



**T H E M I L I T A R Y C O A L I T I O N**

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**STATEMENT OF  
THE MILITARY COALITION (TMC)**

**For the Record**

**of the**

**Subcommittee on Personnel**

**House Armed Services Committee**

**Hearing on**

**The Military Resale System and Morale, Welfare and Recreation Activities**

**April 7, 2005**

MISTER CHAIRMAN AND DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE. On behalf of The Military Coalition, a consortium of nationally prominent uniformed services and veterans' organizations, we are grateful to the Subcommittee for this opportunity to express our views concerning issues affecting the uniformed services community. This testimony provides the collective views of the following military and veterans' organizations, which represent approximately 5.5 million current and former members of the seven uniformed services, plus their families and survivors.

- Air Force Association
- Air Force Sergeants Association
- Air Force Women Officers Associated
- American Logistics Association
- AMVETS (American Veterans)
- Army Aviation Association of America
- Association of Military Surgeons of the United States
- Association of the United States Army
- Chief Warrant Officer and Warrant Officer Association, U.S. Coast Guard
- Commissioned Officers Association of the U.S. Public Health Service, Inc.
- Enlisted Association of the National Guard of the United States
- Fleet Reserve Association
- Gold Star Wives of America, Inc.
- Jewish War Veterans of the United States of America
- Marine Corps League
- Marine Corps Reserve Association
- Military Chaplains Association of the United States of America
- Military Officers Association of America
- Military Order of the Purple Heart
- National Association for Uniformed Services
- National Guard Association of the United States
- National Military Family Association
- National Order of Battlefield Commissions
- Naval Enlisted Reserve Association
- Naval Reserve Association
- Navy League of the United States
- Non Commissioned Officers Association
- Reserve Officers Association
- Society of Medical Consultants to the Armed Forces
- The Retired Enlisted Association
- United Armed Forces Association
- United States Army Warrant Officers Association
- United States Coast Guard Chief Petty Officers Association
- Veterans of Foreign Wars of the United States
- Veterans' Widows International Network

The Military Coalition, Inc., does not receive any grants or contracts from the federal government.

Mr. Chairman and Distinguished Members of this Subcommittee, The Military Coalition (TMC) appreciates your interest in the well-being of the members of the military community: active duty and reserve component service members, retirees, their families, and survivors. We thank you for this opportunity to provide testimony on commissaries, exchanges, and Morale, Welfare and Recreation (MWR) programs. During this period of increased operations tempo, deployments, and family and community stress, the availability of a robust package of personnel benefits and quality of life programs is crucial. Resale activities and MWR programs are key elements of that quality of life package.

This statement presents issues of concern to the TMC regarding commissaries, exchanges, and MWR programs. It also highlights the value of these programs to the entire military community. The Coalition very much appreciates the support of this Subcommittee in maintaining and preserving the commissary, exchange and morale, welfare and recreation benefit value for servicemembers and their families. However, we are very much concerned about recent reports from Service leadership and from individual installations about potential shortfalls in base operations funding and appropriated fund support for MWR programs. We are also concerned about the potential impact of multiple and simultaneous initiatives by the Office of the Secretary of Defense (OSD) and the military Services—including transformation, Global Repositioning, Army Modularity, and Base Realignment and Closure (BRAC)—on these essential quality of life benefits.

TMC associations are particularly troubled by what we see as mixed signals regarding DoD's long-term commitment to quality of life services and programs. During a recent hearing before this Subcommittee concerning recruiting and retention, an official from OSD and the Service Personnel Chiefs emphasized bonuses as a priority, with little to no reference to the importance of support for military families and quality of life programs in meeting recruiting and retention challenges. In a hearing one month earlier before the Military Quality of Life and Veterans Affairs Subcommittee of the House Appropriations Committee, Senior Enlisted Advisors on the other hand emphasized the importance of addressing quality of life issues for active, National Guard and Reserve service members and their families. Child care and housing were listed as top priorities, in addition to pay, health care, and educational opportunities for service members and their families. TMC is concerned that these mixed signals may give the perception that DoD is not serious about the value of non-pay elements of the military benefit package.

Never has the need for robust MWR, resale and quality of life programs and infrastructure been more essential than now. The Coalition appreciates the priority given by Congress to military compensation over the last several years and the continued oversight and support for the military resale system and MWR programs. We believe, however, that these programs may be placed at risk during DoD's transformation and modernization efforts if not given a continued high level of visibility by Congress and adequate funding support. MWR, resale, and quality of life programs are important contributors to personal and mission readiness. By providing a wide range of recreational

and critical support services to servicemembers and families, these programs are also key to attracting and retaining a quality force. As the military community continues to respond to heightened operations tempo and anticipates the movement of servicemembers and families due to Service transformation initiatives, global rebasing and base closure and realignment, the TMC asks that Congress:

- Fully fund the Defense Commissary Agency (DeCA) and scrutinize store closures, privatization, staff reductions, or other initiatives that may diminish the scope and quality of the benefit for all beneficiaries (active and Guard and Reserve servicemembers, retirees, veterans, survivors, and their families).
- Support appropriate resources to ensure MWR programs will continue to provide quality of life recreation, education and morale building facilities and programs for all beneficiaries.
- Continue to monitor and evaluate the effects of privatization initiatives that could adversely affect quality of life programs.
- Promote the allocation of additional resources to meet the child care needs of the uniformed services community and authorize service member participation in Flexible Spending Accounts to enable military families to pay child care expenses with pre-tax dollars.
- Continue to monitor DoD's plan to consolidate certain military exchange functions with focus on enhancing MWR revenues and responsiveness to customers.
- Protect the interests of all beneficiaries impacted by base closures and other installation realignments, while ensuring that resources are in place in installations anticipating increased population to support their needs.

### **THE COMMISSARY BENEFIT**

The Military Coalition is committed to preserving the value of the commissary benefit—which is widely recognized as the cornerstone of quality of life benefits and a valued part of the service members' total compensation package. Demanding operational commitments take a significant toll on personnel and their families. The commissary and other quality of life programs are more significant than ever in sustaining morale, reassuring deployed personnel their families are provided for, and ultimately ensuring our military readiness. The benefit also positively impacts the retention of highly skilled personnel and, subsequently, military readiness.

During the past two years, the Department of Defense has proposed closing a number of commissaries, replacing the traditional three-star officer serving as chairman of the Commissary Operating Board (COB) with a political appointee, and requiring a study on instituting variable pricing for commissary products. Two of these proposals were apparently intended to save money by ultimately reducing the annual appropriation supporting the Defense Commissary Agency (DeCA), which operates 272 commissaries worldwide. The COB recommendation was also viewed as another indicator of DoD's ongoing interest in eventually privatizing the benefit.

The Coalition is grateful for the continued strong support of this Subcommittee in preserving this top rated benefit. TMC applauds the leadership of this Subcommittee and some senior military leaders in ensuring that only a few previously approved store closings were completed subsequent to the store-closure announcement in 2003. We were also reassured to see the Commissary Operating Board (COB) chairmanship was retained by a senior uniformed officer and the variable pricing concept was dropped, albeit following a costly study. We thank Congress for including provisions to strengthen the statutory protections for, and defining the purpose of, the commissary and exchange systems in the FY 2005 National Defense Authorization Act. Given DoD's 2003 proposal to close commissary stores in several small, remote communities, TMC was especially gratified that Congress included language (Sec. 651) stating that any assessment of a possible commissary closure must include a consideration of the effect of the closure on the quality of life of service members and their dependents as well as the "welfare and security of the military community in which the commissary is located." We are pleased that Congress also directed DoD to consider the quality of life of members of the reserve components in any closure decision. We applaud the authorization of a test program of the sale of telephone cards, film, and one-time use cameras, but note that we have not received any information about the start of such a test.

The Coalition supports efforts to improve cost savings, ensure effective oversight and management of the commissary benefit, and improve responsiveness to the needs of commissary beneficiaries. However, we are concerned about the unrelenting pressure on DeCA to cut spending and squeeze additional efficiencies from its operations—despite years of effective reform initiatives and recognition of the agency for instituting improved business practices. The commissary is a highly valued quality of life benefit not quantifiable solely on a dollars appropriated basis.

***The Military Coalition opposes initiatives that would reduce benefits or savings for members, and strongly supports full funding of the benefit in FY 2006 and beyond to sustain the current level of service for all patrons, including retirees, Guard and Reserve personnel, and their families.***

#### **THE DEFENSE COMMISSARY AGENCY (DeCA)**

The Defense Commissary Agency (DeCA) does an outstanding job managing military commissaries. DoD's FY 2006 budget request of \$1.155 billion to fund the agency's operating costs reflects the implementation of a multi-year strategic plan to continue improving the benefit and boost customer savings. Broad reform initiatives implemented by DeCA in recent years include staff reorganization, implementation of improved management practices and operating cost reductions, the revitalization and protection of the surcharge account (comprised of funds collected via the five-percent surcharge), and working more effectively with its business partners.

Recent survey data indicates increased customer satisfaction in most areas surveyed despite continuing pressure from DoD to reduce costs. This continued improvement in customer satisfaction reflects a strong commitment by DeCA leadership

and staff to deliver the benefit as cost effectively as possible. Commissary shoppers can save an average of over 31 percent on groceries when compared to purchases in retail grocery stores. These savings combined with other improvements are very important to the families of junior enlisted personnel who often struggle to make ends meet, especially in high-cost duty locations. Commissary savings have become increasingly more important to National Guard and Reserve members and their families, particularly when the members are called to active duty and incur a loss in pay from the difference between their civilian and military salary. And, the benefit continues to be highly valued by military retirees and survivors with limited incomes.

DeCA remains committed to improving its outreach to beneficiaries. It provides many opportunities to sound off about the benefit including customer comments cards and store manager contact information available on the DeCA website ([www.commissaries.com](http://www.commissaries.com)). The DeCA website continues to improve, providing valuable information on DeCA programs and store events, collaborative promotional campaigns with its business partners, special events, lot sales, Commissary Fast Facts and other initiatives. Single service member events at stores throughout the system are one of the most effective outreach tools to acquaint junior service members about their commissary benefit. The Coalition also appreciates special activities for families and deployed service members provided by commissary stores in communities dealing with deployments. These initiatives not only educate more active duty personnel about the benefit, but also foster community cohesion. TMC congratulates DeCA on the success of the "Gift of Groceries" program, which allows private citizens to purchase commissary gift certificates for individual service members and their families or as a donation to charitable organizations who then distribute the certificates to families who need them. Through the support provided by commissary vendors, the Scholarships for Military Children program eases the financial burden faced by many families as they send a child to college and recognizes outstanding students in military families.

***DeCA should be adequately funded to sustain the benefit at the current benchmark level and ensure that the commissary continues as one of the military's premier quality of life benefits for active duty, Guard and Reserve personnel, military retirees and their families and survivors. TMC appreciates DeCA's continuing commitment to improve customer service while achieving greater efficiencies, but cautions the Agency to constantly monitor the impact of these efforts on customer service, store operations and employee morale.***

### **CBO RECOMMENDATIONS**

As in previous years, Budget Options offered in February 2005 for consideration by the Congressional Budget Office (CBO) include recommendations on a number of compensation and benefit issues including the military resale system, which encompasses the Military Exchanges and the Defense Commissary Agency. A familiar theme in these proposals is that the only bottom line worth considering in evaluating these programs is how many appropriated dollars can be diverted elsewhere.

TMC believes the CBO proposal to combine the three exchange systems and the commissaries under one retail operation in order to reduce the government subsidy for DeCA is flawed. The Coalition submits that commissaries provide both tangible and intangible benefits to service members and their families well beyond the approximate \$1.1 billion in appropriated funds DeCA receives. In addition to the savings provided to their customers, commissaries enhance the quality of life of individual service members, retirees, families, and survivors and to the military community. The value of the commissary benefit, therefore, is not quantifiable solely on cost or budget reductions. The exchange systems operate without direct appropriations unlike the Defense Commissary Agency. Profits from exchanges support vital morale, welfare and recreation programs and facilities for service personnel and their families, while most commissary products are sold at cost plus a five percent surcharge. The two systems also employ different personnel management approaches—DeCA personnel are government employees while exchanges operate as non-appropriated fund entities allowing for less costly personnel and procurement programs.

Currently, the average annual savings for a family of four shopping regularly at the commissary is \$2,813. Combining all exchanges and the commissary system under one resale entity would increase prices for all beneficiaries by at least 10 percent to partially offset the elimination of the DeCA appropriations according to CBO. In addition to reducing customer savings on goods currently sold in the commissary, TMC believes the plan would likely endanger MWR program dividends.

As part of this proposal, CBO suggests a \$500 annual tax-free grocery allowance only for active duty personnel receiving the food allowance (BAS) to offset the higher costs of accessing the benefits. This payment amounts to only \$41.67 per month, which is less than the commissary savings currently enjoyed by many active duty families, and would provide nothing to retirees, drilling Guard and Reserve members, and survivors.

***TMC opposes a consolidation of the military exchanges and commissaries because of the unique nature of each and the intangible value of these benefits to all beneficiaries and the importance of the annual appropriation, which DeCA leverages in the form of customer savings of 31 percent into a benefit valued at a much higher level by beneficiaries.***

## MILITARY EXCHANGES

Active duty and reserve component servicemembers, retirees, their families, and survivors consistently rate the military exchanges as important quality of life components behind the commissaries. Beneficiaries value the exchanges—to include the vendors in exchange malls and the ancillary services such as service stations, barber shops, and shoppettes—because they provide a great service to the local community where members serve and live. Beneficiaries value low everyday prices on consumer goods and the convenience of catalog and Internet mail order services. The exchanges' online store, operated by the Army and Air Force Exchange Service (AAFES) continues to increase in popularity, especially among Guard and Reserve members and retirees who do not live

near an installation, deployed servicemembers, and families stationed overseas. The online store provides broader access to the benefit exchange customers have earned. Expanded exchange furniture and appliance lines have become especially popular with many customers. Holders of the exchanges' Military STAR card value its low interest rate, the lowest of any major credit card, and the flexibility it provides under its Deployment Program, enabling certain deployed servicemembers with accounts in good standing to request through their commanders that their interest rate on outstanding balances be lowered to 6 percent.

The exchange services also bring a touch of home to deployed service members, through ship stores in the Navy and through AAFES activities in deployed areas. Exchange employees provide retail operations, name brand fast food outlets, Internet cafes, and phone services in many remote areas. TMC applauds the exchange employees who have deployed with the troops and who serve them in often dangerous and remote locations. AAFES "Gifts from the Homefront" program allows people to purchase AAFES gift certificates that can be sent to individual authorized patrons or donated to deployed servicemembers through the Red Cross, Air Force Aid Society, or the Fisher House.

The exchanges not only provide essential goods and services, but also generate vital funding for a variety of Morale, Welfare and Recreation (MWR) programs that are essential to maintaining a high quality of life for members of the military community. Funds generated for MWR by the exchanges are funds that do not have to be provided by the service members and their families—or the government—to support these programs.

Outreach efforts by the military exchanges support military families and recognize the contributions of retirees to the military community. Special "Still Serving" events and Retiree Appreciation Days draw retirees to the installations and renew their identification with today's military force. Many exchanges also sponsor special events for children and young families, featuring read aloud times, offering coupons or other incentives for good report cards, or special family night sales and events. We do note that, while improving, exchanges in many locations still need to work on their product lines to ensure that brand name goods in a variety of price points are available to meet the needs of the very diverse beneficiary population. Exchanges must also more aggressively ensure that exchange prices in the products they carry are comparable, not just to identical brands, but to other brands of similar quality in civilian stores. Military beneficiaries want to make their exchange their store of choice. An exchange that does not carry the goods they need, in the price range they can afford, or with the quality they expect will not be their first choice.

### **EXCHANGE SHARED SERVICES**

As has been briefed to the member associations of the Coalition, the DoD initial efforts towards exchange consolidation has evolved into a proposal to create a "shared services model." Efforts to improve efficiencies in the exchange system are of interest to TMC members because they could have an impact on prices of goods sold in the

exchanges, customer service, and exchange contributions to MWR. The Unified Exchange Task Force (UETF) has been developing several shared services models designed to reduce overhead costs in the areas of logistics, finance and accounting, information technology, human resources and non-resale procurement. UETF officials have explained to us that this approach is based on reducing "backroom" costs for the exchanges so that they will have greater margins from which to offer their customers better pricing. However, TMC continues to view the proposals with cautious interest until additional information becomes available. For example, implementation costs and transition costs are important components in the shared services decision and that information is not yet available.

While the Unified Exchange Task Force (UETF) has been extremely open and informative throughout this process (associations have met quarterly with the UETF leadership since its inception), the Military Coalition (TMC) will reserve our support of shared services until a substantive business-based analysis is completed that clearly demonstrates the change will enhance the benefit to the patron and increase the MWR dividend. TMC asks Congress to ensure that exchange customers or beneficiaries of MWR programs will not be forced to bear the costs of implementing any consolidation or shared service initiative.

***TMC appreciates the willingness of the Unified Exchange Task Force to engage in a regular dialogue with beneficiary associations and to seek beneficiary input on issues related to shared services in the exchange system. TMC cannot take a position on this issue until it is presented with more information on the cost savings to the military beneficiary and impact on the MWR dividend. TMC asks this Subcommittee to provide the oversight necessary to ensure that the exchanges, whether or not they share services, continue to provide appropriate product choices, competitive prices, and increased funding for MWR programs.***

### **MORALE, WELFARE, AND RECREATION (MWR) PROGRAMS**

Beneficiaries continue to rank MWR programs as a valued benefit, along with commissaries and exchanges. These programs are particularly important to deploying forces and their families at a time when operational tempo and stress is extremely high. Service members stationed far from home on lengthy deployments depend on MWR activities as a lifeline to home and a respite from arduous duty. Their family members depend on MWR programs for wholesome, affordable activities that demonstrate to them the community's concern for their well being while the servicemember is deployed. Retirees view the availability of MWR programs as part of the benefit package provided them, their families, and survivors.

As operations, deployments, and training missions continue to accelerate as a result of the Global War on Terrorism (GWOT), the military family and community are feeling the strain. The Services' family support programs and the caregivers supporting families are showing the strains of high operational tempo and funding constraints. Support services for deployed servicemembers and their families are essential, and

expensive. While funding provided for the GWOT through recent wartime supplemental appropriations bills have enabled the Services to enhance many family support services at installations with deployed units, this funding does not support ongoing baseline support programs. Following units' return to an installation, special support programs and the funding to sustain them often diminishes, leaving remaining support staff to deal with return and reunion issues and the inevitable training and preparation for a subsequent deployment. Installations must often find the money or take it out-of-hide from their operations and maintenance accounts to sustain MWR, family and quality of life programs during all phases of the deployment cycle.

TMC associations are hearing of reductions in family support services and MWR programs because of funding cuts at many installations across all Services. While some of these cuts may be temporary, in programs and facilities seeing declines in patronage due to the deployment of units from the installations, others are in services that support families, such as spouse employment support, volunteer support, child development center hours, or family member orientation programs. These core quality of life programs, family center staff, chaplains, other support personnel, MWR, child care, commissary and exchange programs make the transition to military life for new military members easier and lessen the strain of deployment for more all families. TMC associations do not have the expertise to ferret out exact MWR funding levels from Service Operations and Maintenance budgets. We are concerned about the state of this funding—both appropriated and non-appropriated fund support—because of what we hear from service members and families, what we read in installation papers chronicling cutbacks, and from Service leaders who have identified shortfalls in base operations funding in the administration's FY 2006 budget request.

TMC recognizes the Services are doing the best job they can in supplying education and a wide range of MWR programs for forward-deployed units. The Services are bringing innovative ideas and solutions to make sure recreation, fitness equipment, computers, and communications services and networks are available in even the most remote areas to improve morale and link servicemembers with their families back home.

Communication during deployment is particularly important to service members and their families. The military Services have made such great strides in improving communication links between deployed service members and their families that they now recognize that this war's frequent communication patterns between the troops and their families may pose new family and servicemember support issues. TMC continues to hear concerns about the high cost of phone calls when the servicemember is deployed and remains concerned that more must be done minimize the direct costs of communication between service members and families. Use of technology to improve communications should not be at the expense of our servicemembers.

Educating families about their benefits and providing timely and accurate information on how to manage the demands of military life is critical during times of high operations tempo. TMC is pleased that the Services are exploring new avenues for communicating with family members and helping them to access resources when needed.

Programs like Military OneSource provide 24/7 access, toll-free or online, to community and family support resources, allowing families to access information and services when and where they need them. Military OneSource should not be viewed as a replacement for the face-to-face support provided by installation family centers or Guard and Reserve family program staff, but rather as a force multiplier to help service members or families who cannot receive the assistance they need from their local support network.

***TMC urges Congress to ensure core MWR and quality of life programs and infrastructure are fully funded, including full funding of Category A programs. Commanders should not have to choose between funding programs that support servicemembers and their families and operation requirements.***

### **CHILD CARE AND YOUTH PROGRAMS**

The military's child care system remains the national benchmark by which other programs are measured. High rates of accreditation, quality facilities, and well-trained staff are a testament to the priority given military child care by the Congress, DoD, and the Services. TMC thanks Congress for funding the construction of additional military child development centers each year and for the funding needed for DoD to maintain such a high quality program at what the Coalition believes is still a reasonable cost for most users.

Despite considerable progress and partnerships to expand the program, TMC sees some continuing challenges for DoD and the Services in meeting the child care needs of the force without breaking the bank or compromising quality. DoD officials note they need 38,000 additional slots to meet existing demand. The Senior Enlisted Advisors, in recent testimony, noted the importance of increasing access to child care as they discussed some service members' loss of duty time because they could not obtain reliable child care. Spouses of deployed service members emphasize the need for more child care slots for part-time or hourly care to support spouses in their roles of family readiness volunteers; to enable a spouse to keep medical, school and other family appointments; to support a spouse who must change or cut back work hours because of deployment; or to provide respite to both parent and children when needed.

Installation child development centers and family child care homes cannot meet all of the need, especially for families living off the military installation. National Guard and Reserve members are essential to today's military mission. Concerns about finding quality and affordable child care when called to active duty affect their mission readiness, just as they affect the ability of other active duty members. Quality of life programs and family support needs of activated Guard and Reserve members must be calculated in DoD and Service mission estimates as it is for the active duty force.

To meet the needs of families who cannot access child care on a military installation, particularly National Guard and Reserve families, DoD must continue its efforts to look for innovative ways to deliver child care and youth programs. Congress has given DoD several authorities over the years to improve military families' access to

affordable child care. More must be done to use these authorities to the fullest. The military's employee assistance program, Military OneSource, can also help families locate child care, but many families who must use child care facilities away from military installations are footing the entire bill. TMC applauds DoD's partnership with the National Association of Child Care Resource and Referral Agencies (NACCRRA) and its implementation of initiatives like "Operation Military Child Care," that provide much needed government-subsidized, high quality child care for mobilized and deployed military parents.

TMC asks Congress and DoD to consider authorizing military members' participation in Flexible Spending Accounts (FSAs) for child care. Ninety percent of private sector employers, plus the Federal civil service, allow their employees to pay dependent and health care expenses on a pre-tax basis through these accounts. Exempting military members from Federal and State income tax and payroll taxes saves employees 25-40 percent or more, depending on tax rates.

*Innovative ways of meeting the child care needs of geographically-dispersed families and the deployment-related surge demand for child care may need to include a combination of subsidies, the use of information and referral services, and the option of Flexible Spending Accounts, in addition to increased slots available in the DoD child development system.*

#### **FITNESS, LIBRARIES, RECREATION AND MILITARY CLUB FACILITIES**

A ready force must be a fit and mobile force and TMC has supported the construction of additional fitness centers as important to readiness. Servicemembers speak highly of the new facilities, equipment, and well-trained staff. Many fitness centers also welcome retirees and family members; some even have convenient child play rooms on site so that parents can bring children along. The Services speak of the centers' importance in emphasizing an active lifestyle. DoD and Service standards will ensure consistency in measuring the fitness of service members and the operation of the centers. TMC is concerned about possible funding cuts to fitness programs and strongly advocates for increased funding for this important mission readiness program.

The military force is an educated force and values the availability of both the print and technological resources. TMC encourages the leveraging of technology, and material acquisition, including integrating resources with command knowledge management systems and family support networks. The Coalition continues to support libraries' efforts to provide Internet access unimpeded by installation firewalls and to add necessary technology for distance learning and access to centralized databases in fixed libraries at installations as well as mobile libraries.

Installation facilities such as bowling alleys, swimming pools, athletic fields, the military club system, and golf courses continue to be important to the military community's quality of life. True communities are not just made up of houses and places of work; they also include the support facilities to provide community interaction and

wholesome, safe activities. MWR recreational activities on installations also draw service members, retirees, and their families and survivors who live off base back to the installation. This reinforces the cohesion of the military community as a whole. In the current security environment, MWR facilities are viewed as a safe haven in military communities both overseas and in the United States. Military MWR facilities must continue to be responsive to the entire community in order to provide the services needed at a competitive price.

TMC is also pleased that the DoD and Services are conducting more frequent and extensive quality of life surveys. These surveys cover a broad range of quality of life and MWR issues, and provide important information to plan and program for facilities in order to meet the changing needs of the military community. Assessment tools like DoD's status of forces surveys provide more real-time data for decision-makers to use in formulating funding and policy, pointing out the value of resale and MWR programs to the members of the force.

### **BRAC, GLOBAL RE-POSITIONING, AND SERVICE TRANSFORMATION INITIATIVES**

As the Base Realignment and Closure (BRAC) Commission prepares to receive DoD's list of installations recommended for realignment and closure, military beneficiaries are looking to Congress to ensure that key quality of life benefits and programs remain accessible. Members of the military community, especially retirees, are concerned about the impact base closures will have on their access to the commissary, exchange, and MWR benefits they have earned. They are concerned that the size of the retiree, Guard, and Reserve populations remaining in a location will not be considered in decisions about whether or not to keep commissaries and exchanges open.

In the case of shifts in troop populations because of Service transformation initiatives, such as Army modularity, or the return of service members and families from overseas bases, community members at receiving installations are concerned that existing facilities and programs may be overwhelmed by the increased populations. The TMC does not have a position on whether or not downsizing overseas should occur or how or where troops should be based. Our interest in this discussion is in raising awareness of the imperative that military family and quality of life concerns be considered by policy-makers in their decision-making process and in the implementation of any rebasing or transformation plans.

Quality of life issues that affect servicemembers and families must be considered on an equal basis with other mission-related tasks in any plan to move troops or to close or realign installations. The core quality of life infrastructure needed to support the military community includes housing, quality schools, commissaries, exchanges, child and youth programs, MWR facilities, family centers, chaplains' programs, and medical care. Maintaining this infrastructure cannot be done as an afterthought. Planning must include the preservation of quality of life programs, services, and facilities at closing installations as long as service members and families remain AND the development of a

robust quality of life infrastructure at the receiving installation that is in place before the new families and service members arrive.

Ensuring the availability of quality of life programs, services, and facilities at both closing and receiving installations and easing service members and families' transition from one to another will take additional funding and personnel. DoD must program in the costs of family support and quality of life as part of its base realignment and closure calculations from the beginning, ask for the resources it needs, and then allocate them. It cannot just program in the cost of a new runway or tank maintenance facility; it must also program in the cost of a new child development center or new school, if needed.

***TMC urges that every effort be made to preserve the availability of commissaries, exchanges, and MWR programs during shifts in troop populations during a CONUS BRAC or realignment of troops from overseas. The size of the military retiree, National, Guard and Reserve population in the vicinity of a closing installation and the impact of closure on these beneficiaries should be considered before decisions are made to close commissaries and exchanges. We look to Congress to ensure DoD's plans for these troop shifts will maintain access to quality of life programs and support facilities until the last service member and family leaves installations to be closed. In the same manner, we ask you to ensure that housing, schools, child development and youth programs, and community services are in place to accommodate the surge of families a community can expect to receive as a result of the movement of troops to a new location.***

## CONCLUSION

Mr. Chairman, The Military Coalition is grateful to this distinguished Subcommittee for its protection of the commissary benefit and its oversight and support of the military exchanges and MWR programs for the military community around the world. These programs and services bring a touch of home and provide resale items, recreation and education opportunities for deployed service members and for military families located far from home. On military installations, the commissary, exchange, and MWR programs provide a community focal point, involving families, retirees, survivors, and single service members. We stress the importance on quality standards and value to the customer, and the fact that commissaries, exchanges, and MWR activities are vital quality of life components for today's force.