



U.S. ARMY

**Army Fiscal Year
Budget Overview**

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Army Continuous Transformation Campaign Plan

**Rebuild the
Military**

**Reestablish
Deterrence**

**Restore
the Warrior
Ethos**

**Reform and
Optimization**

**DEFENSE
PRIORITIES**

**Continuous
Transformation:
How We Fight**

**Delivering Ready
Combat Forces:
How We Build and
Equip**

**Strengthening the
Profession:
How We Care For
Our Team**

**Army Budget
FY 2027**

\$215B Discretionary and \$37.7B Mandatory

Army's FY27 Proposed Budget at a Glance

Discretionary: The Army's FY27 request increased by 10.4% from the FY26 enactment

Military Personnel

▲ **5.3%** 5-7% pay raise, 18.3K end strength increase

Operations and Maintenance

▲ **9.6%** Readiness – Home Station Training; Combatant Command Critical Priorities, Homeland Security

Procurement

▲ **28.7%** Close Combat Force, Multi-Layered Air Defense, Munitions Expansion, and Enhanced Organic Industrial Base

Research, Development, Test, and Evaluation

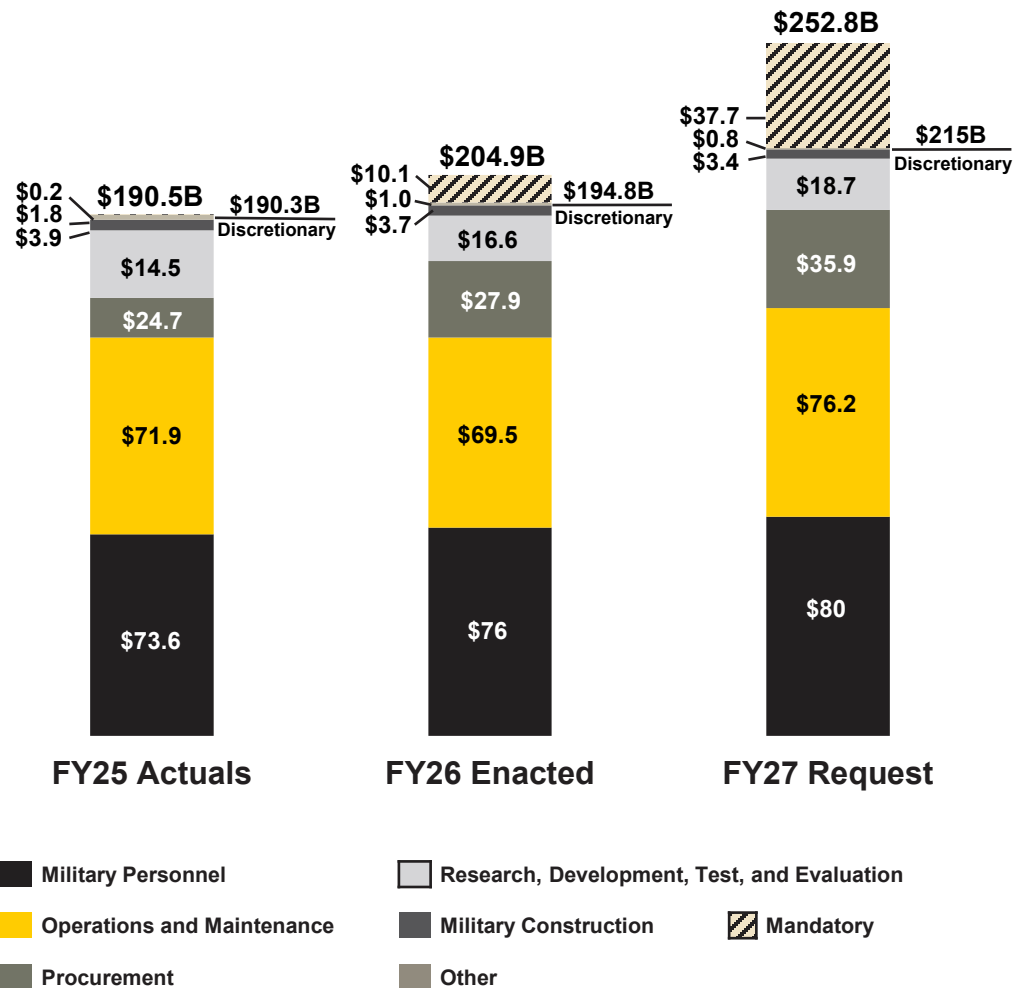
▲ **12.9%** Next Generation Command and Control (NGC2), MV-75 Cheyenne II, Abrams M1E3, and Terminal High Altitude Area Defense (THAAD)

Military Construction

▼ **10.3%** 2 Barracks, 2 Training Ranges and a Training Complex, and recapitalization of failing facilities

Mandatory: \$37.7B

Family Housing Improvement/Replacement, MSE/PrSM/Tomahawk Missiles, Barracks Restoration and Modernization.



1. Numbers may not add due to rounding
2. Other includes Army Working Capital Fund; Chemical Agent & Munitions Destruction; Counter-ISIS Train and Equip Fund; National Guard and Reserve Equipment Account; excludes Arlington National Cemetery
3. FY25 Actuals do not include \$9.2B in Supplemental funding

Army Support of Defense Priorities

We will be the sword and shield to deter war, with the goal of peace – but ready to fight and win the nation’s necessary wars if called upon. Secretary of War, HON Pete Hegseth

Rebuild the Military

- Munitions Expansion: \$7.3B
- OIB Modernization: \$3.8B
- Warfighter End Strength Growth: +\$1.3B
- Critical Repair Parts Backlog: +\$432M
- Increased Essential Combat Unit Training: +\$295M



Reestablish Deterrence

- Combatant Command Critical Priorities: +\$1.2B
- Defend the Border & Domestic Operations: \$1.1B
- C-sUAS: \$1.9B
- Nuclear Energy Resilience (Janus Program): \$48M
- Hardening Defenses with Zero Trust: \$431M



Restore the Warrior Ethos

- Failing Infrastructure Mitigation: \$4.0B
- Barracks Improvement: \$2.9B
- Recruiting and Retention: \$2.5B



Reform and Optimization

- Modernizing and Transforming Business Operations: \$215M
- Leveraging Available Commercial Technology: \$82M
- Harnessing AI and Automation: \$200M



Appropriation Summaries

BE ALL YOU CAN BE.

FY27 Discretionary Request by Appropriation

\$B	FY25 Actuals ⁴	FY26 Enacted	FY27 Request
Military Personnel ¹	73.6	76.0	80.0
Operation and Maintenance ²	71.9	69.5	76.2
Procurement/RDTE	39.1	44.5	54.6
Military Construction/Family Housing/BRAC	3.9	3.7	3.4
Other (CAMD/AWCF/CTEF/NGREA) ³	1.8	1.0	0.8
Totals⁵	190.3	194.8	215.0

Numbers may not add due to rounding

1: Includes Medicare Eligible Retirement Healthcare Fund






2: Includes Environmental Restoration, Army (ERA) Funding

3: Chemical Agent and Munitions Destruction; Army Working Capital Fund; Counter-Islamic State of Iraq and Syria Train and Equip Fund; National Guard and Reserve Equipment Account

4: Does not include \$9.2B in Supplemental funding (*Natural Disaster Relief, Ukraine, Indo-Pacific, and Israel*)

5: This table does not include Mandatory: FY 2025 \$0.2B, FY2026 \$10.1B, FY2027 \$37.7B. Refer to slide 7 for Mandatory details.

The FY27 budget resources the Army to train, operate, and sustain the force

- Military Personnel 5.3% 
- Operation and Maintenance 9.6% 
- Procurement/RDTE (RDA) 22.9% 
- MILCON/Housing/BRAC 10.3% 
- Other (CAMD/AWCF/CTEF/NGREA) .3% 

(%s are FY26 Enacted vs FY27 Request)

***The next 250 years are ours to forge,
and we will. We will continuously
transform how we fight, how we build,
and how we care for our Soldiers.***

- Secretary of the Army, HON Dan Driscoll

FY27 Mandatory Request by Appropriation

\$B	FY25 Actuals	FY26 Mandatory	FY27 Request
Military Personnel	0.0	1.4	0.0
Operation and Maintenance	0.1	3.3	12.3
RDTE	<0.1	1.8	<0.1
Procurement	<0.1	2.6	24.5
Military Construction/Family Housing/BRAC	0.0	1.0	0.9
Totals	0.2	10.1	37.7

Numbers may not add due to rounding

DELIVERING READY COMBAT FORCES:

- \$24.5B for the Munitions Acceleration Council (MAC):
 - \$10.9B – Patriot Missile Segment Enhancement (MSE)
 - \$10.5B – Terminal High Altitude Air Defense (THAAD)
 - \$2.3B – SM-6 and Maritime Strike Tomahawk (MST)
 - \$0.7B – Precision Strike Missile (PrSM)
- \$206M OIB Modernization (FSRM)



STRENGTHENING THE PROFESSION:

- Resources quality of life by Improving Barracks/Unaccompanied Housing: \$5.8B O&M
- Mitigates Poor and Failing Facilities: \$6.3B (O&M)
- Army Family Housing Operations (\$516.1M) for maintenance and repair of family housing units
- Army Family Housing Construction projects in Kwajalein Atoll (\$146.4M, 30 units), JBMHH (\$87.6M, 13 units), completion of 130 units in Vicenza, Italy (\$60.0M), and Design Worldwide (\$51.5M)

Military End-Strength and Personnel Summary

Military End-Strength			
Component	FY25 Actuals	FY26 Enacted	FY27 Request
Regular Army	454,863	454,000	469,000
Army National Guard	328,672	328,000	331,300
Army Reserve	169,405	172,000	172,000
Totals	952,940	954,000	972,300

Personnel Summary			
\$B	FY25 Actuals	FY26 Enacted	FY27 Request
Regular Army	53.2	54.5	56.6
Army National Guard	10.3	10.5	11.6
Army Reserve	5.5	5.7	6.0
Medicare Eligible Retirement Health Care	4.5	5.2	5.9
Totals	73.6	76.0	80.0
Mandatory	0.0	1.4	0.0

FY26 Mandatory: Regular Army (\$1.1B), National Guard (\$.2B), Reserves (<\$0.1B)

Numbers may not add due to rounding



SUMMARY

Overall request supports the pay and allowances of a 972,300 All-Volunteer force

RATE ADJUSTMENTS

Funds all rate adjustments to include basic pay raise, basic allowance for housing and subsistence, retirement compensation, basic needs allowance, and change of station expense reimbursement

Rate Adjustments	Effective 1 JAN 27
Basic Pay	
E1 - E5	7%
E6 - O3	6%
O4 - O10	5%
Basic Allowance for Housing	3.9%
Basic Allowance for Subsistence	3.4%

CONTINUOUS TRANSFORMATION

Supports Warfighter End-Strength Growth of 18.3K personnel to increase the Army's focus towards multi-domain and fires-based capabilities

Operation & Maintenance, Regular Army

\$B	FY25 Actuals	FY26 Enacted	FY27 Request
Regular Army	60.3	57.5	64.1
Mandatory	0.1	2.9	9.5*

Mandatory funds will improve the quality of life for Service members by funding critical needs in housing and facilities, addressing deferred maintenance, sustaining essential base operations, and supercharge the Organic Industrial Base by modernizing infrastructure and capacity to provide military capabilities at the speed and scale necessary for the U.S. to prevail in a near-peer conflict.

Numbers may not add due to rounding

Continuous Transformation

- Supports Warfighter End Strength Growth (\$287M)
- Continues Force Structure Optimization (+\$242M)

Delivers Combat Ready Forces

- Funds Combat Unit Training (+\$337M)
- Critical Repair Parts Backlog (+\$432M)
- Combatant Command Critical Priorities (+\$1,218M)
- Defend the Border National Defense Areas (\$263M)
- Modernizes Organic Industrial Base (OIB) (\$680.4M)



Strengthens the Profession

- Resources quality of life – Improves Barracks (+\$538M)
- Continues Campus Style Dining (\$235M)
- Holistic Health and Fitness (H2F) (\$325.6M)

Operation & Maintenance, Reserve Components

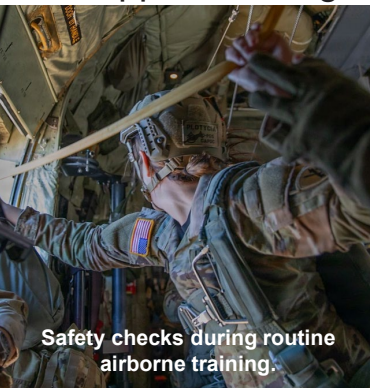
Reserve Components \$B	FY25 Actuals	FY26 Enacted	FY27 Request
Army National Guard (OMNG)	8.4	8.6	8.7
Army Reserve (OMAR)	3.2	3.3	3.1
Mandatory	0.0	0.4	2.9*

• FY26 Mandatory: Regular Army (\$2.9B), National Guard (\$.4B), Reserves (<\$0.1B)
 • *FY27 Request: Regular Army (\$9.5B), National Guard (\$2.0B), Reserves (\$.9B). *Mandatory funds will improve the quality of life for Service members by funding critical needs in housing and facilities, addressing deferred maintenance, and sustaining essential base operations.*

Numbers may not add due to rounding

ARMY NATIONAL GUARD

- Funds 27 Mobile Brigade Combat Team, two Combat Training Center (CTC) rotations & 781 Composite Miles focusing on core readiness (\$1,474M)
- Supports Soldiers and Family Members in Quality-of-life investments focusing on improving unaccompanied housing (\$599M) and restoration poor and failing infrastructures (\$466M)
- Homeland Security Operations Support (\$246M)
- Supports Warfighter End strength Growth (\$84.9M)



ARMY RESERVE

- Funds four Readiness Divisions, and 975 USAR Facilities including three installations and two sub-installations
- Invests in Quality of Life: Improving Unaccompanied Housing Facilities (\$109M) and Mitigating Poor and Failing Infrastructure (\$302M)
- Resources Composite Miles at 764 and supports Collective Training Events
- Delivers ready combat forces by resourcing \$562M in essential combat unit training

Research, Development, and Acquisition Summary

\$B	FY25 Actuals	FY26 Enacted	FY27 Request
RDT&E	14.5	16.6	18.7
Procurement	24.7	27.9	35.9
Totals	39.1	44.5	54.6
Mandatory	<0.1	4.4	24.5*

**Mandatory funds will replenish critical munitions stockpiles by leveraging innovative acquisition strategies that blend government and private investment to accelerate production and lower unit costs.*

Numbers may not add due to rounding

Strategic Investments

- Through Continuous Transformation, the Army is accelerating the delivery of next-generation capabilities, ensuring Soldiers maintain overwhelming battlefield advantages through seamless integration and smart prioritization
- Specific areas of emphasis:
 - Munitions Acceleration Council (MAC) Investments
 - Organic Industrial Base (OIB) Modernization
 - Weapon Portfolio Modernization
 - Data-Centric, Software-Focused Command and Control
 - BCT Transformation



SGT STOUT Launch at the National Training Center (NTC)

Research, Development, Test and Evaluation Summary

\$B	FY25 Actuals	FY26 Enacted	FY27 Request
Basic Research	0.5	0.5	0.4
Applied Research	1.1	1.5	0.9
Advanced Tech Development	1.7	2.0	1.6
S&T Subtotal	3.3	4.0	2.9
Demonstration/Validation	2.3	2.5	2.8
Engineering Manufacturing	5.4	6.2	9.8
Testing & Management	2.2	2.0	2.0
Operational Systems	1.2	1.8	1.2
Software and Digital	<0.1	<0.1	<0.1
Non-S&T Subtotal	11.2	12.6	15.8
Totals	14.5	16.6	18.7
Mandatory	<0.1	1.8	<0.1*

**Mandatory funds will replenish critical munitions stockpiles by leveraging innovative acquisition strategies that blend government and private investment to accelerate production and lower unit costs.*

Numbers may not add due to rounding

PROTOTYPE AND INTEGRATE TECHNOLOGY FASTER

- Connect science & technology programs under a unified framework to target high-priority investment areas and accelerate transition from concept to production
- Reduce barriers to entry and accelerate technology transition by connecting operational needs with cutting-edge solutions from government, industry, academia, and capital investments
- Investments include \$904M for Next Generation Command and Control (NGC2), \$2.1B for MV-75 Cheyenne II, \$474M for acceleration of the Abrams M1E3 program, and \$1.1B for Terminal High Altitude Area Defense (THAAD)



The U.S. Army unveiled the M1E3 Abrams prototype, emphasizing its commitment to rapidly deliver key enabling technologies.

Procurement Summary

\$B	FY25 Actuals	FY26 Enacted	FY27 Request
Aircraft	3.4	3.6	1.9
Missiles	6.1	7.3	12.1
Weapons & Tracked Combat Vehicles	3.7	3.0	3.7
Ammunition	2.8	4.6	5.5
Other Procurement	8.7	9.4	12.7 ¹
Totals	24.7	27.9	35.9
Mandatory	<0.1	2.6	24.5*

**Mandatory funds will replenish critical munitions stockpiles by leveraging innovative acquisition strategies that blend government and private investment to accelerate production and lower unit costs.*

Numbers may not add due to rounding

¹Includes \$104.7M to support investment in commercial shipbuilding, procures Maneuver Support Vessel (Light) (MSV-L)

DELIVER CRITICAL WARFIGHTING CAPABILITIES

- **Multi-Layered Air Defense** with \$6.2B in key investments including \$2.0B for Lower Tier Air and Missile Defense Sensor (LTAMDS), \$1.6B for Indirect Fire Protection Capability (IFPC), and \$994M Counter Small Unmanned Aerial System (C-sUAS)
- **Critical Munitions Expansion** with \$7.3B in key investments including \$1.3B for Patriot Missile Segment Enhancement (MSE) \$1.2B for Precision Strike Missile (PRSM), \$1.1B for Guided Multiple Launch Rocket System (GMLRS), \$907M for Terminal High Altitude Air Defense (THAAD) and \$370M for SM-6 and Maritime Strike Tomahawk (MST)
- **Enhanced Organic Industrial Base** with \$3.1B in key investments to bolster munitions production and infrastructure modernization including \$861M at Radford AAP, \$770M at Holston AAP, \$127.7M at Blue Grass Army Depot, \$14.3M at Pine Bluff Arsenal, \$301M at Joint Systems Manufacturing Center (JSMC); \$151M for Advanced Manufacturing at Tobyhanna, Blue Grass, Red River Army Depots and Rock Island Arsenal
- **Enables the Close Combat Force** with \$6.1B for improved command and control, increased survivability, and lethality. Key investments include \$2.9B for NGC2, \$1.2B for Armored Multi-Purpose Vehicle (AMPV), and \$547M for XM30 Mechanized Infantry Combat Vehicle (MICV)



Facilities Summary

\$B	FY25 Actuals	FY26 Enacted	FY27 Request
Military Construction	2.9	2.9	2.5
Army Family Housing	0.8	0.6	0.7
Base Realignment and Closure (BRAC)	0.2	0.2	0.2
Totals	3.9	3.7	3.4
Mandatory	0.0	1.0	0.9*

**Mandatory funds will improve the quality of life for Service members by funding critical needs in housing and facilities, addressing deferred maintenance, and sustaining essential base operations.*

Numbers may not add due to rounding

MILITARY CONSTRUCTION

Recapitalize failing facilities and build new facilities to increase Readiness across all three components

- Regular Army: 19 projects in 7 states and OCONUS
- Army National Guard: 8 projects in 8 states
- Army Reserve: 3 projects in 3 states
- Two Barracks in 2 states (\$327M) and two Training Ranges and a Training Complex in 3 states (\$80M)



FAMILY HOUSING

Housing funds support U.S. and overseas Army Family Housing operation and maintenance, leases, and construction projects in South Camp Vilseck, Germany (\$95.1M, 44 units) and Camp Zama, Japan (\$106.4M, 68 units), and Design Worldwide (\$39.0M)

BRAC

BRAC funds support environmental remediation actions at sites closed during prior BRAC rounds



FOR ADDITIONAL INFORMATION

This overview provides the highlights of the Army's Budget submitted to the Congress as part of the FY 2027 President's Budget. All Army budget materials are available to the public on the Assistant Secretary of the Army (Financial Management and Comptroller) website:
<https://www.asafm.army.mil/Budget-Materials/>

BE ALL YOU CAN BE.