



Guam Backgrounder: Fiscal Year 2025 National Defense Authorization Act (NDAA) and Continuing Resolution (CR)

For the U.S. Government's Fiscal Year 2025 (FY2025), which began 1 October 2024, budget authorizations and appropriations are running behind schedule. For the U.S. Department of Defense, the [FY2025 National Defense Authorization Act \(NDAA\)](#) was approved by the US House of Representatives (House) on 11 December 2024 and by the U.S. Senate (Senate) on 18 December 2024. The NDAA was signed by the President's on 23 December.

Appropriations against the national defense spending authorization levels have yet to be passed by the Congress. For FY2025, U.S. defense agencies and services have been operating under a Continuing Resolution (CR) that ended on 20 December. The [new CR was approved 20 December](#) and will continue until mid-March 2025. When Congress next takes up a budget for FY2025 in the spring, the budget cycle for the year will be half completed. As the [U.S. Secretary of Defense noted](#) on 23 December:

Being forced to rely on stopgap, temporary funding measures hampers the Department's ability to plan for the future, bolster our ranks with new recruits, and tackle new challenges to American security.

Both the FY2025 NDAA (and the latest CR) include significant defense-related provisions related to Guam and the Micronesian region. This backgrounder highlights the regional military-related provisions for military construction (MilCon), military procurement and policy provisions. It also briefly explores how these documents affect security and non-security interests which PCIS has been tracking. Finally, the U.S. Defense agencies and services are slated to receive disaster-related funds related to Typhoon Mawar (May 2023). We briefly look at what had been proposed to understand areas where military requests for disaster recovery in Guam have been responded to by the Congress.

1. MILITARY CONSTRUCTION (MilCon)

The NDAA, as outlined in Table 1, authorized up to \$2.23 Billion in future military construction Projects in Guam. The authorized projects will need to be funded by subsequent appropriation measures. For these authorizations, given that a FY2025 budget has not yet been approved, they will be taken up in March 2025 at the earliest.

Table 1.

GUAM	
Army MilCon (Title XXI)	
<i>JRM</i>	\$386,000,000
Navy MilCon (Title XXII)	
<i>AAFB</i>	\$561,730,000
<i>JRM</i>	\$111,666,000
<i>NBG</i>	\$241,880,000
Defense-Wide MilCon (Title XXIV)	
<i>JRM</i>	\$929,224,000

Army MilCon – The authorized Army MilCon for FY2025 that is to be managed by Joint Region Marianas (JRM) is for a range of Guam Defense System (GDS) sites that fall under joint command. For example, these include the GDS Battalion HQ, GDS operating sites and related environment mitigation.
Army MilCon

Navy MilCon- The authorized Navy MilCon includes proposed outlays for Andersen Air Force Base (AAFB), JRM and Naval Base Guam (NBG).

The AAFB authorization includes the proposed construction of 178 accompanied housing units for US Marines and Navy personnel to be located on AAFB. Additional Navy MilCon for AAFB includes the Navy helicopter hanger replacement and a youth center to support Camp Blaz personnel.

The JRM authorization includes funds of a Joint Communications System upgrade, a Joint Consolidated Communications Center and earth-covered munitions storage facilities at the Ordinance Annex.

The NBG authorization, among other projects include \$100 million for Defense Access Roads in Guam.

Defense-Wide MilCon – The JRM authorization is largely around GDS infrastructure (including development components like Aegis) and EIAMDS Phase 1. Authorization for Guam High School Temporary facilities are also included here.

Table 2.

FSM (Yap)	
Navy MilCon (Title XXII)	
	\$807,700,000
Air Force MilCon (Title XXIII)	
	\$949,314,000
Palau	
Navy MilCon (Title XXII)	
	\$918,300,000

As shown in Table 2, the NDAA also authorized almost \$2.68 billion for projects in Yap State in the FSM and in Palau.

In Yap, Navy And Air Force MilCon authorizations totaling \$2.23 billion are principally for work on improving and expanding the Yap airport, with some related work at the harbor. Development of the airport in Yap for joint use by the US military branches is deemed “essential” given the limited number of “divert or contingency airfields” available to US military forces in the region.

In Palau, the MilCon authorization is for improvement to the Malakal Harbor in Koror.

2. POLICY PROVISIONS

Following are the policy provisions of significance included in the FY2025 NDAA

- Sec. 1103. Extension of living quarters allowance to civilian DOD employees in positions with critical shortages stationed in Guam.
- Sec. 1647. Plan for comprehensive ballistic missile defense radar coverage of Guam. (Simultaneous radar coverage from PRC, DPKR, effective engagement of THAAD)
- Sec. 1648. Annual briefing on missile defense of Guam (current architecture, and year-over-year comparison of where the project is (MDS, MD interceptors, network and communications, RTD&E, software, MilCon, O&M, civilian and military personnel life support) and in relation to its proposed end-state).
- Sec. 2875. Authorization of assistance to expedite certain military construction projects located in Guam.
- Sec. 2206 Extension of FY2021 appropriation for JRM communications upgrade
- Sec. 2409 Extension of FY2022 authorization for Polaris Point resiliency
- Sec. 2875 Authorization to "expedite military construction projects in Guam intended to improve the defense of Guam and the Indo-Pacific region, each Secretary of a military department may provide grants, enter into cooperative agreements, and supplement other Federal funds to Guam EPA and the US F&WLS located in Guam.
- Sec. 2880 Appointment of official "responsible for coordination of infrastructure projects to support additional members of the Armed Forces and their families in Guam and the Northern Mariana Islands."

3. HOUSING: NO ROOM ON BASE (BUT THEY WILL PAY UP TO AVOID THE MANGER)

Insufficient housing for military personnel in Guam has begun to be increasingly acknowledged by the U.S. military as an issue of concern. Acknowledging an issue, and resolving it, however, are two different things. The FY2025 NDAA does not provide a path toward resolution and in other ways increases the problem.

The NDAA does provide an authorization for an additional 178 accompanied housing units at AAFB for the USMC relocation from Okinawa. As we have noted, these additional units (together with the 103 units approved in the FY2024 budget), are far short of the number required. Even with new housing, the even larger expected increase in personnel will result in the on-base "unmet" requirement increasing from 637 units in FY2023 to over 1,750 units in FY2028. Significantly, the delay in the FY2025 appropriations until at least March 2025, means that the projected start of the proposed 178 new housing units will be at least 6 months behind their scheduled completion in 2029.

When reviewing the NDAA, the housing situation in Guam is further handicapped by one obvious step backward, and funding omissions for two planned activities that will add to the housing crunch outside the fence. First, Section 1103 adds a new category of military-related personnel who are eligible for off-base housing. In the FY2024 NDAA, provision was made for Navy civilian employees being assigned to the Ship Repair Attachment from Pearl Harbor to be eligible for (off-base) housing allowances. The FY2025 NDAA broadens this category to all “civilian DOD employees in positions with critical shortages stationed in Guam.”

Second, the NDAA had funding omissions for housing to support (1) the planned Enhanced Air and Missile Defense System (EIAMDS) and (2) the “beddown of” 12 Republic of Singapore Air Force aircraft (and associated mission support) at AAFB. Building housing to provide basic life support for new activities is a long-lead item, requiring 3-4 years between appropriation and availability. For all the military’s talk about housing in Guam being an issue, it has simply not made addressing the problem a funding priority. Instead of requesting MilCon to build houses to support the EIAMDS, the [Army indicates](#) that personnel to Guam will assigned on a “rotational basis” while DoD reviews housing requirements in Guam “holistically.” And there is a proposal to “phase the deployment of military personnel” to “limit the impact on Guam’s housing market.” The Air Force approach is less nuanced about meeting the housing requirement that they are creating, stating that it “[is assumed that all personnel would reside in off-installation housing on Guam.](#)”

The shortage of housing for military personnel in Guam was addressed explicitly and implicitly in the FY2024 NDAA. In the year that has followed, no remedial action—no funding, no recommended funding, no specific proposals—have followed. This apparent inaction may be a sign of the slow rate at which the U.S. military responds to non-emergency situations. However, also during the past year, the military has formally proposed two new activities where it has effectively sidestepped the housing issue. Perhaps the issue of housing in Guam is being considered somewhere in the Pentagon, but the weight of the evidence in 2024 has been that the military continues to push its housing requirements outside the fence.

4. PROCUREMENT

Title XLI of the NDAA lays out proposed “procurement” for FY2025. This is the Congresses Armed Service Committees joint recommendation to appropriators about what they feel should be funded for the year. These procurement recommendations will be taken up by the new Congress when the budget for FY2025 is taken up when the CR ends in March 2025.

Table 3 (below) identifies 19 projects in Guam with the recommended level of project funding for FY2025. The total recommended level of funding to these projects is \$2.83 billion. While the authorization provides for the overall project budget, the procurement

recommendation is just the one-year budget for that larger authorization. For example, for FY2025, the NDAA MilCon Authorization for 178 new housing units at AAFB was almost \$197 million. The recommended procurement level for this project in FY2025 is about \$41 million.

Plans for the proposed EIAMDS (Defense of Guam, Guam Defense System) dominate the proposed procurement in FY2025 at \$1.89 billion or 66.7% of the total. Significant portions of this outlay will be spent on defense contractor developments off-island, while some will be spent to prepare the infrastructure for the coming missile sites and related infrastructure. A recommended \$600 million to restore the Glass Breakwater and \$100 million for “Defense Access Roads” are the next highest areas of proposed appropriations.

The NDAA’s procurement recommendations for Yap in FY2025 involves new 4 projects for a total of \$246.0 million. Two projects in Palau (including the previously authorized TACMOR facilities) are slated for \$70.0 million in FY2025

Table 3.

Guam	
Defense of Guam (DOG) Procurement	\$22,602,000
Guam Defense System (GDS)	\$738,455,000
GDS (targets)	\$14,400,000
GDS (Aegis)	\$89,200,000
GDS (development)	\$492,294,000
GDS (Aegis test)	\$1,200,000
Glass Breakwater Restoration	\$600,000,000
GDS Battalion HQ	\$47,000,000
GDS Environmental Mitigation	\$23,000,000
GDS Forward Operating Sites	\$75,000,000
HSC 25 Hanger Replacement	\$50,000,000
AAFB Youth Center	\$78,730,000
Earth covered munitions magazines	\$42,439,000
Defense Access Roads	\$100,000,000
Guam High School	\$26,000,000
GDS Command Center	\$147,212,000
GDS EIAMD Phase 1	\$238,267,000
Initial for Family Housing (42 Units)	\$12,112,000
Initial for Family Housing (136 Units)	\$28,863,000

FSM (Yap)

Port and Harbor Improvements (USMC)	\$50,000,000
Airfield pavement (USAF)	\$50,000,000
Airport runway extension (USAF)	\$50,000,000
Airport runway extension (USAF-PDI)	\$96,000,000

Palau

Complete TACMOR	\$20,000,000
Malakal Harbor improvement (USN/USMC)	\$50,000,000

5. MAWAR RECOVERY

The CR includes \$2.15 billion specifically for U.S. military installation recovery from Typhoon Mawar. An additional \$2.49 billion is available to be shared for Mawar recovery and other disaster recovery areas. The final determination of what will be available in Guam for Mawar recovery will be determined when the respective service branches definitize their list of requirements.

It is notable that the amount in the CR is significantly below the amount that had earlier been include in the Senate Armed Services NDAA. In the [Senate version of the NDAA](#), \$4.57 billion was recommended for Navy installations and \$7.22 billion for the AAFB (See section 4602, pp 1189-90). This significant reduction leaves open the question of which military projects that had been slated for recovery activity will be funded. It also points to the differences between what the Armed Services Committee recommend and what appropriators approve.

Table 4.

For Mawar Recovery		
NASA	20% of NASA remediation is for Mawar	\$148,040,000
USN O&M	Available for Mawar and 5 other storms	\$1,454,153,000
USAF O&M	Available to Mawar and 2 other storms	\$912,778,000
Space Force O&M	Available to Mawar and 2 other storms	\$90,230,000
USAF Reserve O&M	Available to Mawar and 2 other storms	\$1,319,000
Army NG	Available to Mawar and 2 other storms	\$26,065,000
Air NG	Available to Mawar and 2 other storms	\$2,209,000

USAF Other	Available for Mawar	\$129,722,000
Space Force Other	Available for Mawar	\$37,994,000
USAF RT&E	Available for Mawar	\$69,278,000
USN/USMC MilCon	Available for Mawar	\$1,127,281,000
USAF MilCon	Available for Mawar	\$487,300,000
Army NG MilCon	Available for Mawar	\$21,000,000
USN/USMC Housing	Available for Mawar	\$27,399,000
USN/USMC Housing O&M	Available for Mawar	\$102,168,000
Identified for Mawar rehab		\$2,150,182,000
Mawar/shared with others		\$2,486,754,000

Source: <https://docs.house.gov/billsthisweek/20241216/american%20relief%20act%202025.pdf>