Dear Chairmen Inhofe and Smith and Ranking Members Reed and Thornberry:

The Military Coalition, a consortium of organizations representing 5.5 million service members, veterans, their families and survivors, views the defense resale system as an essential component of military compensation and is committed to its preservation. We are very concerned that proposals to merge the various elements of the defense resale system may pose a threat to its continued viability and request further study and oversight by Congress.

This January, a task force convened by the Department of Defense’s Chief Management Officer released a business case analysis (BCA) recommending consolidation of the four Exchanges and the commissary. Notably, while the military service branches concurred with this report, they did so with reservations. Specifically, the Services expressed concerns that consolidation would take longer and cost more than anticipated, while failing to result in promised efficiencies. We are concerned that if these predictions are accurate, the defense resale system may be unable to provide the services (low cost groceries and support for MWR programs) relied on by service members, their families and survivors.

While TMC is not opposed to the study of consolidating and streamlining military resale back office operations to gain efficiencies, we urge caution in implementing changes to a fragile military community ecosystem that may impact other important programs. Given the varying opinions about the advisability of the BCA recommendation, we believe an independent review by the Government Accountability Office would be appropriate. We further request that Congress conduct a hearing on the recommendations included in the BCA, which would allow those committed to preserving the resale system and protecting patrons’ earned benefit to express their concerns.

We appreciate your longstanding commitment to preserving the defense resale system and your crucial role in oversight of these proposed changes. We stand ready to continue working with all parties to ensure the preservation and improvement of vital military resale benefits, and all other important programs, dependent on their success.

Sincerely,

The Military Coalition
(Signatures enclosed)
Air Force Association
Air Force Sergeants Association
AMVETS (American Veterans)
Army Aviation Association of America
AMSUS, the Society of Federal Health Professionals
Association of the United States Navy
Chief Warrant & Warrant Officers Association, USCG
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 Guard Association of the United States
National Military Family Association
Naval Enlisted Reserve Association
Non Commissioned Officers Association
Reserve Officers Association
Service Women’s Action Network
The Military Chaplains Association of the United States of America
The Retired Enlisted Association
Tragedy Assistance Program for Survivors
United States Army Warrant Officers Association
United States Coast Guard Chief Petty Officers Association