## Hampton Roads Military and Federal Facilities Alliance FY2026 Federal Legislative Priorities

## **Defense Authorization and Appropriations Issues**

- Authority for the U.S. Army Corps of Engineers (USACE) to include Federal Lands in Holistic Coastal Resiliency Studies: The Congressionally authorized 2012 North Atlantic Coast Comprehensive Study (NACCS) outlined regions for further analysis on coastal flooding threats, including Hampton Roads. However, the study excluded federal facilities due to restrictions on utilizing Army Corps of Engineers Civil Works funds for federal properties. This hampers developing effective and holistic resilience strategies, as Hampton Roads contains a significant density of federal installations covering the Departments of Defense, Homeland Security, Interior, Energy, and NASA to name a few. As sea level rise exacerbates flooding impacts across Virginia's interconnected waterways and facilities, comprehensive adaptation solutions demand encompassing the area's significant concentration of federal assets. We request support for previously proposed legislative language changes in the 2024 Senate WRDA bill be enacted through the NDAA, enabling Army Corps-led infrastructure resiliency initiatives to fully include federal properties within their studies. Additionally, the Disaster Supplemental Relief Act of 2019 needs to be added to a list of USACE authorities that can receive funds from future acts. This is critically important to enact ASAP as the Peninsula study was funded in December 2023 and would need this authority to ensure it is comprehensively conducted.
- Future of NAS Oceana and Langley AFB: Naval Air Station Oceana and Langley Air Force Base proudly serve as two critical Hampton Roads installations which enable air dominance. However, as the Navy and Air Force progress with next-generation aircraft programs to replace aging fighter platforms, concerns exist over whether Oceana and Langley will be home to the 6<sup>th</sup> generation fighters. Securing the location of these aircraft at Oceana and Langley is critical to securing the future of these two installations. As such, we request support in championing infrastructure investments, facility improvements, and airspace upgrades to position Oceana and Langley as highly capable and sustainable options for basing tomorrow's fleet of advanced manned aircraft. Additionally, we request your support engaging with senior Navy and Air Force leaders to clearly advocate for Langley and Oceana to host these next generation aviation platforms. Keeping these premier sites continuously combat-relevant maintains Virginia's contribution to national security.





- Navy Investment in Sailor Housing at Newport News Shipbuilding: The Commonwealth of Virginia has approved a \$40 million program to supplement Navy efforts to broadly address the myriad of challenges for sailors assigned to ships at Newport News Shipbuilding. The Navy has indicated that it may invest \$400 million to further address housing and other quality-of-life measures. We understand this funding could come from several sources. We request the Congressional Delegation support funding to expand sailor housing in the Hampton Roads area.
- Public Shipyard Revitalization: Funding the Shipyard Infrastructure Optimization Plan (SIOP) continues to be included in annual defense authorization and appropriations bills, reflecting sustained Congressional support to modernize naval shipyard infrastructure. We appreciate the Virginia delegation's strong advocacy in ensuring SIOP funding initiatives remain robust to accelerate shipyard facilities' recapitalization. However, as SIOP plans progress, it is vital to continue advocating Norfolk Naval Shipyard receive its share of resources and needed infrastructure improvements. Additionally, adequate funding levels must be preserved for modernizing non-shipyard infrastructure to ensure the naval shore enterprise enables fleet readiness. We request your continued championing of SIOP funding without detriment to other Navy shore infrastructure accounts.
- Homeporting Additional Manned and Unmanned Ships in Hampton Roads: Over the last decade, conventional ships homeported in Hampton Roads declined by 20 vessels and ship repair workload has dropped by 40%. As the Navy aims to achieve a 355-vessel fleet, reversing this downward trend in homeporting a substantive naval presence is vital to regaining lost ship repair capabilities. Hampton Roads is strategically located and suited to offer unparalleled maritime infrastructure, industry, and a skilled workforce which enables basing additional vessels to meet national security demands. As such, we request strong advocacy with Navy leadership to homeport the future Constellation Class guided missile frigates (FFGs) in Hampton Roads to continue power projection from the region. Further, avoiding gaps as aging Navy vessels decommission relies on sufficiently replacing regional assets with modernized ships. As the Navy rapidly develops and integrates unmanned systems within its warfighting strategy, Hampton Roads remains the ideal region to host testing and piloting of new autonomous vessels alongside today's fleet. With Newport News Shipbuilding and other local shipyards designing America's 21st century warships, we are uniquely postured to deliver timely ship maintenance essential for scaling modern naval capabilities. We request strong advocacy in urging Navy leadership to consider homeporting additional manned ships in Hampton Roads as the Fleet expands, while concurrently leveraging the area as a hub for unmanned systems operational with manned platforms.



- Offshore Wind Energy and Offshore Drilling: The Commonwealth of Virginia has been a model in how the federal, state, and private energy industry should coordinate on major projects that require DoD Clearinghouse coordination. However, the Department of Defense and NASA have raised concerns about continued expansion of wind energy or offshore drilling areas around the Virginia coastline. The Department is concerned that continued expansion could negatively impact critical training ranges in the Atlantic. We request that these concerns are raised and addressed by all interested parties to ensure vital training areas are not negatively impacted by future offshore energy projects. Degradation of training capabilities would undermine the basing of strategic assets in and around the Hampton Roads area.
- <u>Military Construction</u>: Support the President's FY2026 budget request of \$XXX million for military installations in Hampton Roads.
  - Specifically request an earmark for \$15M in planning & design funds for the Targeting ISR Critical Communications Data Center at Langley AFB
  - o Potential need for additional funding for Langley FTU dorm cost increase
  - Reauthorization and funding for \$40M FY22 Fuel Systems Maintenance Hangar at Langley AFB
  - Request support for the following Congressionally Directed Spending projects that were dropped due to the FY25 Continuing Resolution:
    - NAS Oceana Unaccompanied Housing Design = \$16M
    - NAS Oceana Child Development Center Design = \$2M
    - Norfolk Naval Shipyard Child Development Center Design = \$1.4M
    - JEB Little Creek-Fort Story Child Development Center Design = \$2M

FY26 requested military construction projects for Hampton Roads include:

| PROJECT | SERVICE | LOCATION | FY26 PB AMT |
|---------|---------|----------|-------------|
| TBD     | TBD     | TBD      | TBD         |
| TBD     | TBD     | TBD      | TBD         |
|         |         | TOTAL    | TBD         |

• Army Aviation Advanced Air Mobility Dual-use Technology Center (AAMDTC) at Newport News-Williamsburg Airport: The Army Aviation & Missile Center (AvMC) aviation technology systems integration directorate, based at Fort Eustis for over 70 years, supports aviation applied research and technology demonstrations. However, existing facilities and capacity for growth into the autonomous & electric platform mission space are limited. The proposed AAMDTC will address this gap and position the Army with a leading center for AAM development. The Hampton Roads Air Study,





published by the Hampton Roads Alliance in June 2024, includes the recommendation to support the Army's development of an AAMDTC as one of nine specific Regional Aviation Development Planning recommendations. Request your support for providing \$15M in FY26 Army Aviation RDT&E funding (PE 0603465A) to establish leased facilities, prototype systems, and personnel support for this new Army Center of Excellence. To fully establish the center, there would be a need for an additional \$12.5M in FY27.

- <u>Army Watercraft Modernization</u>: Fort Eustis is home to the 'Army's Navy' and their mariner training. Many existing watercrafts are homeported at Fort Eustis and will benefit from modernization. Fort Eustis has also upgraded their port facilities to accommodate new Army watercraft. These assets are critical to operations in the INDOPACOM theater and elsewhere as evidenced by the 2024 mission to support construction of a floating pier near Gaza to better facilitate humanitarian aid delivery. Request your continued support to ensure the Army's watercraft modernization effort is fully resourced to meet combatant commander requirements, to include continued development of the new Maneuver Support Vessel Heavy (MSV-H) and procurement of the Maneuver Support Vessel Light (MSV-L).
- Funding Models for Military Child Development Centers (CDCs): Quality childcare through on base CDCs provides essential support, enabling military members' family stability and maintaining focus on mission readiness. However, CDCs currently operate as Category B Non-Appropriated Fund (NAF) activities. This funding classification exacerbates strains on limited Installation NAF budgets due to recurring CDC revenue shortfalls which NAFs must offset. This condition prompts periodic military family childcare fee increases to cover revenue shortfalls. Additionally, the disparity in benefits between NAF employees and regular GS civilian employees contribute to CDC hiring challenges. Seeking relief, installation commanders have asked whether CDCs could be converted to full Appropriated Fund (APF) facilities. In response, the Department of Defense has reportedly commenced analyzing alternative CDC funding options. We appreciate DoD's review of CDC funding options and request the Congressional delegation follow-up and provide oversight of this study's findings with senior DoD officials during office visits or FY26 posture hearings. Also request CODEL support for expanding Navy and OSD efforts to address childcare in the Hampton Roads area. Need particular focus on solutions for the Peninsula under existing DoD authorities and funding streams.
- <u>Military and Dependents Mental Health Care</u>: Military leaders consistently highlight mental health service shortfalls among active-duty members and dependents. Base





clinic capacity strains have been worsened by TRICARE increasingly outsourcing patient referrals to off-base community providers. The industry faces persistent challenges in attracting civilian providers, stemming largely from inferior TRICARE reimbursement rates which are not viable in comparison to other major insurance networks. In the House Report accompanying the FY24 NDAA, Congress rightly mandates a renewed assessment on whether TRICARE has utilized reimbursement adjustment provisions—and subsequent access improvements seen--if any. We fully support ongoing oversight of these assessments and the urgent implementation of proactive measures which incentivize civilian providers in treatment of our military's mental health needs, ensuring those sacrificing for the nation's defense can access vital care with minimal barriers. We recognize the FY24 NDAA has report language that asks questions of DoD on these matters. Request your continued oversight of DoD's response to this report language in FY26 posture hearings and office calls.

- Incentives for Affordable Housing Near Military Bases: Support efforts to incentivize developers to build more attainable housing near military installations such as Rep Moore and Rep Strickland's Low-Income Housing for Defense Communities Act (H.R. 308). This bill would create new military focused low-income housing tax credits (LIHTC) for development near major military installations. It would also exclude Basic Allowance for Housing (BAH) from the income calculation for LIHTC purposes helping military members secure housing in existing and future LIHTC properties.
- Expanding Federal Tax Incentives for Hiring Military Spouses: Military families often rely on dual incomes by working spouses. However, spouse careers are interrupted by frequently required military moves. A recent survey by Blue Star Families indicated 35% of military spouses report they are unemployed but want to work. A similar number report significant underemployment due to frequent moves. Spousal unemployment or underemployment is a leading factor in retention and readiness issues as members choose other options to meet their family's economic needs. Request your support for passage of the Military Spouse Hiring Act to incentivize employers to hire military spouses. This legislation expands the Work Opportunity Tax Credit to include military spouses.
- <u>Defense Community Infrastructure Program Funding</u>: The Defense Community Infrastructure Program (DCIP) has greatly assisted state and local governments in addressing deficiencies in community infrastructure supporting military installations. Hampton Roads has garnered at least one DCIP grant nearly every year since the program's inception, totaling \$26 million. DCIP also enjoys strong support from the





Association of Defense Communities and affiliated national partners. We request your support for a full appropriation of \$100 million in the FY2026 appropriations bill.

<u>Defense Community Support Program (DCSP) Creation</u>: Support ADC's effort to create a \$40 million DCSP in support of quality-of-life programs in defense communities. The DCSP would be a new statutory authority for DoD to fund a variety of community led military support programs — including those focused on childcare, education, military spouse and veteran skills training and employment, food insecurity, housing, and healthcare — that enhance a local installation's quality-of-life.

## Other Federal Government Authorization and Appropriations Issues

- <u>Jefferson Lab High Performance Data Facility (HPDF)</u>: We thank the Department of Energy for selecting Jefferson Lab in Newport News as home to a new HPDF. We also thank the Congressional Delegation for their efforts in securing this national asset. We request the Congressional Delegation support the FY26 President's Budget which is anticipated to include \$32 million to continue to develop the HPDF design and development of the HPDF system. The full year FY25 Continuing Resolution also reduced planned HPDF funding by \$8 million. Request your support for restoring the \$8 million to complete the conceptual design of HPDF in preparation for the FY26 plan.
- Future Coast Guard Cutter Homeporting: As the Coast Guard progresses with its multi-decade ships, boats, and aircraft recapitalization plan, homeporting decisions loom regarding where the next-generation of assets like the Heritage-class Offshore Patrol Cutters will be homeported. With its strategic Atlantic Ocean access, Hampton Roads offers an ideal location with ready access to the Atlantic Ocean and numerous professional and logistical resources to support a multitude of Coast Guard missions. However, as aging Cutters decommission, the region may suffer gaps in asset presence if the new Cutter fleet does not maintain sufficient levels in this strategic area. We encourage direct Coast Guard leadership engagement on homeporting considerations for planned recapitalized vessels. Supporting analyses that minimize any potential for disruptive asset coverage and avert degradation to Hampton Roads crisis response will help guarantee stability in offshore mission-ready assets as our Cutters, boats, and aircraft enter an era of comprehensive upgrades and replacements.





- Expand DoD Partnership Authorities Across the Coast Guard: Congress granted various partnership authorities to the Department of Defense empowering installations to collaboratively enter into agreements with local governments, universities, and private sector entities on infrastructure projects which provide mutual benefit. We believe there is benefit in having intergovernmental service agreements (IGSA) available to support all Coast Guard facilities. While the IGSA authority is applicable to the Coast Guard, it has not been implemented beyond a Coast Guard Academy pilot project. We applaud these early efforts and urge engaging Department of Homeland Security leadership to expand this authority across all Coast Guard installations so communities can support these critical facilities. We request your support for statutory language requiring the Secretary of DHS to implement the IGSA authorities across the entirety of Coast Guard facilities in the United States and its territories.
- Consolidated Coast Guard Sector Virginia Headquarters Facility: Sector Virginia personnel and offices are separated between various facilities among CG Base Portsmouth and the Federal Building, downtown Portsmouth. Additionally, Sector facilities on Base Portsmouth are undersized for current mission requirements. This leads to operational inefficiencies that could hinder the Sector's response to a major regional contingency. The need for a consolidated Sector Virginia HQ facility was validated during a 2008 master planning process. The Coast Guard submitted \$24M for a Sector Virginia facility on their FY23 unfunded priorities list but this item has not reappeared in subsequent budget submission or unfunded lists. We request the Congressional Delegation seek an update of Coast Guard officials when this project is to be funded in the Coast Guard budget or UPL.
- Small Business Innovation Research (SBIR) Phase II Flexibility: NASA Langley leads the Agency with SBIR activity and highest dollar amount, including Phase II SBIRs. SBIR Phase II will give NASA the ability to support rapid R&D of spaceflight technologies to benefit the lunar campaign. This flexibility includes a pilot program to award Phase II to a small business without having been awarded a Phase I. A small group of federal agencies (DoD, NIH, DoE) have this flexibility under a pilot program; adding NASA to the list of agencies will increase flexibility to immediately fund development of technologies that could help the U.S. return to the lunar surface. Request your support for adding NASA to the list of agencies with SIBR Phase II flexibility.
- <u>Authority for OTA Prototype Projects and Follow-on Production Contracts:</u>
  Prototype projects under Other Transactional Authorities (OTAs) can expedite





commercial development of capabilities of future use to NASA missions but NASA cannot acquire the follow-on services or hardware production without a separate contract competition, which takes additional time. This hinders U.S. industry investment and innovation and commercial deployment of platforms, systems, and services for use by NASA and industry. Request your support for legislation granting NASA OTA authority consistent with DoD's to enable commercial development to better align with future NASA and industry needs as appropriate for R&D and prototyping activities to enhance mission effectiveness.

