

# Defense Funding in the 2025 Reconciliation Law (H.R. 1; P.L. 119-21, Title II)

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## Introduction

On July 3, 2025, Congress passed the 2025 reconciliation legislation (H.R. 1), which President Donald J. Trump signed into law on July 4, 2025 (P.L. 119-21). This product summarizes funding provisions totaling \$156.2 billion in FY2025 for defense purposes in Title II of the legislation (see **Table 1**).

## Background

In April 2025, the House and Senate adopted H.Con.Res. 14, a [budget resolution](#) for FY2025 which included [reconciliation](#) directives to several House and Senate Committees. [Section 2001\(b\)\(2\)](#) of the resolution instructed the House Armed Services Committee (HASC) to submit “changes in laws under its jurisdiction that increase the deficit by not more than” \$100 billion over the 10-year period FY2025-FY2034, whereas [Section 2002\(a\)\(2\)\(B\)](#) instructed the Senate Armed Services Committee (SASC) to submit changes increasing the deficit by not more than \$150 billion over this period.

On May 22, 2025, the House passed legislation known as the One Big Beautiful Bill Act (H.R. 1), [Title II](#) of which included the legislative recommendations submitted by HASC, as amended. On June 3, 2025, Senator Roger Wicker, chair of SASC, issued a [press release](#) containing legislative text of a [draft version of Title II](#) with SASC’s legislative recommendations. On June 25, 2025, Senator Wicker issued a [press release](#) with an [updated draft version](#). On July 1, 2025, the Senate passed an amendment (S.Amdt. 2360) to H.R. 1, Title II of which largely aligned with the SASC chair’s updated draft.

On July 3, 2025, the House passed the Senate-passed version of H.R. 1. The President signed the bill into law on July 4. On July 21, the Congressional Budget Office (CBO) [estimated](#) that the provisions in Title II of P.L. 119-21 would result in a net increase in the budget deficit of approximately \$149.5 billion over the period of 2025-2034.

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## P.L. 119-21, Title II

The enacted version provided \$156.2 billion in mandatory defense funding in FY2025 (see **Table 1**). In general, the legislation provided funding for shipbuilding, [air and missile defenses](#), munitions and supply chains, and other military capabilities. All funds carry a five-year period of availability, meaning that all funds could be obligated until September 30, 2029, and expended through FY2034. In addition to the funding detailed in **Table 1**, the enacted version contained a provision to authorize certain military construction projects ([Section 20013](#)).

**Table 1. Appropriations in P.L. 119-21, Title II**

(in millions of nominal U.S. dollars)

Section Title	Section	House-Passed H.R. 1 <sup>a</sup>	SASC Chair-Released Draft <sup>b</sup>	Difference (SASC-HASC)	Enacted (P.L. 119-21)
Enhancement of Department of Defense Resources for Improving the Quality of Life for Military Personnel	20001 <sup>c</sup>	\$7,315	\$7,477	+\$162	\$7,477
Enhancement of Department of Defense Resources for Shipbuilding	20002	\$33,751	\$29,176	-\$4,575	\$29,176
Enhancement of Department of Defense Resources for Integrated Air and Missile Defense <sup>d</sup>	20003	\$24,746	\$24,413	-\$333	\$24,413
Enhancement of Department of Defense Resources for Munitions and Supply Chain Resiliency	20004	\$20,696	\$25,381	+\$4,685	\$25,381
Enhancement of Department of Defense Resources for Scaling Low-Cost Weapons into Production	20005	\$13,024	\$16,049	+\$3,025	\$16,049
Enhancement of Department of Defense Resources for Improving the Efficiency and Cybersecurity of the Department of Defense	20006	\$380	\$380	\$0	\$380
Enhancement of Department of Defense Resources for Air Superiority	20007	\$7,271	\$8,644	+\$1,373	\$8,644
Enhancement of Resources for Nuclear Forces	20008	\$12,853	\$14,688	+\$1,835	\$14,688
Enhancement of Department of Defense Resources to Improve Capabilities of United States Indo-Pacific Command	20009	\$11,119	\$12,655	+\$1,536	\$12,655
Enhancement of Department of Defense Resources for Improving the Readiness of the Armed Forces	20010	\$11,546	\$16,343	+\$4,797	\$16,343
Improving Department of Defense Border Support and Counterdrug Missions	20011	\$5,000	\$1,000	-\$4,000	\$1,000
Department of Defense Oversight	20012	\$10	\$10	\$0	\$10
<b>Total<sup>e</sup></b>		<b>\$147,711<sup>f</sup></b>	<b>\$156,216<sup>b</sup></b>	<b>+\$8,505</b>	<b>\$156,216</b>

**Source:** CRS analysis of the engrossed version of H.R. 1; the updated SASC chair-released draft published on June 25, 2025; and the enacted version of H.R. 1 (P.L. 119-21).

- a. According to the House Budget Committee Report accompanying H.R. 1 (H.Rept. 119-106, Book 1): “Although the House Committee on Armed Services exceeded its instruction [i.e., proposed changes in laws within its jurisdiction that increase the deficit by *more than* \$100 billion], the legislative recommendations transmitted by the House Committee on Armed Services comply with the instruction given to the Senate Committee on Armed Services in H.Con.Res. 14 [i.e., instructions to propose changes in laws that increase the deficit by not more than \$150 billion].”

Figure reflects changes in the House-adopted engrossment correction to H.R. 1 (H.Res. 492). Prior to the amendment, the House-passed bill would have provided \$13,524 million for low-cost weapons in Section 20005, \$12,915 million for nuclear forces in Section 20008, and \$2,000 million for intelligence programs in Section 20012.

- b. Figures reflect the updated version of the SASC chair-released draft issued on June 25, 2025.
- c. In both versions, subsections (b) and (c) of Section 20001 would allow for an expansion in the construction of privatized military housing.
- d. For more information, see CRS Insight IN12576, *Golden Dome: Funding in the 2025 Reconciliation Law (H.R. 1; P.L. 119-21)*, by Hannah D. Dennis and Daniel M. Gettinger.
- e. Prior to engrossment, funding provisions of Title II of H.R. 1 summed to \$150.3 billion in new budget authority. The Congressional Budget Office (CBO) estimated that net budget authority from these initial provisions would total \$147.6 billion through 2034, due to the anticipated effects of other provisions of law, such as [2 U.S.C. Chapter 20A](#). The House later directed the Clerk of the House of Representatives to make certain corrections to H.R. 1 in the engrossment of the bill.
- f. Figure reflects changes in the House-adopted engrossment correction to H.R. 1 (H.Res. 492).

## Spending Plans for Line-Item Funding

Neither the House-passed, SASC chair-released, Senate-passed, nor enacted bill versions included a committee report or other accompanying explanatory statement linking each bill provision to budgetary line-item appropriation accounts, as is typical in annual appropriations acts. Section 20014 of the [House-passed](#) and SASC chair-released versions would have required DOD to report how it intends to allocate the funds provided in Title II at the line-item level, though this provision was not enacted after the [Senate Parliamentarian](#) reportedly advised that aspects of the provision would violate the Senate's [Byrd Rule](#). The enacted version did, however, include a spending plan requirement for military construction (Section 20013(b)).

## Issues for Congress

### Congressional Oversight of Funds Distribution

While P.L. 119-21 established specific purposes, dollar amounts, and periods of availability for each funding provision, these funding provisions differ in key respects from the legislative language of past annual appropriations acts. For example, several provisions of the enacted law provided funds for the “development, production, and integration” of certain weapon systems, without specifying a portion of funding for research, development, test and evaluation (RDT&E) activities and a separate portion for procurement. Similarly, while many Title II provisions appropriated funds “to the Secretary of Defense for fiscal year 2025,” some provisions mentioned more than one military department, without specifying which department was to execute what portion of the provision’s funding (e.g., “Navy and Air Force” in [Section 20004\(a\)\(3\)](#)).

Congress may consider whether DOD’s proposed line-item distribution of reconciliation funds, as detailed in its [FY2026 budget request](#), meets congressional intent as stated in the enacted version of the bill, and whether to provide DOD with additional guidance on funds distribution in subsequent acts of Congress (see “Spending Plans”). On June 9, 2025, for example, the House Appropriations Committee released a draft FY2026 “Defense Appropriations Bill” that would require DOD, in [Section 8158](#), to submit spend plans “by program, project, and activity, with detailed justifications” for amounts enacted through the FY2025 budget reconciliation process.

## Reprogramming and Reclassification Implications

Relatedly, Congress may consider to what extent it intends to permit DOD to revise its initial allocation of funds among [departmental budgetary accounts](#) over time. To the extent that a statutory provision is ambiguous as to initial funds distribution (discussed above), Congress may consider to what extent the Secretary may internally reprogram or reclassify funds as needed, with or without congressional notification, among relevant departmental budgetary accounts (e.g., RDT&E accounts of multiple military departments) or within a given account (e.g., within RDT&E, Navy) while keeping to the purpose and dollar amount specified in the funding provision.

## DOD IG Oversight of Funding

[Section 20012](#) of P.L. 119-21 provided the DOD Inspector General \$10 million to conduct oversight of the funding provided in the title. Such funding is to remain available for obligation until September 30, 2029. Congress may assess whether \$10 million is sufficient for the Inspector General to conduct oversight of DOD activities as directed by the act.

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