

# DOD BUDGET & SAVINGS



**The FY25 NDAA authorizes \$895.2 billion for national defense discretionary programs, an increase of \$9 billion or 1% over the FY24 enacted level.**

- Does NOT exceed the Fiscal Responsibility Act's FY25 defense discretionary spending level.

## **DoD Audit Improvements**

- Requires all DoD components to undertake an annual independent audit and reduces funds available to such component by 1.5 percent if it fails to undertake the audit.
- Authorizes DoD to use AI and machine learning to expedite and improve audits of DoD financial statements.

## **Cost Savings**

The FY25 NDAA saves taxpayers \$31 billion or 4% of current Department of Defense spending levels.

- The NDAA cuts inefficient defense programs, obsolete weapons systems, and unnecessary Pentagon bureaucracy. Savings include:
  - Over \$13.3 billion from the divestment of obsolete aircraft.
  - Over \$1.8 billion from the decommissioning of outmoded ships.
  - Over \$2.3 billion in cuts to weapon programs that have not met development milestones.
  - Over \$1.6 billion in cuts to weapon programs experiencing excessive cost growth.
  - Over \$630 million in cuts to redundant and inefficient Pentagon bureaucracy.
- Prohibits DoD from constructing, installing, or maintaining a pier off the coast of Gaza.
- Requires DoD to reduce expenditures on leased space in the National Capitol Region by 25% over the next 5 years.
- Reforms DoD's acquisition process to focus on acquiring less expensive commercial products:
  - Provides incentives to contracting managers to look for commercial-off-the-shelf solutions before entering into costly new contracts.
  - Establishes the Commercial Augmentation Space Reserve (CASR) to allow the Space Force to contract with the private sector to rapidly acquire space capabilities on an as-needed basis.
  - Saves taxpayer funds by ensuring DoD acquires dual-use commercial parts for commercial-derived military aircraft.

**FY25 NDAA**