Survey on Military, Veterans Benefits and Need to Re-instate the Draft Coast Guard Pay Could Be Delayed SECNAV Concerned About Budget Cuts Less Than 25% Active Duty Opt for New Retirement System

FRA Launches 2019 Survey on Military, Veterans Benefits and Need to Re-instate the Draft

YOU are an important component of FRA's Legislative Team! As part of our mission to fight for the concerns of enlisted personnel to Capitol Hill, FRA is conducting an online survey to determine which military and veterans' benefits are most important to active duty and reserve personnel, retirees, veterans and their families. In addition, the Commission on Military, National and Public Service has been established to study the need for a mandatory national service program, including military service, will issue a report to Congress in early 2019 on the need for a military draft and FRA wants to know its members' opinions on this issue. The brief survey is available online.

The FRA will share the survey results with elected officials on Capitol Hill, key committee staff and leaders within the Departments of Defense, Homeland Security and Veterans Affairs. The results are used to ensure these crucial decision makers understand the enlisted sea service perspective.

Visit the survey to let FRA know which military and veteran benefits are most important to you!

Coast Guard Active Duty and Retiree Pay Could Be Delayed

As noted in the December 21, 2018 issue of *NewsBytes*, the Coast Guard is part of the Department of Homeland Security, which is part of the partial (25 percent) shutdown of the federal government. The Department of Defense and Veterans Affairs funding bills have passed and have been signed into law, so those agency programs will not be impacted. Active duty Coast Guard might have their pay delayed if shutdown continues past January 15, 2019. Coast Guard retirees might have their retiree pay delayed if the shutdown continues past February 1, 2019. Active duty and retirees will receive back pay after the shutdown ends.

Senator John Thine (S.D.) introduced the Pay Our Coast Guard Act (S.21) that provides continuing appropriations to the U.S. Coast Guard for any period when interim or full-year appropriations for the Coast Guard are not in effect. The appropriations are provided to the Coast Guard for:

- Pay and allowances for members of the Coast Guard, civilian employees and contractors;
- The payment of a death gratuity, funeral travel and the temporary continuation of the basic allowance for housing for dependents of members of the Coast Guard dying on active duty; and
- Retired pay.

The appropriations are provided until the enactment of specified Coast Guard appropriations legislation. Members are urged to use the Action Center [LINK] to ask their Senators to support this bill.

SECNAV Concerned About Possible Navy Budget Cuts

The Secretary of the Navy (SecNav) Richard Spencer recently spoke at a U.S. Naval Institute/Center for Strategic and International Studies joint event. He expressed gratitude about funding increases for the Navy in the FY2019 budget that was approved by Congress and signed into law. He also expressed concern about possible budget cuts in the upcoming FY2020 Administration budget request, due to be submitted to Congress in February. He claimed that proposed cuts would significantly impact Navy readiness. He compared readiness reforms to getting a bicycle up and pedaling, saying: "Please don't knock us over, the waste would be absolutely stunning." Spencer was confirmed as the 76th Secretary of the Navy by the U.S. Senate in June 2017.

The Administration has recently sent mixed signals on spending levels. The FY2019 spending level for the Defense Department is \$716 billion and was scheduled to increase to \$733 billion in FY2020. With a big increase in projected government spending deficit, the Trump Administration indicated it wanted to reduce FY2020 government spending levels across-the board with all government programs, including the DoD, to be reduced to \$700 billion. The new Senate Armed Services Committee Chairman Jim Inhofe (Okla.) urged the administration to reverse course on a planned cut to the fiscal year 2020 national defense budget. Seventy members of Congress also sent a letter to President Trump requesting that he keep Pentagon FY2020 spending at the \$733 billion level. Later, President Trump suggested it might be increased to \$750 billion.

In addition, spending caps of the Budget Control Act (BCA) of 2011, which sets strict caps on both defense and non-defense spending, are scheduled to be re-imposed in FY2020 and FY2021. In the past, Congress managed to make short-term compromises, lifting the caps for a couple of years at a time. No such agreement applies to the FY2020 Defense budget, at least not yet. Budget cuts mandated by the BCA pose a threat to national security and will substantially impact member's pay and benefits. Members can weigh in on this issue by using the FRA Action Center [LINK] online.

Less Than 25 percent of Active Duty Opt for New Retirement System

The Pentagon recently reported that less than one in four of eligible service members (active duty and reserve component) opted for the new Blended Retirement System (BRS). Beginning in January 1, 2018 until December 31, 2018, service members who joined military service between January 1, 2006 and December 31, 2017 had the option to join the BRS or stay with the 20-year retirement system. The vast majority (75 percent) of those service members preferred the 20-year plan with higher benefits for those that serve 20 or more years. The percentage is higher in the active component-one in three, or 33.1 percent. About 12 percent of reserve component members opted in to the BRS by the deadline.

The FRA opposed the BRS, arguing that the previous system has been an effective tool in maintaining a career force through the stresses of the 17-year-long Global War on Terror. Never before has an All-Volunteer Force (AVF) been given the task of conducting such a long ongoing military operation with multiple deployments. This force, made up of less than one percent of the population, is shouldering 100 percent of the burden of maintaining our national security.

The FRA believes military service is unlike any other career or occupation and requires a unique retirement system with adequate compensation. Career non-commissioned officers (NCOs) are the backbone of our military. Their leadership and guidance are invaluable and are a result of many years of training and experience. The association is concerned that BRS will reduce incentives for future service members to serve for 20 year or more and create too many incentives to leave military service before 20 years of service. It may end the career military as we know it.