

Lt Gen Brian T. Kelly, USAF (Ret) President and CEO

August 24, 2023

The Honorable Jack Reed Chairman, Armed Services Committee United States Senate Washington, D.C. 20510

The Honorable Roger Wicker Ranking Member, Armed Services Committee United States Senate Washington, D.C. 20510 The Honorable Mike Rogers Chairman, Armed Services Committee U.S. House of Representatives Washington, D.C. 20515

The Honorable Adam Smith Ranking Member, Armed Services Committee U.S. House of Representatives Washington, D.C. 20515

Dear Messrs. Chairmen and Ranking Members:

The Military Officers Association of America (MOAA), our nation's largest military service organization, and fourth largest veteran service organization, representing more than 360,000 currently serving, retired, and former officers, survivors, and their families, thank you and members of the U.S. House and Senate for your steadfast support of the uniformed services and veteran communities in the FY 2024 National Defense Authorization Act (NDAA).

This upcoming fiscal year will be challenging for our nation and the all-volunteer force, and we believe the way through these challenges is to prioritize and care for our nation's servicemembers.

First, we want to thank you for the inclusion of critical provisions in the engrossed versions of this year's NDAA, S. 2226 and H.R. 2670, that will protect and improve the pay, benefits, and other support programs for servicemembers and their families:

Pharmacy Network Report (House Section 765): MOAA thanks both the House and Senate for including requirements to assess TRICARE pharmacy network cuts. We strongly urge the conferees to include in the FY2024 NDAA a provision that directs a GAO report including the detailed requirements outlined in House Sec. 765 – This will provide a thorough and independent analysis of changes to TRICARE beneficiary prescription drug access from TPharm4 to TPharm5.

Absorb BAH By 1% (House Section 4401): While our service members are giving 100% to our nation, Basic Allowance for Housing (BAH) is only being compensated at 95% of the local rental and utilities costs. MOAA supports restoring BAH to 100% through the

BAH Restoration Act (H.R. 2537 and S. 1823) and recognizes the House's work to make incremental progress through the NDAA. We support the absorption by 1%, bringing the BAH rate to 96% and ask for the necessary appropriations to fund this authorization.

Additionally, we would ask as you and your fellow lawmakers work on the finalized version of the NDAA you ensure that these other key issues are addressed in this year's bill:

Pay Table Reform for Junior Enlisted Servicemembers (House Section 510):

MOAA supports the inclusion of authorization language that will reform pay tables as an immediate way to increase enlisted pay to combat the recruiting crisis. While this is an important step, Congress should also seek to conduct broader pay table reform to ensure competitive wages are established and maintained across the entirety of service. Broader reform will help eliminate the need for special needs allowances or supplemental food assistance programs. Basic needs for individual and family subsistence should be met within the standard compensation package and not through supplemental means.

Oppose Partial TRICARE Fixes (Senate Sections 703 and 5701 and House Section 707):

MOAA has long advocated for legislation to ensure TRICARE evolves with changing technologies, treatment protocols, and commercial plan benchmarks. We appreciate efforts to address some of these parity issues in the FY2024 NDAA but strongly oppose excluding beneficiary segments, including Coast Guard/USPHS/NOAA and uniformed services retirees and their families, from TRICARE coverage updates. To ensure TRICARE coverage is comprehensive and up to date for all beneficiaries, Congress must find a solution to the direct spending impacts associated with funding health care for a sliver of the beneficiary population – without cutting TRICARE or reducing other military benefits and resources as an offset. Allowing TRICARE coverage to continue to lag benchmarks not only betrays our nation's obligation to those who have earned the benefit, but it also raises the risk that servicemembers, retirees, and their families – key influencers in the recruiting process – will be less likely to recommend military service to current and future generations.

Eliminate BAH from the Basic Needs Allowance (BNA) Calculation (House Section 621):

MOAA appreciates the progress on BNA but recognizes the need to expand eligibility to support low-income servicemembers and their families who are struggling with food insecurity. Excluding BAH from the BNA calculation will drastically increase the eligible population and improve the overall quality of life for our service members and their families. While the BNA is an intermediate fix, ultimately, service member pay must be adequate to ensure no military family faces food insecurity.

Family Separation Allowance (House Section 628): Each pay plays an important role in servicemember compensation and must be frequently revisited, the House's language to increase Family Separation Allowance to \$400 per month ensures this pay is adequate for today's family needs and requires it be revisited regularly on a regular basis.

Discounted Child Care for DoD Child Care Employees (House Section 643): The nationwide shortage of childcare providers continues to negatively impact military families. MOAA supports implementing a tiered fee structure, starting with no fee for the first child of DoD childcare employees.

Arlington National Cemetery (ANC) Expansion (House Section 1821) – The House's inclusion of report language to designate the "next ANC," as it approaches capacity, is an important milestone to prevent the reduction of this benefit. In the interim, we continue to strongly advocate for the passage of The Expanding America's National Cemetery Act (H.R. 1413).

Retain Skilled Veterans (House Section 1108) – The House's inclusion of language similar to The Retain Skilled Veterans Act (H.R. 939) is an important talent management reform for DoD. Section 1108 is supported by the American Federation of Government Employees and will improve competitive hiring pools for DoD civilian positions that require current military certifications and a security clearance.

Thank you for your time and attention on these important matters. We look forward to seeing these essential provisions incorporated into the enacted version of the FY 2024 NDAA.

Sincerely,

B.T. Helly

Lt. Gen. Brian T. Kelly, USAF (Ret) MOAA President and CEO

CC: Members of the U.S. House of Representatives and U.S. Senate