



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

201 North Washington Street
Alexandria, Virginia 22314
(703) 838-8143

June 5, 2015

The Honorable
United States Senate
Washington, DC 20510

Dear Senator:

The Military Coalition (TMC), a consortium of uniform services and veterans associations representing more than 5.5 million current and former service members and their families and survivors, appreciates the hard work that went into S. 1376, the Senate Armed Services Committee mark-up of the FY 2016 National Defense Authorization Act. However, we respectfully request that you reject several harmful provisions in the proposed legislation that we find troubling.

Some proposals in the mark continue to erode the pay and benefits needed to sustain the all-volunteer force (AVF) and their families: specifically, the annual pay raise, basic allowance for housing, TRICARE pharmacy fees, and the commissary subsidy cut.

The Coalition is grateful that Congress worked hard over the years to fix the 13.5% pay gap and eliminate a 20% out-of-pocket housing costs military members faced. Congress saw to it to reverse the retention problems caused by repeatedly capping military raises below private sector pay in the 1980s and '90s. Cost growth in pay and benefits since 2000 was necessary to keep the previous compensation cutbacks from breaking the AVF.

By the late 1990s, the Pentagon convinced Congress to make military housing allowances meaningful by setting Basic Allowance for Housing (BAH) at 100% of median local housing costs. Congress codified this standard after years of budget cuts reduced BAH rates well below actual housing costs.

However, the proposals in the FY 2016 defense bill reverse much of Congress' hard work – especially the further erosion of pay and the housing allowance. The FY 2016 SASC mark proposes a 1.3% pay raise cap (vs. a 2.3% raise mandated by law) and represents a third straight year of pay caps, with four more years planned.

Moreover, the proposed pharmacy fee increases are disproportional and surpass the median of civilian medical plans.

Between the FY 2014, FY 2015, and FY 2016 pay caps, the proposed BAH reductions, and the reductions in commissary savings, an E-5 family of four would experience a loss of over \$5,100 in purchasing power annually; and an O-3 family of four would experience a loss of over \$6,400.

Your colleagues in the House have already rejected these proposals and we ask you to do the same. Please strike the following sections in the mark: Sections 601, 602-604, 702, and 651-652 (to include the further reduction of the commissary subsidy by \$322M).

We understand budgets are tight, but by striking these provisions you will send a very strong message of support to the men and women who wear the uniform and their families.

Sincerely,

The Military Coalition
(Signatures enclosed)

Air Force Sergeants Association
Air Force Women Officers Associated
AMVETS (American Veterans)
Army Aviation Association of America
AMSUS, the Society of Federal Health Professionals
Association of the United States Army
Association of the United States Navy
Chief Warrant Officer Association, U.S. Coast Guard
Commissioned Officers Association of the U.S. Public Health Service, Inc.
Fleet Reserve Association
Gold Star Wives
Iraq & Afghanistan Veterans of America
Jewish War Veterans of the United States of America
Marine Corps League
Marine Corps Reserve Association
Military Officers Association of America
Military Order of the Purple Heart
National Association for Uniformed Services
National Military Family Association
Naval Enlisted Reserve Association
Non Commissioned Officers Association
The Military Chaplains Association of the United States of America
The Retired Enlisted Association
United States Army Warrant Officers Association
United States Coast Guard Chief Petty Officers Association
Vietnam Veterans of America

Military Coalition Letter in re: June 5, 2015