

OFFICE OF THE UNDER SECRETARY OF DEFENSE

4000 DEFENSE PENTAGON WASHINGTON, D.C. 20301-4000

MAY 2 2 2025

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS

SUBJECT: Permanent Change of Station Targeted Reductions Review and Personnel Policy Changes

The Department currently spends approximately \$5 billion annually moving military personnel and their families between assignments. While these permanent change of station (PCS) moves support mission requirements, the frequency can reduce quality of life for Service members and their families, harm spousal employment, and disrupt functional communities, unit cohesion, and long-term talent management. As we look across the Department for efficiencies, the Military Departments must determine which PCS moves are most critical to support operational requirements and key professional development. Lower-priority PCS moves should be reduced for Service members and their families seeking greater geographic stability.

In accordance with the guidance below, the Military Departments are tasked with considering how their respective Military Services would pursue a reduction in their PCS budgets, to include modification of career development pathways. The Military Departments should provide implementation plans for this reduction, identify potential risks, and recommend mitigation strategies. These plans should adopt a holistic approach not limited to personnel policy actions.

PCS Efficiencies

- Develop an actionable plan to reduce PCS "discretionary move" budgets. Examples include operational travel (continental United States PCS), rotational travel to/from overseas (outside the continental United States PCS), and training travel by 10 percent in Fiscal Year (FY) 2027, 30 percent in FY 2028, 40 percent in FY 2029, and 50 percent in FY 2030 (cumulatively, based upon the FY 2026 budget). PCS budget cuts should be based on current expenditures, adjusted for inflation each FY. Plans should consider the following:
 - All potential courses of action that would reduce PCS frequency (e.g., temporary duty to gain broadening experiences or changing career development and educational models).
 - Clearly delineate where any such proposal would impose greater cost to Service members (e.g., due to reductions in weight limits, temporary lodging reimbursements, or dislocation allowances).

Career Development

- Propose modifications to the officer and noncommissioned officer (NCO) career development models to prioritize geographic stability and permit some officers and NCOs to specialize in lieu of gaining generalized experience across a range of functions.
- Propose required/desired promotion authorities necessary to retain uniquely skilled individuals in positions for longer periods in a manner that benefits the force.

Provide the required information for your Military Department using the attached template and your implementation plan no later than 120 days from the date of this memorandum. My office will request additional or clarifying information where necessary. Please provide a point of contact for this action no later than 1 week from the date of this memorandum.

The point of contact for this action is Mr. Ralph N. Perkins at (703) 571-1954 or ralph.n.perkins.civ@mail.mil.

Jules W. Hurst III

Performing the Duties of the Under Secretary of Defense for Personnel and Readiness

Jules W. Hurst I

Attachment: As stated

Attachment

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS

SUBJECT: Permanent Change of Station Targeted Reductions Review and Personnel Policy Changes

- 1. <u>Service Component</u>. [Regular Army, Navy, Marine Corps, Air Force, Space Force, National Guard/Reserve Components. List appropriate component and remove all additional text and brackets].
- 2. Programs and Policies Feedback.

Permanent Change of Station Efficiencies

Reduce PCS budgets by 10% in FY26, 30% in FY27, 40% in FY28, and 50% in FY29. PCS budget growth will be indexed to inflation.

- (1) Implementation Plan:
- (2) Potential Risks:
- (3) Recommended Mitigation Strategies:

Career Development

Modify officer and NCO career development models that increase focus on geographic stability and specialization over broader career experience or generalization.

- (1) Implementation Plan:
- (2) Potential Risks:
- (3) Recommended Mitigation Strategies:

Propose required/desired promotion authorities necessary to retain uniquely skilled individuals in positions for longer periods that benefits the force.

- (1) Implementation Plan:
- (2) Potential Risks:
- (3) Recommended Mitigation Strategies:

[This attachment is provided as template. All information within brackets is provided for completion of the submission. All text within brackets and the brackets should be removed before submission. Do not number the first page, for second and succeeding pages, place the page number(s) at the bottom center of the page at least a double-space (one blank line) below the last line of text and 1/2 inch from the bottom of the page.]

[Name] [Title]