DOD to Cut $580 Million in Spending



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As part of the Defense Department's ongoing effort to cut wasteful spending, Defense Secretary Pete Hegseth signed a memo today directing the termination of more than $580 million in programs, contracts and grants.

The memo, "Continuing Elimination of Wasteful Spending at the

Department of Defense," orders an end to various spending identified by the Department of Government Efficiency that does not match the priorities of President Donald J. Trump or the Defense Department, Hegseth said during prerecorded remarks.

"In other words, are not a good use of taxpayer dollars; , ultimately, that's who funds us," Hegseth said.

"We owe transparency and making sure we're using well," he added.

The top contract being cut is a software development program for the Defense Civilian Human Resources Management System, which was intended to streamline a significant portion of DOD's legacy human resources program.

The program started in 2018 and was supposed to take one year to develop at a cost of $36 million. However, Hegseth said it is now nearly eight years behind schedule and $280 million over budget.

"So, that's 780% over budget; we're not doing that anymore," he added.

The Pentagon is also cutting contracts for external consulting services, including $30 million allotted to one company that purchased several unused licenses, Hegseth said.

In addition to contracts, DOD is also cutting $360 million in grants.

Included are a $6 million grant to decarbonize emissions from Navy ships, a $5.2 million grant to diversify the Navy and a $9 million university grant for developing "equitable AI and machine learning" models," Hegseth said.

"I need lethal machine learning models, not equitable machine learning models," he added.

Hegseth said the $580 million of cuts announced in today’s memo brings the total money saved to $800 million since his Feb. 20, 2025, announcement on future DOD cuts.

He said that the money saved would ensure warfighters have what they need thanks to the cutting of fraud, waste and abuse.

“[We’re] working hard, we’re working hard with them, we appreciate the work that they’re doing, and we have a lot more coming,” Hegseth said.

“So, stay tuned … We’re going to keep going for you guys,” he concluded.