



PERMANENT CHANGE OF STATION (PCS) TARGETED REDUCTIONS REVIEW AND PERSONNEL POLICY CHANGES MEMO

What is it? As part of its efforts to support warfighters and drive efficiencies, the Department of Defense has directed the military departments to immediately begin reviewing their permanent change of station (PCS) budgets and to start considering how they would pursue reductions to these budgets, to include the modification of career development pathways. This guidance also directs the Military Departments to provide holistic and comprehensive implementation plans for PCS budget reductions during the next 120 days, identifying potential risks and recommending mitigations.

THE NEW MEMO TARGETS TWO AREAS:

- **PCS efficiencies** to reduce PCS “discretionary move” budgets by 50 percent in Fiscal Year (FY) 2030 (cumulatively, based upon FY 2026 budgets, and adjusted for annual inflation); and
- **Career development** modifications to permit some officers and noncommissioned officers to further specialize, as well as leverage promotion authorities to retain uniquely skilled talent for extended periods.

What are the key takeaways? The PCS targeted reductions review is a mid- to long-term effort to balance the needs to meet mission requirements, drive much-needed efficiencies, and improve quality of life for our Service members and their families. This initiative is separate from the more

immediate remedies authorized by the Secretary of Defense to address challenges associated with the Defense Personal Property Program supporting PCS household good moves.

Why is this change needed? Approximately 260,000 to 280,000 Service members participate in a PCS move each year, costing the Department roughly \$5 billion annually and—in some cases—reducing quality of life for our warfighters and their families, harming military spouse employment, and disrupting functional communities, unit cohesion, and talent management.

By reducing the frequency of PCS moves, the Department seeks to enhance its ability to deliver on mission, while generating efficiencies, optimizing resources against its core functions, and offering greater geographic stability to service members, military families, and military-connected communities.

Who is eligible? The memorandum only applies to active duty and reserve component service members in full-time support roles.

When will the review be completed? The Military Departments have up to 120 days from May 22, 2025, to submit their implementation plans to the Office of the Under Secretary of Defense for Personnel and Readiness.

The memo can be found here:

<https://usg01.safelinks.protection.office365.us/?url=https%3A%2F%2Fmedia.defense.gov%2F2025%2FMay%2F28%2F2003725100%2F-1%2F-1%2F1%2FPERMANENT-CHANGE-OF-STATION-TARGETED-REDUCTIONS-REVIEW-AND-PERSONNEL-POLICY-CHANGES>