

U.S. DEPARTMENT OF VETERANS AFFAIRS

FY 2026 BUDGET SUBMISSION



Budget Highlights

May 2025

Overview

President Trump is committed to balancing the Budget, while providing necessary funding for critical non-defense discretionary priorities that include caring for the Nation's Veterans, their families, caregivers, and survivors. The Department of Veterans Affairs (VA) 2026 President's Budget request and 2027 Advance Appropriations (AA) request will provide the funding needed to deliver the world-class care and benefits Veterans have earned. The Budget provides increased funding for healthcare services tailored to Veterans' needs both at VA medical centers and in the community. It prioritizes care for our most vulnerable Veterans, including those experiencing homelessness or at-risk of suicide. It accelerates VA's Electronic Health Record Modernization (EHRM) effort, moving the Department from a decades-old legacy system to a modern system that is interoperable with the Department of Defense and other Federal and community care partners. And finally, the Budget eliminates nonessential programming and bureaucratic overhead that does not directly serve the Veteran.

In short, President Trump's 2026 Budget request will allow VA to continue making historic reforms to refocus the Department on its core Veterans First mission: providing the best possible care and services to Veterans, families, caregivers and survivors.

The total 2026 request for VA is \$441.3 billion including all funds, both discretionary and mandatory, a \$42.2 billion (+10%) increase above the 2025 enacted level.¹ This includes a discretionary budget request of \$134.6 billion, a \$5.3 billion (+4%) increase above 2025 (excluding collections). Combined with \$52.7 billion from the mandatory Cost of War Toxic Exposures Fund (TEF), the total request is \$187.2 billion for operational needs. For base discretionary and TEF combined, this is an increase of \$27.6 billion (+17%) above the FY 2025 enacted level. Additionally, the discretionary Recurring Expenses Transformational Fund (Transformational Fund, or RETF²) will provide \$900 million for major construction projects.

The following tables summarize the FY 2026 budget request.

¹ The 2026 request includes discretionary and mandatory appropriations and collections.

² The Consolidated Appropriations Act, 2016 (P.L. 114-113) created the RETF, allowing VA to transfer unobligated balances of expiring non-emergency discretionary funds in any account to the RETF as directed in the Act.

FY 2026 Request

Regular Appropriations, Collections, Department of Defense (DoD) Transfers, and Recurring Expenses Transformational Fund

(\$ in millions)	2024	2025	2026	Change 2026 vs. 2025	
	Enacted	Enacted with Transfers	Request	\$	%
Discretionary Funding /1					
Medical Services	69,018	69,129	57,120	(12,009)	-17.4%
Medical Community Care	30,342	22,555	34,000	11,445	50.7%
Medical Support and Compliance	10,750	11,719	12,090	371	3.2%
Medical Facilities	8,949	9,548	11,730	2,182	22.9%
Subtotal, Medical Care Appropriations	119,059	112,951	114,940	1,989	1.8%
Bridging Rental Assistance for Veteran Empowerment (BRAVE)	-	-	1,100	1,100	-
Subtotal, Medical Care + BRAVE	119,059	112,951	116,040	3,089	2.7%
Medical Care Collections Fund	3,847	4,389	4,580	191	4.4%
Subtotal, Medical Care + BRAVE with MCCF	122,907	117,339	120,620	3,281	2.8%
Medical and Prosthetic Research	943	935	943	8	0.9%
Electronic Health Care Record Modernization	874	1,322	3,495	2,173	164.5%
Information Technology Systems	6,386	6,227	5,908	(319)	-5.1%
Board of Veterans' Appeals	272	277	277	(0)	0.0%
General Operating Expenses, Veterans Benefits Administration	3,869	3,899	3,879	(20)	-0.5%
National Cemetery Administration	480	480	497	17	3.5%
General Administration	470	448	440	(8)	-1.8%
Construction, Major Projects	881	961	1,871	910	94.6%
Construction, Minor Projects	692	692	232	(460)	-66.5%
Grants for State Extended Care Facilities	171	171	171	-	0.0%
Grants for Construction of Veterans Cemeteries	60	60	60	-	0.0%
Office of Inspector General	296	296	296	-	0.0%
Loan Administration and Subsidy	320	320	280	(40)	-12.5%
DoD transfers to Joint Accounts (JALFHCC and JIF)	187	178	180	3	1.4%
Subtotal, Non-Medical Care	15,901	16,265	18,529	2,264	13.9%
Subtotal, Discretionary without MCCF	134,960	129,216	134,569	5,353	4.1%
Subtotal, Discretionary (with MCCF)	138,808	133,605	139,149	5,544	4.1%
Transformational Fund (TF) /2	676	320	900	580	181.5%
Total, Discretionary (with MCCF and TF)	139,484	133,924	140,049	6,125	4.6%
Mandatory Funding /3					
Total, Mandatory	195,697	267,009	301,165	34,156	12.8%
Total Funding					
Total VA (Disc & Mand) without MCCF or TF	330,658	396,225	435,734	39,509	10.0%
Total VA (Disc & Mand) with MCCF	334,505	400,614	440,314	39,700	9.9%
Total, Disc & Mand Funding (with MCCF and TF)	335,181	400,934	441,214	40,281	10.0%

Numbers may not add due to rounding.

/1 Discretionary Funding includes non-emergency appropriations provided in annual Appropriations Acts and in the 2026 President's Budget Request. The Disaster Relief Supplemental Appropriations Act, 2025, P.L. 118-158, is not included.

/2 RETF line displays the estimated resources available in the RETF. These resources do not score as budget authority.

/3 Mandatory Funding includes mandatory appropriations provided in annual Appropriations Acts, PACT Act, the Fiscal Responsibility Act and the Full-Year Continuing Appropriations and Extensions Act, 2025.

Mandatory Funding Details

(\$ in millions)	2024	2025	2026	Change 2026 vs. 2025	
	Enacted	Enacted with Transfers	Request	\$	%
Mandatory Funding					
Mandatory Benefits					
Compensation and Pensions	164,136	212,553	227,240	14,687	6.9%
Veterans Insurance and Indemnities	134	135	132	(4)	-2.7%
Readjustment Benefits	9,424	18,264	20,372	2,108	11.5%
Credit Reform Upward Reestimates and Subsidy	1,637	5,405	348	(5,057)	-93.6%
Housing Liquidating Account	(2)	(3)	(2)	0	-
Subtotal, Mandatory Benefits	175,329	236,354	248,089	11,735	5.0%
Subtotal, Mandatory Base Funding	175,329	236,354	248,089	11,735	5.0%
Section 707 (Major Medical Facility Leases) /1					
Medical Facilities	100	200	400	200	100.0%
Cost of War Toxic Exposures Fund /2					
Medical Services	9,525	11,884	35,370	23,486	197.6%
Medical Community Care	6,802	15,694	14,030	(1,664)	-10.6%
Medical Support and Compliance	850	-	400	400	-
Medical and Prosthetic Research	46	59	57	(2)	-3.4%
Information Technology Systems	1,243	1,364	1,385	21	1.6%
Board of Veterans' Appeals	4	-	-	-	-
General Operating Expenses, Veterans Benefits Administration	1,769	1,426	1,401	(25)	-1.7%
General Administration	29	20	33	13	66.4%
Contingency Reserve	0	9	-	(9)	-100.0%
Subtotal, Cost of War Toxic Exposures Fund	20,268	30,455	52,676	22,221	73.0%
Subtotal, PACT Act	20,368	30,655	53,076	22,421	73.1%
Total, Mandatory	195,697	267,009	301,165	34,156	12.8%
Total Funding					
Total VA (Disc & Mand) without MCCF or TF	330,658	396,225	435,734	39,509	10.0%
Total VA (Disc & Mand) with MCCF	334,505	400,614	440,314	39,700	9.9%
Total, Disc & Mand Funding (with MCCF and TF)	335,181	400,934	441,214	40,281	10.0%

/1 Section 707 of the PACT Act appropriated funds for major medical facility leases for 2023 and annually for subsequent years through 2031.

/2 The Consolidated Appropriations Act, 2023, appropriated \$5.0 billion to the TEF in 2023; the Fiscal Responsibility Act of 2023 appropriated \$20.3 billion to the TEF in 2024 and \$24.5 billion to the TEF in 2025 and the Full-Year Continuing Appropriations and Extensions Act, 2025, provided an additional \$6 billion for TEF in 2025.

Cost of War Toxic Exposures Fund (TEF) Details

“The Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022” or the “Honoring our PACT Act of 2022” (PACT Act, PL 117–168) represents the most significant expansion of VA health care and disability compensation benefits for Veterans exposed to burn pits and other environmental exposures in 30 years. As part of the PACT Act, Congress authorized the TEF to fund increased costs for health care and benefits delivery for Veterans exposed to a number of environmental hazards to ensure there is sufficient funding

available to cover these costs, without shortchanging other elements of Veteran medical care and benefit delivery. The budget includes a request for \$52.7 billion in mandatory funding for the TEF in 2026 which will support an estimated 191,433 Full Time Equivalent (FTE) employees, as shown in the tables below. Further details for the TEF are provided in each office description.

TEF Appropriation

(\$ in millions)	2023 Enacted	2024 Enacted	2025 Enacted with Transfers	2026 Request
Medical Care	3,822	17,177	27,578	49,800
Medical Research	2	46	59	57
Office of Information Technology	656	1,243	1,364	1,385
Board of Veterans' Appeals	1	4	-	-
Veterans Benefits Administration	482	1,769	1,426	1,401
General Administration	37	29	20	33
Contingency Reserve	-	-	9	-
Total Budget Authority	5,000	20,268	30,455	52,676

TEF FTE

All Funding Sources	2023 Enacted	2024 Enacted	2025 Enacted with Transfers	2026 Request
Medical Care	-	88,563	69,066	184,179
Medical Research	6	93	164	213
Office of Information Technology	12	31	50	50
Board of Veterans' Appeals	-	-	-	-
Veterans Benefits Administration	6,004	8,154	8,418	6,907
General Administration	45	56	84	84
Total FTE	6,067	96,897	77,782	191,433

FY 2026 Base Discretionary and TEF Combined

VA delivers services with funding through both base discretionary appropriations and the TEF and funds provided by the PACT Act as shown in the table below.

All Funding Sources

(\$ in millions)	2024	2025	2026	Change 2025 vs. 2024	
	Enacted	Enacted with Transfers	Request	\$	%
All Funding Sources					
Medical Services	78,543	81,013	92,490	11,477	14.2%
Medical Community Care	37,144	38,249	48,030	9,781	25.6%
Medical Support and Compliance	11,600	11,719	12,490	771	6.6%
Medical Facilities	9,049	9,748	12,130	2,382	24.4%
Subtotal, Medical Care Appropriations	136,336	140,729	165,140	24,411	17.3%
Bridging Rental Assistance for Veteran Empowerment (BRAVE)	-	-	1,100	1,100	-
Subtotal, Medical Care + Homeless Appropriations	136,336	140,729	166,240	25,511	18.1%
Medical Care Collections Fund	3,847	4,389	4,580	191	4.4%
Subtotal, Medical Care + BRAVE with MCCF	140,184	145,117	170,820	25,703	17.7%
Medical and Prosthetic Research	989	994	1,000	6	0.6%
Electronic Health Care Record Modernization	874	1,322	3,495	2,173	164.5%
Information Technology Systems	7,629	7,591	7,293	(298)	-3.9%
Board of Veterans' Appeals	276	277	277	(0)	0.0%
General Operating Expenses, Veterans Benefits Administration	5,638	5,325	5,280	(45)	-0.8%
National Cemetery Administration	480	480	497	17	3.5%
General Administration	499	468	473	5	1.1%
Construction, Major Projects	881	961	1,871	910	94.6%
Construction, Minor Projects	692	692	232	(460)	-66.5%
Grants for State Extended Care Facilities	171	171	171	-	0.0%
Grants for Construction of Veterans Cemeteries	60	60	60	-	0.0%
Office of Inspector General	296	296	296	-	0.0%
Loan Administration and Subsidy	320	320	280	(40)	-12.5%
DoD transfers to Joint Accounts (JALFHCC and JIF)	187	178	180	3	1.4%
TEF Contingency Reserve	0	9	-	(9)	-100.0%
Subtotal, Non-Medical Care	18,992	19,142	21,405	2,263	11.8%
Subtotal, All Funding Sources without MCCF	155,329	159,871	187,645	27,774	17.4%
Subtotal, All Funding Sources (with MCCF)	159,176	164,260	192,225	27,965	17.0%
Transformational Fund (TF)	676	320	900	580	181.5%
Total, All Funding Sources (with MCCF and TF)	159,852	164,579	193,125	28,546	17.3%

VA Staffing

The 2026 budget request supports 455,874 FTE (from all funding sources), a decrease of 2,964 from the 2025 enacted level. Most of the decrease, 2,042 FTE, is in the Veterans Benefits Administration. The 2026 budget assumes there will be no pay increase for civilian employees in calendar year 2026.

In March, the VA began its department-wide review of its mission, organization, and structure to identify and eliminate waste, to reduce burdensome processes and bureaucracy, and to ensure that

taxpayer dollars will be invested wisely to support our Veterans. While the VA anticipates increased efficiencies, there are no savings assumptions from personnel reductions resulting from the department-wide review in the FY 2026 budget.

Full-Time Equivalent Employees (FTE)

All funding sources	2024 Enacted	2025 Enacted with Transfers	2026 Request	2026 vs. 2025 Change	
				#	%
Medical Services	304,066	302,474	302,474	-	0.0%
Medical Support & Compliance	67,674	67,003	67,003	-	0.0%
Medical Facilities	27,487	26,523	26,523	-	0.0%
Subtotal, Medical Care	399,227	396,000	396,000	-	0.0%
DoD-VA Health Care Sharing Incentive Fund	29	25	25	-	0.0%
Joint DoD/VA Demonstration Fund	2,536	2,593	2,593	-	0.0%
Medical Research	3,796	3,871	3,778	(93)	-2.4%
Canteen Service	2,100	2,100	2,100	-	0.0%
Subtotal Veterans Health Administration FTE	407,688	404,589	404,496	(93)	0.0%
Electronic Health Record Modernization	200	313	313	-	0.0%
Information Technology	8,024	7,922	6,992	(930)	-11.7%
Board of Veterans Appeals	1,368	1,405	1,320	(85)	-6.0%
Veterans Benefits Administration	33,178	33,443	31,401	(2,042)	-6.1%
National Cemetery Administration	2,306	2,317	2,355	38	1.6%
General Administration	3,165	3,459	3,703	244	7.1%
Inspector General	1,126	1,170	1,070	(100)	-8.5%
Franchise Fund	2,208	2,685	2,685	-	0.0%
Supply Fund	1,128	1,535	1,539	4	0.3%
Total FTE	460,391	458,838	455,874	(2,964)	-0.6%

* Includes FTE funded by the TEF.

Important Programs

VA will provide robust funding for these important Medical Care programs as shown in the table below.

(\$ in millions)	2024 Enacted	2025 Enacted	2026 Request	2027 Advance Request
Expansion of Mental Health Residential Rehabilitation Treatment Programs (MH RRTP)	\$0	\$0	\$1,500	\$1,500
Pain and Opioid Management / Jason's Law Subtitle A	\$217	\$201	\$232	\$236
Rural Health Initiative	\$315	\$302	\$342	\$349
Substance Use Disorder	\$152	\$186	\$232	\$237
Suicide Prevention Outreach Programs	\$560	\$580	\$698	\$713
Veterans Homelessness Programs	\$3,231	\$3,321	\$3,459	\$3,802

Department of Veterans Affairs
Office of the Assistant Secretary for Management
www.va.gov/budget