdiction over all bills, resolutions, and other matters relating to the common defense under the Rules of the House and Senate. These committees typically draft, amend, and report to their respective chambers a version of the annual NDAA. Referred to as the authorizers (or the authorizing committees), the HASC and SASC each have subcommittees that are assigned jurisdictional responsibilities by the full committee.

Defense Appropriations Acts

The House Appropriations Committee (HAC) and Senate Appropriations Committee (SAC) exercise jurisdiction over annual appropriations measures. Each committee has 12 subcommittees, each of which is responsible for developing one regular annual appropriations bill. These measures generally determine which and how department activities will be funded. HAC and SAC subcommittee jurisdictions are parallel. The main subcommittees that deal with defense matters are the Subcommittees on Defense; Military Construction, Veterans Affairs and Related Agencies; and Energy and Water Development.

Member Requests and Oversight Activities

In developing annual defense authorization and appropriations legislation for consideration in the House and Senate, the aforementioned committees typically establish processes for soliciting requests from Members for funding or directing certain types of action. Such requests may take the form of an earmark (i.e., a Community Project Funding Item or Congressionally Directed Spending Item for an RDT&E activity or MILCON project in their district or state); funding for a specific program or activity; or language in a bill or report that directs a briefing, report, or other action (e.g., withholds funding until a condition is met).

In addition to adopting legislative provisions, the aforementioned committees conduct oversight of defense-related activities in part by holding hearings on the DOD budget, military force posture, and other topics. Such hearings may feature witnesses from DOD (e.g., senior civilians, generals and admirals, other military personnel); other federal agencies; DOD or congressional oversight organizations (e.g., DOD Office of Inspector General, Government Accountability Office); and nongovernmental organizations (e.g., academic institutions, think tanks). Members of Congress, Congressional Delegations (CODELs), and Staff Delegations (STAFFDELS) may also travel to visit defense facilities in the United States or abroad to better understand or investigate agency activities and implementation of policy.

Resources

CRS Report R44757, *Defense Primer: A Guide for New Members*
DOD, *Defense Spending by State, FY2023*

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