

DEPARTMENT OF THE ARMY  
JUSTIFICATION OF ESTIMATES FOR FY 2000/2001

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SECTION 1  
SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
DIRECT PROGRAM				
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 5,771,901	\$ 6,014,749	\$ 6,210,104	\$ 6,404,133
PAY AND ALLOWANCES FOR ENLISTED.....	12,399,463	12,597,462	13,305,702	13,893,756
PAY AND ALLOWANCES FOR CADETS.....	37,679	40,684	39,646	39,805
SUBSISTENCE OF ENLISTED PERSONNEL...	1,158,863	1,209,082	1,247,925	1,159,940
PERMANENT CHANGE OF STATION TRAVEL..	1,075,145	1,090,947	1,088,815	1,082,392
OTHER MILITARY PERSONNEL COSTS.....	207,006	204,063	114,440	121,645
TOTAL DIRECT PROGRAM.....	\$ 20,650,057	\$ 21,156,987	\$ 22,006,632	\$ 22,701,671
REIMBURSABLE PROGRAM				
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 76,392	\$ 79,319	\$ 82,794	\$ 86,393
PAY AND ALLOWANCES FOR ENLISTED.....	64,102	65,647	66,914	69,814
SUBSISTENCE OF ENLISTED PERSONNEL...	58,423	39,884	38,746	39,637
PERMANENT CHANGE OF STATION TRAVEL..	8,000	8,000	8,000	8,000
OTHER MILITARY PERSONNEL COSTS.....	150	150	125	125
TOTAL REIMBURSABLE PROGRAM.....	\$ 207,067	\$ 193,000	\$ 196,579	\$ 203,969
TOTAL PROGRAM				
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 5,848,293	\$ 6,094,068	\$ 6,292,898	\$ 6,490,526
PAY AND ALLOWANCES FOR ENLISTED.....	12,463,565	12,663,109	13,372,616	13,963,570
PAY AND ALLOWANCES FOR CADETS.....	37,679	40,684	39,646	39,805
SUBSISTENCE OF ENLISTED PERSONNEL...	1,217,286	1,248,966	1,286,671	1,199,577
PERMANENT CHANGE OF STATION TRAVEL..	1,083,145	1,098,947	1,096,815	1,090,392
OTHER MILITARY PERSONNEL COSTS.....	207,156	204,213	114,565	121,770
TOTAL OBLIGATIONS.....	\$ 20,857,124	\$ 21,349,987	\$ 22,203,211	\$ 22,905,640

## Section 2

### Introduction

The Military Personnel, Army (MPA) appropriation provides resources to compensate active military personnel required to man the approved force structure. In addition to personnel in the force structure, the appropriation also provides compensation for personnel in the individuals accounts: students, trainees, transients, cadets, and holdees (holdees include patients and others). The manning goal is to provide, in a timely manner, the right number of high quality people in the appropriate grades and skills to satisfy force structure authorizations. Accomplishment of this goal will ensure a high degree of personnel readiness and combat readiness in units.

### Management Characteristics of MPA

MPA is a centrally managed, single-year, open allotment appropriation. Entitlements are set by statute with the biggest cost driver being the average number of personnel on active duty. There are other factors, such as overseas strength, marital content, and personnel policy, which also impact heavily on requirements in this appropriation.

Most of the factors that dictate costs cannot be changed quickly. For example, the savings accrued from a decision to reduce strength may not be fully realized for several years. There are a number of reasons for this. On the dollar side, one-time costs for severance pay, separation pay, and lump-sum-terminal-leave pay offset pay and allowances savings during the implementation year. In terms of manpower (i.e., manyears, grade structure, time-in-service), costs will vary greatly depending on when personnel are separated during a year, how they are separated, and the size of the population separated. Of course the inverse is also true: the full impact of an increase in strength will not be felt for several years as well.

The Army has very little near term control over the rates of pay soldiers receive. The predominance of pay rates are fixed by Congress. Other factors, such as inflation and foreign currency exchange rates, also impact some rates and are outside the Army's control.

### Active Army Program Funding Adequacy

Fiscal Year 2000 represents the first full year of operations at the steady-state end strength of 480,000, and the funding levels in this budget fully support the Active Army manyears required.

### Consolidation of Recruiting Incentives

A functional transfer from the Operations and Maintenance, Army appropriation to the Military Personnel, Army appropriation (Budget Activity 2) for the Loan Repayment Program is included in the FY00 estimates. In addition, the Education Benefits program is transferred from Budget Activity 6 to Budget Activity 2.

**Active Army Program Execution (FY99):**

The total average strength for FY99 (excluding contingency operations) is estimated to be 475,444, approximately 4,800 below the estimate in the FY99 President's Budget and 4,600 below the authorized end strength of 480,000. This adjustment reflects the recruiting and retention problems the Army has experienced in the past year. Funds made available from this undermanning are being used to enhance recruiting and retention programs, as follows:

	(\$M)	FY99	
	FY99 PB	EXECUTION	CHANGE
ENLISTMENT BONUS PROGRAM	45.4	118.2	+72.8
EDUCATION BENEFITS PROGRAM	76.8	76.1	- 0.7
REENLISTMENT BONUS PROGRAM	53.5	74.9	+21.4
<b>TOTAL</b>	<b>\$175.7</b>	<b>\$269.2</b>	<b>\$ +93.5</b>

**Active Army Program Estimates (FY00):**

The FY00 estimates are based on a 477,129 (excluding contingency operations) manyear program which assumes a gradual solution to current recruiting and retention problems, but is still 2,900 below full manning of 480,000. Full manning is not assumed to be reached until the end of FY00. As a result, recruiting and retention programs continue at high levels in FY00, although not as high as FY99.

	(\$M)	FY99	FY00	CHANGE
	EXECUTION	ESTIMATE		
ENLISTMENT BONUS PROGRAM	118.2	74.0	-44.2	
EDUCATION BENEFITS PROGRAM	76.1	104.0	+27.9	
REENLISTMENT BONUS PROGRAM	74.9	63.0	-11.9	
<b>TOTAL</b>	<b>\$269.2</b>	<b>\$241.0</b>	<b>\$-28.2</b>	

**Key budget assumptions used to develop these estimates include:**

- Estimates for overseas station allowances are based on rates of exchange of 1.7125 DM/\$1 US (COLA index = 116) in all years.
- Pay raise estimates are based on 1 January implementation. The FY00 pay raise is budgeted at 4.4%, while all future years are budgeted at 3.9%.
- The normal cost percentages (NCP) used to calculate payments to the military retired pay trust fund are 30.2% in FY99, 29.8% in FY00, and 29.5% in FY01. These rates are set by the DoD Board of Actuaries.
- Beginning with the fourth quarter of FY00, estimates include targeted pay table adjustments.
- Modification of the "REDUX" retirement system is included in the estimates beginning in FY00.

The following Legislative Proposals are included (\$M):

	<u>FY00</u>
Pay Table Reform	47.0
REDUX	196.0
Discontinue Wage Credit Payments	-117.0
Air Crew Member Flying Duty Pay	1.28
Increase Maximums for Diving Duty Pay	.20
Remove Limit on HDIP When Receiving Diving Duty Pay	.60
Waiver of Weight Allowance Limit for Shipping HHG During PCS	.25
TLE for First Termers	14.50
Foreign Language Proficiency Pay	-0-
<b>TOTAL COST</b>	<b>\$142.83</b>

Residential Communities Initiatives, formerly known as Capital Venture Initiatives (CVI), included are (\$M):

<u>INSTALLATION</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
FT CARSON	13.1	13.4	13.6
FT HOOD	-0-	15.5	38.3
FT STEWART/HUNTER	-0-	1.6	19.2
FT MEADE	-0-	-0-	17.2
FT BRAGG	-0-	-0-	24.7
FT LEWIS	-0-	7.4	30.3
FT CAMPBELL	-0-	-0-	7.1
PRESIDIO OF MONTEREY	-0-	-0-	4.6
FT EUSTIS & FT STORY	-0-	-0-	5.2
FT MONROE	-0-	-0-	1.0
FT SAM HOUSTON	-0-	-0-	0.7
<b>TOTAL</b>	<b>\$13.1</b>	<b>\$37.9</b>	<b>\$161.6</b>

This initiative is designed to enhance soldier quality of life by privatizing family housing. As these installations are privatized, soldiers will be paid their basic housing allowance and use the income for rental payments.

SECTION 3  
SUMMARY OF MILITARY PERSONNEL STRENGTH

	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	AVERAGE STRENGTH	END STRENGTH	AVERAGE STRENGTH	END STRENGTH	AVERAGE STRENGTH	END STRENGTH	AVERAGE STRENGTH	END STRENGTH
DIRECT PROGRAM								
OFFICERS.....	79,149	77,701	78,163	77,025	77,698	76,971	76,738	76,972
ENLISTED.....	401,494	399,997	394,067	397,026	396,464	397,166	397,910	397,196
ACADEMY CADETS.....	4,003	4,194	3,919	4,000	3,761	4,000	3,761	4,000
TOTAL DIRECT PROGRAM.....	484,646	481,892	476,149	478,051	477,923	478,137	478,409	478,168
REIMBURSABLE PROGRAM								
OFFICERS.....	796	797	771	775	828	829	827	828
ENLISTED.....	1,190	1,191	1,175	1,174	1,029	1,034	999	1,004
TOTAL REIMBURSABLE PROGRAM.....	1,986	1,988	1,946	1,949	1,857	1,863	1,826	1,832
TOTAL PROGRAM								
OFFICERS.....	79,945	78,498	78,934	77,800	78,526	77,800	77,565	77,800
ENLISTED.....	402,684	401,188	395,242	398,200	397,493	398,200	398,909	398,200
ACADEMY CADETS.....	4,003	4,194	3,919	4,000	3,761	4,000	3,761	4,000
TOTAL.....	486,632 <sup>1)</sup>	483,880	478,095 <sup>1)</sup>	480,000	479,780 <sup>1)</sup>	480,000	480,235	480,000

1) INCLUDES CONTINGENCY OPERATIONS

SECTION 3  
END STRENGTHS BY GRADE (TOTAL PROGRAM)

	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED
<b>COMMISSIONED OFFICERS</b>								
O-10 GENERAL.....	11	0	11	0	11	0	11	0
O-9 LIEUTENANT GENERAL.....	42	0	40	0	40	0	40	0
O-8 MAJOR GENERAL.....	98	2	107	2	101	2	101	2
O-7 BRIGADIER GENERAL.....	147	4	153	4	153	4	153	4
O-6 COLONEL.....	3,569	25	3,726	25	3,752	92	3,754	92
O-5 LIEUTENANT COLONEL.....	9,018	60	9,150	59	9,077	65	9,080	65
O-4 MAJOR.....	13,719	152	13,994	147	14,550	143	14,546	143
O-3 CAPTAIN.....	22,304	376	22,958	371	24,076	362	24,070	361
O-2 FIRST LIEUTENANT.....	9,439	160	8,682	149	6,946	143	6,580	143
O-1 SECOND LIEUTENANT.....	8,346	0	7,329	0	7,444	0	7,814	0
TOTAL COMMISSIONED OFFICERS..	66,693	779	66,150	757	66,150	811	66,149	810
<b>WARRANT OFFICERS</b>								
W-5 CHIEF WARRANT OFFICER.....	341	1	396	1	396	1	396	1
W-4 CHIEF WARRANT OFFICER.....	1,333	4	1,561	4	1,561	4	1,561	4
W-3 CHIEF WARRANT OFFICER.....	3,063	6	2,878	6	2,878	6	2,878	6
W-2 CHIEF WARRANT OFFICER.....	5,147	6	4,706	6	4,707	6	4,707	6
W-1 CHIEF WARRANT OFFICER.....	1,921	1	2,109	1	2,108	1	2,109	1
TOTAL WARRANT OFFICERS.....	11,805	18	11,650	18	11,650	18	11,651	18
TOTAL OFFICER PERSONNEL.....	78,498	797	77,800	775	77,800	829	77,800	828
<b>ENLISTED PERSONNEL</b>								
E-9 SERGEANT MAJOR.....	3,174	28	2,978	27	3,105	23	3,079	23
E-8 1ST SGT/MAST. SGT.....	10,548	51	10,464	51	10,818	47	10,992	47
E-7 PLATOON SGT/SGT 1ST CLASS..	36,702	183	36,137	183	37,873	183	37,636	175
E-6 STAFF SGT.....	54,991	267	53,841	263	56,365	198	54,569	193
E-5 SERGEANT.....	72,375	236	72,528	231	73,562	201	73,046	196
E-4 CORPORAL/SPECIALIST 4.....	102,433	232	113,056	227	110,690	211	110,547	203
E-3 PRIVATE, FIRST CLASS.....	60,801	176	54,012	174	50,040	155	53,298	151
E-2 PRIVATE.....	33,341	15	29,619	15	31,606	13	32,319	13
E-1 PRIVATE.....	26,823	3	25,565	3	24,141	3	22,714	3
TOTAL ENLISTED PERSONNEL.....	401,188	1,191	398,200	1,174	398,200	1,034	398,200	1,004
TOTAL OFF. AND ENL. PERSONNEL....	479,686	1,988	476,000	1,949	476,000	1,863	476,000	1,832
CADETS.....	4,194	0	4,000	0	4,000	0	4,000	0
TOTAL END STRENGTH.....	483,880	1,988	480,000	1,949	480,000	1,863	480,000	1,832

SECTION 3  
AVERAGE STRENGTH BY GRADE (TOTAL PROGRAM)

	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED
<b>COMMISSIONED OFFICERS</b>								
O-10 GENERAL.....	11	0	11	0	11	0	11	0
O-9 LIEUTENANT GENERAL.....	43	0	41	0	40	0	40	0
O-8 MAJOR GENERAL.....	101	2	104	2	101	3	100	3
O-7 BRIGADIER GENERAL.....	149	3	156	3	152	5	152	5
O-6 COLONEL.....	3,606	25	3,573	25	3,722	32	3,735	32
O-5 LIEUTENANT COLONEL.....	9,088	60	9,091	57	9,016	69	9,034	69
O-4 MAJOR.....	14,592	151	15,460	147	15,647	152	14,634	152
O-3 CAPTAIN.....	22,505	376	21,195	365	23,843	387	23,948	386
O-2 FIRST LIEUTENANT.....	9,443	161	10,479	155	6,976	161	6,562	161
O-1 SECOND LIEUTENANT.....	8,639	0	7,062	0	7,433	0	7,758	0
TOTAL COMMISSIONED OFFICERS..	68,177	778	67,172	754	66,941	809	65,974	808
<b>WARRANT OFFICERS</b>								
W-5 CHIEF WARRANT OFFICER.....	347	1	354	1	393	1	394	1
W-4 CHIEF WARRANT OFFICER.....	1,328	4	1,417	4	1,549	4	1,553	4
W-3 CHIEF WARRANT OFFICER.....	3,073	6	3,098	6	2,870	6	2,863	6
W-2 CHIEF WARRANT OFFICER.....	5,192	6	5,084	5	4,691	7	4,683	7
W-1 CHIEF WARRANT OFFICER.....	1,828	1	1,809	1	2,082	1	2,098	1
TOTAL WARRANT OFFICERS.....	11,768	18	11,762	17	11,585	19	11,591	19
TOTAL OFFICER PERSONNEL.....	79,945	796	78,934	771	78,526	828	77,565	827
<b>ENLISTED PERSONNEL</b>								
E-9 SERGEANT MAJOR.....	3,179	28	3,112	27	3,116	27	3,118	27
E-8 1ST SGT/MAST. SGT.....	10,723	46	10,577	44	10,793	44	10,821	44
E-7 PLATOON SGT/SGT 1ST CLASS..	38,226	198	37,011	194	37,333	173	37,359	171
E-6 STAFF SGT.....	58,327	276	56,998	274	57,559	248	55,938	242
E-5 SERGEANT.....	74,917	240	71,579	237	73,637	171	73,379	167
E-4 CORPORAL/SPECIALIST 4.....	102,693	227	110,266	226	112,729	215	110,944	211
E-3 PRIVATE, FIRST CLASS.....	57,057	158	53,095	156	48,736	134	51,400	120
E-2 PRIVATE.....	35,308	14	31,530	14	31,607	14	33,309	14
E-1 PRIVATE.....	22,254	3	21,074	3	21,983	3	22,641	3
TOTAL ENLISTED PERSONNEL.....	402,684	1,190	395,242	1,175	397,493	1,029	398,909	999
TOTAL OFF. AND ENL. PERSONNEL....	482,629	1,986	474,176	1,946	476,019	1,857	476,474	1,826
CADETS.....	4,003	0	3,919	0	3,761	0	3,761	0
TOTAL AVERAGE STRENGTH.....	486,632	1,986	478,095	1,946	479,780	1,857	480,235	1,826



SECTION 3  
ACTIVE DUTY STRENGTHS BY MONTHS  
(IN THOUSANDS)

	1) ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001			TOTAL			
	OFFICER	ENLISTED	CADET	TOTAL	OFFICER	ENLISTED	CADET	TOTAL	OFFICER	ENLISTED	CADET	TOTAL				
SEPTEMBER.....	79.3	408.3	4.1	491.7	78.5	401.2	4.2	483.9	77.8	398.2	4.0	480.0	77.8	398.2	4.0	480.0
OCTOBER.....	78.9	408.0	4.0	490.9	78.1	398.8	4.2	481.1	77.2	397.5	4.0	478.7	77.4	399.4	4.0	480.8
NOVEMBER.....	78.7	407.1	4.0	489.8	77.7	395.7	4.2	477.6	77.0	398.6	4.0	479.6	77.2	401.3	4.0	482.5
DECEMBER.....	78.4	402.7	4.0	485.1	77.5	392.2	4.1	473.8	76.8	393.6	3.9	474.3	77.0	396.2	3.9	477.1
JANUARY.....	78.8	405.2	4.0	488.0	77.4	392.9	4.1	474.4	76.8	395.0	3.9	475.7	77.0	399.1	3.9	480.0
FEBRUARY.....	78.1	401.2	4.0	483.3	77.3	392.1	4.1	473.5	76.7	395.9	3.9	476.5	76.9	400.7	3.9	481.5
MARCH.....	78.0	398.4	4.0	480.4	77.1	390.9	4.1	472.1	76.6	394.1	3.9	474.6	76.8	398.9	3.9	479.6
APRIL.....	77.8	397.6	4.0	479.4	77.0	390.7	4.0	471.7	76.6	394.4	3.9	474.9	76.7	399.4	3.8	479.9
MAY.....	79.3	395.7	3.1	478.1	78.3	388.8	3.1	470.2	78.0	395.4	2.9	476.3	77.2	399.5	2.9	479.6
JUNE.....	79.6	395.5	4.3	479.4	78.7	391.4	3.0	473.1	78.6	395.5	2.9	477.0	78.7	398.4	2.9	480.0
JULY.....	79.2	397.1	4.3	480.6	77.9	393.8	4.1	475.8	78.0	394.6	4.0	476.6	78.1	396.8	4.0	478.9
AUGUST.....	79.0	398.3	4.2	481.5	77.9	396.1	4.0	478.0	78.1	397.1	4.0	479.2	78.1	398.1	4.0	480.2
SEPTEMBER.....	78.5	401.2	4.2	483.9	77.8	398.2	4.0	480.0	77.8	398.2	4.0	480.0	77.8	398.2	4.0	480.0
AVERAGE STRENGTH...	79.9	402.7	4.0	486.6	78.9	395.3	3.9	478.1	78.5	397.5	3.8	479.8	77.6	398.5	3.8	479.9
(TTAD MANYEARS INCL	168	71		239	164	71		235	164	71		235	164	71		235
TTAD \$M.....				\$ 15.9				\$ 15.9				\$ 15.9				\$ 15.9
(CONTINGENCY MANYRS																
INCLUDED).....	1,054	1,650		2,704	1,026	1,625		2,651	1,026	1,625		2,651	0	0		0
CONTINGENCY \$M.....				\$ 297.4				\$ 310.6				\$ 329.9				\$ 0.0

1) ACTUAL DATA THROUGH SEPTEMBER 1998.

SECTION 3  
GAINS & LOSSES BY SOURCE AND TYPE

	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
OFFICERS				
BEGINNING STRENGTH.....	79,305	78,498	77,800	77,800
GAINS (BY SOURCE)				
SERVICE ACADEMIES.....	888	933	933	933
ROTC.....	3,155	2,874	2,999	3,164
OFFICER CANDIDATE SCHOOL.....	369	475	550	550
VOLUNTARY ACTIVE DUTY.....	28	0	0	0
DIRECT APPOINTMENTS.....	990	1,099	1,049	920
WARRANT OFFICER PROGRAMS.....	1,107	810	850	875
OTHER.....	80	0	0	0
TOTAL GAINS.....	6,617	6,191	6,381	6,442
LOSSES (BY TYPE)				
EXPIRATION OF CONTRACT.....	821	775	660	697
RETIREMENT.....	3,172	2,868	2,429	2,564
DISABILITY.....	(119)	(154)	(131)	(138)
NON-DISABILITY.....	(2,993)	(2,699)	(2,298)	(2,426)
15 YEAR RETIREMENT.....	(60)	(15)	(0)	(0)
VOLUNTARY SEPARATION-VSI.....	36	46	0	0
VOLUNTARY SEPARATION-SSB.....	44	54	0	0
INVOLUNTARY SEP OF RESERVE.....	0	0	0	0
INVOLUNTARY SEP OF REGULAR.....	204	570	570	570
REDUCTION-IN-FORCE.....	0	0	0	0
ATTRITION.....	0	0	0	0
OTHER.....	3,147	2,576	2,722	2,611
TOTAL LOSSES.....	7,424	6,889	6,381	6,442
END STRENGTH.....	78,498	77,800	77,800	77,800

SECTION 3  
GAINS & LOSSES BY SOURCE AND TYPE

	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
ENLISTED				
BEGINNING STRENGTH.....	408,337	401,188	398,200	398,200
GAINS (BY SOURCE)				
NON-PRIOR SERVICE ENLISTMENTS.....	68,254	65,659	77,641	80,832
MALES.....	(55,409)	(51,127)	(60,560)	(63,049)
FEMALES.....	(12,845)	(14,532)	(17,081)	(17,783)
PRIOR SERVICE ENLISTMENTS.....	5,779	7,724	6,000	5,000
REENLISTMENT (IMM).....	58,923	62,376	66,130	64,271
RESERVE COMPONENTS.....	250	200	200	200
RETURNED TO MILITARY CONTROL.....	3,180	1,979	2,081	2,169
OTHER.....	327	0	0	0
GAIN ADJUSTMENT.....	513	(82)	(1)	5
TOTAL GAINS.....	137,226	137,856	152,051	152,477
LOSSES (BY TYPE)				
DRAFTEES AND REGULAR ARMY				
ESTIMATED TERMINATION OF SERVICE..	25,541	26,256	30,101	32,598
NORMAL EARLY RELEASE.....	0	0	0	0
PROGRAMMED EARLY RELEASE.....	0	0	0	0
SEPARATIONS - VSI.....	96	0	0	0
SEPARATIONS - SSB.....	1,504	0	0	0
TO COMMISSIONED OFFICER				
AND WARRANT OFFICER.....	950	1,050	1,050	1,050
REENLISTMENT.....	58,923	62,376	66,130	64,271
RETIREMENT.....	9,402	8,824	8,260	7,994
15 YEAR RETIREMENT.....	1,500	0	0	0
DROPPED FROM ROLLS.....	2,719	2,788	2,931	3,055
ATTRITION ADVERSE CAUSES.....	20,558	19,403	19,965	20,747
OTHER ATTRITION.....	22,937	20,007	23,474	22,622
RESERVE COMPONENTS.....	245	140	140	140
TOTAL LOSSES.....	144,375	140,844	152,051	152,477
END STRENGTH.....	401,188	398,200	398,200	398,200
CADETS				
GAINS				
ENTERING CADETS.....	1,261	1,118	1,218	1,218
LOSSES				
ATTRITION.....	230	322	228	228
GRADUATES.....	902	990	990	990

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
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	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
1. BASIC PAY.....	3373568	7337765	10711333	3500675	7472334	10973009	3628563	7774659	11403222	3746475	8137178	11883653
2. RETIRED PAY ACCRUAL.....	1028938	2238018	3266956	1057204	2256645	3313849	1163712	2493248	3656960	1197510	2598268	3795778
3. BASIC ALLOWANCES												
FOR QUARTERS.....	105214	230222	335436									
A. WITH DEPENDENTS.....	78192	205098	283290									
B. WITHOUT DEPENDENTS....	26882	21975	48857									
C. SUBSTANDARD												
FAMILY HOUSING.....	6	136	142									
D. PARTIAL.....	134	3013	3147									
4. VARIABLE HOUSING												
ALLOWANCE.....	24297	42239	66536									
4.1 BASIC ALLOWANCES												
FOR HOUSING.....	454680	910074	1364754	598636	1198596	1797232	619968	1298062	1918030	651110	1425690	2076800
A. DOMESTIC.....	397945	836511	1234456	533245	1109560	1642805	550412	1178014	1728426	580404	1293354	1873758
1. WITH DEPENDENTS....	301806	738093	1039899	406625	976298	1382923	423032	1039656	1462688	450776	1151931	1602707
2. WITHOUT DEPENDENTS..	95730	89356	185086	126107	121303	247410	126872	126455	253327	129114	129283	258397
3. SUBSTANDARD												
FAMILY HOUSING.....	8	383	391	19	576	595	22	594	616	23	610	633
4. PARTIAL.....	401	8679	9080	494	11383	11877	486	11309	11795	491	11530	12021
B. OVERSEAS.....	56735	73563	130298	65391	89036	154427	69556	120048	189604	70706	132336	203042
1. WITH DEPENDENTS....	35032	61217	96249	37810	72464	110274	42139	102108	144247	43044	114281	157325
2. WITHOUT DEPENDENTS..	21703	12346	34049	27581	16572	44153	27417	17940	45357	27662	18055	45717
5. SUBSISTENCE.....	149017	1217365	1366382	148573	1248966	1397539	149286	1286671	1435957	148927	1199577	1348504
A. BASIC ALLOWANCE												
FOR SUBSISTENCE....	149017	769980	918997	148573	798624	947197	149286	826782	976068	148927	826426	975353
1. AUTHORIZED TO												
MESS SEPARATELY....	149017	605324	754341	148573	602734	751307	149286	614158	763444	148927	618042	766969
2. LEAVE RATIONS.....		84343	84343		83686	83686		85273	85273		86116	86116
3. RATIONS-IN-KIND												
NOT AVAILABLE.....		69029	69029		81566	81566		83017	83017		70422	70422
4. AUGMENTATION FOR												
SEPARATE MEALS.....		689	689		682	682		694	694		702	702
5. PARTIAL BAS.....		10595	10595		29956	29956		43640	43640		51144	51144
B. SUBSISTENCE IN KIND..		447385	447385		450342	450342		459889	459889		373151	373151
1. SUBSISTENCE IN MESSE		295551	295551		271346	271346		276092	276092		206889	206889
2. OPERATIONAL RATIONS..		131973	131973		156415	156415		160569	160569		153284	153284
3. AUGMENTATION												
RATIONS/OTHER.....		19861	19861		22581	22581		23228	23228		12978	12978

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(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
6. INCENTIVE PAY, HAZARDOUS DUTY, AND AVIATION CAREER.....	66117	65793	131910	77681	68540	146221	77071	69232	146303	77443	69232	146675
A. FLYING DUTY PAY.....	55774	7440	63214	66733	7986	74719	67932	8443	76375	68304	8443	76747
1. AVIATION CAREER, OFFICERS.....	55507		55507	59646		59646	60347		60347	60347		60347
2. CREW MEMBERS, ENLISTED.....		6439	6439		6395	6395		6852	6852		6852	6852
3. NONCREW MEMBERS.....	122	1001	1123	126	1591	1717	126	1591	1717	126	1591	1717
4. AVIATION CONTINUATION PAY..				6816		6816	7296		7296	7668		7668
5. CREW NON-RATED.....	145		145	145		145	163		163	163		163
B. PARACHUTE JUMP PAY....	9666	53359	63025	10247	55294	65541	8438	55525	63963	8438	55525	63963
C. DEMOLITION PAY.....	264	2340	2604	274	2430	2704	274	2430	2704	274	2430	2704
D. OTHER PAY.....	413	2654	3067	427	2830	3257	427	2834	3261	427	2834	3261
7. SPECIAL PAYS.....	188766	216236	405002	198315	301719	500034	203815	374543	578358	197874	313736	511610
A. PHYSICIAN MEDICAL.....	156990		156990	155243		155243	155900		155900	155900		155900
B. DENTIST MEDICAL.....	17535		17535	27113		27113	31834		31834	32084		32084
C. NURSE MEDICAL.....	2260		2260	3286		3286	3286		3286	3286		3286
D. BOARD CERTIFIED PAY FOR NONPHYSICIAN HEALTH CARE PROVIDER	1312		1312	1538		1538	1615		1615	1615		1615
E. DIPLOMATE PAY FOR PSYCHOLOGISTS.....	124		124	136		136	174		174	174		174
F. OPTOMETRIST MEDICAL...	146		146	152		152	152		152	152		152
G. VETERINARIAN MEDICAL..	503		503	497		497	497		497	497		497
H. SEA AND FOREIGN DUTY..	396	13047	13443	396	12797	13193	396	13121	13517	396	9130	9526
1. SEA DUTY.....	396	585	981	396	653	1049	396	666	1062	396	666	1062
2. HARDSHIP DUTY PAY...		11459	11459		11141	11141		11159	11159		7168	7168
3. OVERSEAS EXTENSION PAY.....		1003	1003		1003	1003		1296	1296		1296	1296
I. FOREIGN LANGUAGE PROFICIENCY PAY.....	1618	4051	5669	1618	4110	5728	1618	4110	5728	1720	4110	5830
J. DIVING DUTY PAY.....	110	3083	3193	110	1010	1120	137	1025	1162	137	1025	1162
K. REENLISTMENT BONUS....		50650	50650		74929	74929		62995	62995		63048	63048
L. SPECIAL DUTY ASSIGN PAY.....		55666	55666		56982	56982		57520	57520		57520	57520
M. ENLISTMENT BONUS.....		58223	58223		118204	118204		74039	74039		39909	39909
N. EDUCATION BENEFITS....								103955	103955		108691	108691
O. LOAN REPAYMENT.....								24008	24008		23605	23605
P. HOSTILE FIRE PAY.....	7772	31516	39288	8226	33687	41913	8206	33770	41976	1913	6698	8611

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(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
8. ALLOWANCES.....	84827	492967	577794	78037	464771	542808	86756	506601	593357	87959	519883	607842
A. UNIFORM/CLOTHING												
ALLOWANCES.....	2658	217086	219744	2541	190920	193461	2608	211665	214273	2639	223851	226490
1. INITIAL ISSUE.....	1996	82716	84712	1922	70953	72875	1970	91853	93823	1995	92926	94921
A. MILITARY.....	1323	80530	81853	1238	68719	69957	1276	88405	89681	1288	88216	89504
B. CIVILIAN.....	673	2186	2859	684	2234	2918	694	3448	4142	707	4710	5417
2. ADDITIONAL ALLOWANCE..	662		662	619		619	638		638	644		644
3. BASIC MAINTENANCE.....		35897	35897		31758	31758		31203	31203		36293	36293
4. STANDARD MAINTENANCE..		91528	91528		81539	81539		81694	81694		87399	87399
5. SUPPLEMENTARY.....		1884	1884		1857	1857		1865	1865		1895	1895
6. OTHER.....		5061	5061		4813	4813		5050	5050		5338	5338
B. STATION ALLOWANCE												
OVERSEAS.....	74690	238481	313171	67020	232327	299347	75583	253947	329530	79203	263738	342941
1. COST OF LIVING.....	58770	203535	262305	55772	207112	262884	64270	227979	292249	67530	236693	304223
2. HOUSING.....	4967	10225	15192									
3. TEMPORARY LODGING.....	10953	24721	35674	11248	25215	36463	11313	25968	37281	11673	27045	38718
C. CONUS COLA.....	635	1450	2085	635	1450	2085	635	1450	2085	635	1450	2085
D. FAMILY SEPARATION												
ALLOWANCES.....	6792	35950	42742	7790	40074	47864	7879	39539	47418	5431	30844	36275
1. ON PCS - NO GOVERNMENT												
QUARTERS.....	1814	5274	7088	1869	5495	7364	1936	5734	7670	2029	5945	7974
2. ON PCS - DEPENDENTS												
NOT AUTHORIZED.....	2134	18782	20916	2262	20333	22595	2300	20593	22893	2345	20719	23064
3. ON TDY.....	2844	11894	14738	3659	14246	17905	3643	13212	16855	1057	4180	5237
E. GENERAL AND FLAG												
OFFICERS, PERSONAL												
MONEY ALLOWANCE.....	52		52	51		51	51		51	51		51

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	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
9. SEPARATION PAY.....	78541	292183	370724	131548	257870	389418	87929	270039	357968	98555	285540	384095
A. TERMINAL LEAVE PAY....	23455	53835	77290	22493	54253	76746	21406	59913	81319	22639	63693	86332
B. LUMP-SUM READJUSTMENT PAY....												
C. DONATIONS.....		4	4		4	4		4	4		4	4
D. SEVERANCE PAY, DISABILITY.....	3782	59632	63414	3698	69390	73088	3855	76119	79974	3735	81282	85017
E. SEVERANCE PAY, NON-PROMOTION.....	9528		9528	35367		35367	32737		32737	42176		42176
F. SEVERANCE PAY, INVOL HALF (5%)....	123	15522	15645	106	27879	27985	110	29058	29168	115	30237	30352
G. SEVERANCE PAY, INVOL FULL (10%)....	1616	40913	42529	1672	89403	91075	1696	96270	97966	1765	101649	103414
H. SEVERANCE PAY, VSI....	33296	16962	50258	37259	16941	54200	28125	8675	36800	28125	8675	36800
I. SEVERANCE PAY, SSB....	2919	54994	57913	4603		4603						
J. SEVERANCE PAY, 15 YR RETIREMENT.....	3822	50321	54143	26350		26350						
10. SOCIAL SECURITY TAX PAYMENTS.....	294328	638068	932396	303399	642634	946033	275798	586232	862030	284673	614045	898718
11. PERMANENT CHANGE OF STATION TRAVEL.....	263647	819498	1083145	257665	841282	1098947	268425	828390	1096815	271162	819230	1090392
12. OTHER MILITARY PERSONNEL COSTS.....	526	206630	207156	521	203692	204213	662	113903	114565	655	121115	121770
A. ADOPTION EXPENSES.....		380	380		380	380		252	252		252	252
B. APPREHENSION OF DESERTERS.....		785	785		771	771		795	795		798	798
C. DEATH GRATUITIES.....	306	1842	2148	300	1812	2112	486	2370	2856	480	2382	2862
D. UNEMPLOYMENT COMPENSATION.....		106463	106463		115939	115939		102292	102292		109956	109956
E. SURVIVOR BENEFITS.....		8272	8272		8351	8351		7883	7883		7416	7416
F. EDUCATION BENEFITS....		88570	88570		76120	76120						
G. INTEREST ON SOLDIERS' DEPOSIT.....	220	318	538	221	319	540	176	311	487	175	311	486

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(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
13. CADETS.....	37679		37679	40684		40684	39646		39646	39805		39805
SUBTOTAL, ALL MILITARY PERSONNEL APPROPRIATION REQUEST.....												
	6150145	14707058	20857203	6392938	14957049	21349987	6601631	15601580	22203211	6802148	16103494	22905642
14. LESS REIMBURSABLES.....	76392	130675	207067	79319	113681	193000	82794	113785	196579	86393	117576	203969
A. RETIRED PAY ACCRUAL...	15560	13109	28669	15996	13442	29438	16531	13929	30460	17713	14428	32141
B. OTHER.....	60832	117566	178398	63323	100239	163562	66263	99856	166119	68680	103148	171828
TOTAL, ALL MILITARY PERSONNEL APPROPRIATION REQUEST.....												
	6073753	14576383	20650136	6313619	14843368	21156987	6518837	15487795	22006632	6715755	15985918	22701673



SECTION 3  
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 1998

	FY 99/99 AMD PRESIDENTS BUDGET	IMPACT OF CONGRESSIONAL ACTION	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/PROGRAM CHANGES	FY 1999 REVISED
PAY AND ALLOWANCES OF OFFICERS							
BASIC PAY.....	3,327,310	1,641	3,328,951	(17,906)	3,328,951	0	3,309,404
RETIRED PAY ACCRUAL.....	1,014,880	500	1,015,380	(5,461)	1,015,380	0	1,009,419
INCENTIVE PAY.....	57,898	1,536	59,434	5,783	59,434	0	63,681
SPECIAL PAY.....	179,210	0	179,210	11,694	179,210	0	190,904
BASIC ALLOWANCE FOR QUARTERS.....	441,321	218	441,539	(330,877)	441,539	0	110,444
VARIABLE HOUSING ALLOWANCES.....	104,224	51	104,275	(77,962)	104,275	0	26,262
BASIC ALLOWANCE FOR HOUSING.....	0	0	0	410,144	0	0	410,144
BASIC ALLOWANCE FOR SUBSISTENCE.....	148,708	0	148,708	(810)	148,708	0	147,898
STATION ALLOWANCES OVERSEAS.....	109,380	(10,500)	98,880	(10,500)	98,880	0	98,880
CONUS COLA.....	845	0	845	(328)	845	0	517
UNIFORM ALLOWANCES.....	2,543	0	2,543	37	2,543	0	2,580
FAMILY SEPARATION ALLOWANCES.....	3,833	3,712	7,545	1,920	7,545	0	5,753
SEPARATION PAYMENTS.....	62,775	0	62,775	12,928	62,775	0	75,703
SOCIAL SECURITY TAX - EMPLOYER CONTRIBUTION.....	287,677	142	287,819	(1,362)	287,819	0	286,315
REIMBURSABLES.....	76,392	0	76,392	0	76,392	0	76,392
TOTAL OBLIGATIONS.....	5,816,996	(2,700)	5,814,296	(2,700)	5,814,296	0	5,814,296
LESS REIMBURSABLES.....	76,392	0	76,392	0	76,392	0	76,392
TOTAL OFFICER DIRECT OBLIGATIONS.....	5,740,604	(2,700)	5,737,904	(2,700)	5,737,904	0	5,737,904

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ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 1998

	FY 99/99 AMD PRESIDENTS BUDGET	IMPACT OF CONGRESSIONAL ACTION	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/PROGRAM CHANGES	FY 1999 REVISED
PAY AND ALLOWANCES OF ENLISTED							
BASIC PAY.....	7,392,594	0	7,392,594	24,600	7,392,594	0	7,417,194
RETIRED PAY ACCRUAL.....	2,232,608	0	2,224,183	7,429	2,232,608	0	2,240,037
INCENTIVE PAY.....	68,068	0	61,824	739	68,068	0	68,807
SPECIAL PAY.....	16,233	0	19,852	37,304	16,233	0	53,537
SPECIAL DUTY ASSIGNMENT PAY.....	50,033	0	51,927	6,988	50,033	0	57,021
REENLISTMENT BONUS.....	53,529	0	40,076	0	53,529	0	53,529
ENLISTMENT BONUS.....	45,371	0	48,822	19,932	45,371	0	65,303
LOAN REPAYMENT PROGRAM.....	0	0	0	0	0	0	0
BASIC ALLOWANCE FOR QUARTERS.....	0	0	1,038,601	0	0	0	0
VARIABLE HOUSING ALLOWANCE.....	0	0	200,417	0	0	0	0
BASIC ALLOWANCE FOR HOUSING.....	1,170,230	0	0	12,260	1,170,230	0	1,182,490
STATION ALLOWANCE OVERSEAS.....	271,682	0	0	(6,155)	271,682	0	265,527
CONUS COLA.....	968	0	968	211	968	0	1,179
CLOTHING ALLOWANCES.....	212,254	0	195,939	(19,890)	212,254	0	192,364
FAMILY SEPARATION ALLOWANCES.....	27,897	0	37,239	11,016	27,897	0	38,913
SEPARATION PAYMENTS.....	325,993	0	236,325	1,040	325,993	0	327,033
SOCIAL SECURITY TAX - EMPLOYER CONTRIBUTION.....	630,116	0	621,109	6,726	630,116	0	636,842
REIMBURSABLES.....	65,647	0	64,102	0	65,647	0	65,647
TOTAL OBLIGATIONS.....	12,563,223	0	12,233,978	102,200	12,563,223	0	12,665,423
LESS REIMBURSABLES.....	65,647	0	64,102	0	65,647	0	65,647
TOTAL ENLISTED DIRECT OBLIGATIONS.....	12,497,576	0	12,337,842	102,200	12,497,576	0	12,599,776
PAY & ALLOWANCES OF CADETS							
TOTAL OBLIGATIONS.....	39,084	0	38,679	(405)	39,084	0	38,679
TOTAL CADET DIRECT OBLIGATIONS.....	39,084	0	38,679	(405)	39,084	0	38,679

SECTION 3  
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 1998

	FY 99/99 AMD PRESIDENTS BUDGET	IMPACT OF CONGRESSIONAL ACTION	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/PROGRAM CHANGES	FY 1999 REVISED
SUBSISTENCE OF ENLISTED PERSONNEL							
TOTAL OBLIGATIONS.....	1,094,504	29,700	1,124,204	29,700	1,124,204	0	1,124,204
REIMBURSABLES.....	58,423	0	58,423	0	58,423	0	58,423
TOTAL ENL. SUBSISTENCE DIRECT OBLIG....	1,036,081	29,700	1,065,781	29,700	1,065,781	0	1,065,781
PERMANENT CHANGE OF STATION							
ACCESSION TRAVEL.....	132,380	0	132,380	(18,455)	132,380	0	113,925
TRAINING TRAVEL.....	45,529	0	45,529	2,953	45,529	0	48,482
OPERATIONAL TRAVEL.....	131,393	0	131,393	9,707	131,393	0	141,100
ROTATIONAL TRAVEL.....	540,845	0	540,845	17,194	540,845	0	558,039
SEPARATION TRAVEL.....	167,976	0	167,976	(17,592)	167,976	0	150,384
ORGANIZED UNIT TRAVEL.....	8,139	0	8,139	8,407	8,139	0	16,546
NON-TEMPORARY STORAGE.....	25,236	0	25,236	(631)	25,236	0	24,605
TEMPORARY LODGING.....	13,347	0	13,347	(1,583)	13,347	0	11,764
REIMBURSABLES.....	8,000	0	8,000	0	8,000	0	8,000
TOTAL OBLIGATIONS.....	1,072,845	0 0	1,072,845	0	1,072,845	0	1,072,845
LESS REIMBURSABLES.....	8,000	0	8,000	0	8,000	0	8,000
TOTAL PCS DIRECT OBLIGATIONS.....	1,064,845	0	1,064,845	0	1,064,845	0	1,064,845

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ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 1998

	FY 99/99 AMD PRESIDENTS BUDGET	IMPACT OF CONGRESSIONAL ACTION	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/PROGRAM CHANGES	FY 1999 REVISED
OTHER MILITARY PERSONNEL COSTS							
APPREHENSION OF MILITARY DESERTERS							
ABSENTEES AND ESCAPED MILITARY							
PRISONERS.....	672	0	672	(30)	672	0	642
DEATH GRATUITIES.....	2,376	0	2,376	(390)	2,376	0	1,986
UNEMPLOYMENT BENEFITS PAID TO							
EX-SERVICE MEMBERS.....	112,114	16,403	128,517	(5,488)	128,517	0	106,626
SURVIVOR BENEFITS.....	6,920	0	6,920	1,352	6,920	0	8,272
ADOPTION COSTS.....	380	0	380	0	380	0	380
EDUCATIONAL BENEFITS.....	56,414	11,243	67,657	32,156	67,657	0	88,570
SOLDIER INTEREST ON DEPOSIT.....	484	0	484	46	484	0	530
OBLIGATIONS FOR ADVANCE OF PAY.....	161,000	0	0	(161,000)	161,000	0	0
REIMBURSABLES.....	150	0	150	0	150	0	150
TOTAL OBLIGATIONS.....	340,510	27,646	207,156	(133,354)	368,156	0	207,156
REIMBURSABLES.....	150	0	150	0	150	0	150
TOTAL OMPC DIRECT OBLIGATIONS.....	340,360	27,646	207,006	(133,354)	368,006	0	207,006
 TOTAL DIRECT OBLIGATIONS.....	 20,718,550	 54,646	 20,452,057	 (4,559)	 20,773,196	 0	 20,713,991

Section 3  
Schedule of Increases and Decreases  
(Amounts in Thousands of Dollars)

		Amount
FY 1999 Direct Program		\$ 21,156,987
Increases:		
a. Pay raise	\$653,527	
Reflects annualized costs of the 3.6 percent FY 99 pay raise, the first year cost of the FY 00 4.4 percent pay raise effective on 1 January 2000, and pay table adjustments.		
b. Inflation	97,387	
Includes clothing, temporary lodging allowance, SIK, Housing Allowances, and PCS inflation costs.		
c. Basic Allowances for Housing	52,251	
Includes the transfer of funds from the Army Family Housing Appropriation for the Residential Communities Initiative (RCI) and other changes to housing occupancy.		
d. Transfer of Loan Repayment Program from OMA	24,008	
Reflects the transfer of this Recruiting Program from OMA to MPA to initiate consolidation of Recruiting Programs into one Account		
e. REDUX	258,800	
Represents increased cost of payments to the Military Retired Trust Fund for restoration of retirement benefits.		
f. Enlisted Clothing	17,060	
Reflects higher costs due to increased number of accessions as well as changes in the clothing bag content.		
g. Overseas Station Allowance	15,559	
Reflects estimated changes in foreign currency exchange rates and number of payments.		
h. Incentive/Special Pays	1,652	
Reflects higher costs due to increased number of payments.		
i. Miscellaneous	1,363	
Total Increases		\$ 1,121,607
Decreases:		
a. Force manning program costs	- 25,830	
Reflects a stable end strength level of 480,000 beginning in FY99.		
b. Retired pay accrual	- 43,892	
The Normal Cost Percentage rate decreases from 30.2 percent in FY99 to 29.8 percent in FY00.		
c. Enlistment and Retention Programs	- 20,599	
Represents a reduction in Enlistment/Reenlistment Bonuses, Loan Repayment Program and the Army College Fund.		
d. Unemployment Benefits	- 13,647	
Reflects lower estimated number of unemployment payments.		

e. Separation Pays	- 46,107	
Reflects lower costs associated with achieving the Steady State 480,000 end strength at the end of FY99.		
f. Wage Credit Payments	- 117,200	
Wage Credit payments are scheduled to be discontinued as of FY00.		
g. PCS Mileage Allowance	- 4,687	
Represents a decrease in mileage allowance from \$.325 to \$.310.		
Total Decreases:		\$ - 271,962
FY 2000 Direct Program		\$ 22,006,632
Increases:		
a. Pay raise	\$763,232	
Reflects annualized costs of the 4.4 percent FY 00 pay raise, the FY 01 pay raise of 3.9 percent effective on 1 January 2001, and pay table adjustments.		
b. Inflation	78,096	
Includes clothing, temporary lodging allowance, SIK, Housing Allowances, and PCS inflation costs.		
c. Basic Allowances for Housing	115,661	
Includes the transfer of funds from the Army Family Housing Appropriation for the Residential Communities Initiative (RCI) and other changes to housing occupancy.		
d. REDUX	31,300	
Represents annualized cost of payments to the Military Retired Trust Fund for restoration of retirement benefits.		
e. Separation Pay	11,932	
Reflects higher enlisted losses.		
f. Enlisted Clothing	8,311	
Increased costs are due to higher number of payments and changes to the content of the clothing bag		
g. Unemployment Payments	7,664	
Represents estimated higher number of payments due to increased losses.		
Total Increases		\$ 1,016,196

Decreases:		
a. Force manning program costs	- 256,170	
Reflects reduced manyears. Primarily due to discontinuance of Contingency Operations in FY01.		
b. Retired pay accrual	- 34,208	
The Normal Cost Percentage rate decreases from 29.8 percent in FY00 to 29.5 percent in FY01.		
c. Enlistment and Retention Programs	- 29,396	
Represents a reduction in Enlistment/Reenlistment Bonuses and the Army College Fund.		
d. Miscellaneous	- 1,393	
Total Decreases:		\$ - 321,157
FY 2001 Direct Program		\$ 22,701,671

Section 4  
 Schedule of Increases and Decreases  
 (Amounts in Thousands of Dollars)

		Amount
Pay and Allowances of Officers		
FY 1999 Direct Program		\$ 6,014,749
Increases:		
a. Pay Raise	206,244	
Reflects annualized costs of the 3.6 percent 1 Jan 1999, and the 4.4 percent 1 Jan 2000 pay raises.		
b. REDUX	82,400	
Reflects restoration of retirement benefit of 50 percent upon reaching 20 years of service.		
c. Pay Table Reform	16,000	
Reflects restructuring of basic pay table, effective 1 July 2000, to target the officers whose education and experience are most critical to readiness.		
d. Inflation	19,984	
Reflects housing cost growth.		
e. Basic Allowance for Housing	6,512	
Reflects family housing inventory changes, including transfers for Residential Communities Initiatives (RCI).		
f. Overseas Station Allowance	6,347	
Reflects rate increases for cost of living allowances.		
Total Increases:		\$ 337,487
Decreases:		
a. Force Manning	- 43,554	
Reflects annualization of the cost savings associated with the officer strength reduction.		
b. Separation Pay	- 46,107	
Reflects decreased requirement for separation pay as officer strength reaches steady state. Also includes smaller transfer into the VSI trust fund.		
c. Wage Credits	- 37,607	
Reflects discontinuation of transfers into Social Security trust fund.		
d. Retired Pay Accrual	- 14,003	
NCP decreases from 30.2 percent to 29.8 percent.		
d. Miscellaneous	- 861	
Total Decreases:		\$ - 142,132
FY 2000 Direct Program		\$ 6,210,104



Increases:

a. Pay Raise	199,216
Reflects annualized costs of the 4.4 percent 1 Jan 2000, and the 3.9 percent 1 Jan 2001 pay raises.	
b. Pay Table Reform	52,000
Reflects annualization costs of pay table restructuring.	
c. Inflation	18,510
Reflects housing cost growth.	
d. Basic Allowance for Housing	
Reflects family housing inventory changes, including transfers for Residential Communities Initiatives (RCI).	21,331
e. REDUX	9,900
Reflects restoration of retirement benefit of 50 percent upon reaching 20 years of service.	
f. Separation Pay	7,886
Reflects an increase in the number of individuals separated for nonpromotion.	

Total Increases:

\$ 308,843

Decreases:

a. Force Manning	- 103,530
Primarily reflects discontinuance of contingency operations.	
b. Retired Pay Accrual	- 10,884
NCP decreases from 29.8 percent to 29.5 percent.	
c. Miscellaneous	- 400

Total Decreases:

\$ - 114,814

FY 2001 Direct Program

\$ 6,404,133

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 3,746,475
ESTIMATE FY 2000	\$ 3,628,563
ESTIMATE FY 1999	\$ 3,500,675
ACTUAL FY 1998	\$ 3,373,568

**Project: Basic Pay - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the basic compensation and length of service pay increments of officers on active duty under provisions of 37 U.S.C. 201, 203, 204, 205, and 1009. Also included is the compensation of officers of the reserve components who have entered active duty as members of the active component of the Army.

**Part II - Justification of Funds Required**

The basic compensation is determined by multiplying the projected average number of personnel by grade by the estimated average annual compensation, including length of service increments, for each grade. In addition, the budget includes amounts for pay table reform for one fiscal quarter for FY 2000 and entire FY 2001.

The net change in the basic pay requirement is +\$127.9 million between FY 1999 and FY 2000. This change is based on--

- (1) Annualization of the 1 Jan 1999, 3.6 percent pay raise: +\$31.4 million.
- (2) The 1 Jan 2000, 4.4 percent pay raise: +\$116.0 million.
- (3) Restructuring of the military basic pay table, effective 1 Jul 2000: +11.7 million.
- (4) Force manning changes: -\$31.2 million.

The net change in the basic pay requirement is +\$117.9 million from FY 2000 to FY 2001. This change is based on--

- (1) Annualization of the 1 Jan 2000, 4.4 percent pay raise: +\$38.0 million.
- (2) Annualization of the pay table restructuring: +\$37.9 million.
- (2) The 1 Jan 2001, 3.9 percent pay raise: +\$106.2 million.
- (3) Force manning changes: -\$64.2 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
GENERAL.....	11	110,075	\$ 1,211	11	110,700	\$ 1,218	11	110,700	\$ 1,218	11	110,700	\$ 1,218
LT. GENERAL.....	43	109,621	4,714	41	110,618	4,535	40	110,700	4,428	40	110,700	4,428
MAJOR GENERAL.....	101	99,323	10,032	104	102,704	10,681	101	107,023	10,809	100	110,066	11,007
BRIG. GENERAL.....	149	87,656	13,061	156	90,641	14,140	152	94,559	14,373	152	98,689	15,001
COLONEL.....	3,606	74,899	270,086	3,573	78,188	279,366	3,722	80,589	299,952	3,735	84,092	314,084
LT. COLONEL.....	9,088	60,089	546,089	9,091	62,661	569,651	9,016	64,652	582,902	9,034	67,879	613,219
MAJOR.....	14,592	48,801	712,104	15,460	50,960	787,842	15,647	52,873	827,304	14,634	56,189	822,270
CAPTAIN.....	22,505	40,587	913,410	21,195	42,433	899,367	23,843	43,776	1,043,751	23,948	45,586	1,091,694
1ST LIEUTENANT.....	9,443	31,480	297,266	10,479	32,440	339,939	6,976	32,945	229,824	6,562	34,476	226,232
2ND LIEUTENANT.....	8,639	23,622	204,070	7,062	24,458	172,722	7,433	24,946	185,424	7,758	25,873	200,723
SUBTOTAL.....	68,177		\$ 2,972,043	67,172		\$ 3,079,461	66,941		\$ 3,199,985	65,974		\$ 3,299,876
WARRANT OFF. (W-5).....	347	\$ 53,789	\$ 18,665	354	\$ 56,055	\$ 19,843	393	\$ 57,639	\$ 22,652	394	\$ 59,984	\$ 23,634
WARRANT OFF. (W-4).....	1,328	45,907	60,964	1,417	47,999	68,015	1,549	49,563	76,773	1,553	51,689	80,273
WARRANT OFF. (W-3).....	3,073	37,188	114,279	3,098	38,774	120,122	2,870	39,970	114,714	2,863	41,870	119,874
WARRANT OFF. (W-2).....	5,192	30,622	158,989	5,084	32,152	163,461	4,691	33,275	156,093	4,683	34,555	161,821
WARRANT OFF. (W-1).....	1,828	26,602	48,628	1,809	27,514	49,773	2,082	28,024	58,346	2,098	29,074	60,997
SUBTOTAL.....	11,768		\$ 401,525	11,762		\$ 421,214	11,585		\$ 428,578	11,591		\$ 446,599
TOTAL OFFICER BASIC PAY.....	79,945		\$ 3,373,568	78,934		\$ 3,500,675	78,526		\$ 3,628,563	77,565		\$ 3,746,475

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 1,197,510
ESTIMATE FY 2000	\$ 1,163,712
ESTIMATE FY 1999	\$ 1,057,204
ACTUAL FY 1998	\$ 1,028,938

**Project: Retired Pay Accrual - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

**Part II - Justification of Funds Requested**

The budget estimates are derived as a product of:

(a) The DOD Actuary-approved full-time normal cost percentage (NCP) of basic pay, i.e., 30.5% for FY 1998, 30.2% for FY 1999, 29.8% for FY 2000, and 29.5% for FY 2001, and

(b) The total amount of the basic pay expected to be paid during the fiscal year to members of the Active Army.

The estimates also include the cost associated with restoring the retirement benefit (REDUX) of 50 percent of basic pay upon reaching 20 years of service rather than receiving only 40 percent under current law.

The net change in the retired pay accrual estimate is +\$106.5 million between FY 1999 and FY 2000. This change is based on--

- (1) Annualization of the 1 Jan 1999, 3.6 percent pay raise: +\$9.4 million.
- (2) The 1 Jan 2000, 4.4 percent pay raise: +\$34.6 million.
- (3) Restructuring of the military basic pay table, effective 1 Jul 2000: +\$3.5 million.
- (4) Restoring the 50 percent retirement benefit: +\$82.4 million.
- (5) Decrease in NCP from 30.2% to 29.8%: -\$14.0 million.
- (6) Force manning changes: -\$9.4 million.

The net change in the retired pay accrual estimate is +\$33.8 million from FY 2000 to FY 2001. This change is based on--

- (1) Annualization of the 1 Jan 2000, 4.4 percent pay raise: +\$11.2 million.
- (2) Annualization of the basic pay table restructuring: +\$11.2 million.
- (3) The 1 Jan 2001, 3.9 percent pay raise: +\$31.3 million.
- (4) Restoring the 50 percent retirement benefit: +\$9.9 million.
- (5) Decrease in NCP from 29.8% to 29.5%: -\$10.9 million.
- (6) Force manning changes: -\$18.9 million.

Detailed cost computations are provided by the following table:

OFFICER RETIRED PAY ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
RPA	79,945	\$12,870.57	\$ 1,028,938	78,934	\$13,393.52	\$ 1,057,204	78,526	\$13,770.11	\$ 1,081,312	77,565	\$14,248.82	\$ 1,105,210
REDUX			\$ 0			\$ 0			\$ 82,400			\$ 92,300
TOTAL			\$ 1,028,938			\$ 1,057,204			\$ 1,163,712			\$ 1,197,510

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 77,443
ESTIMATE FY 2000	\$ 77,071
ESTIMATE FY 1999	\$ 77,681
ACTUAL FY 1998	\$ 66,117

**Project: Incentive Pay for Hazardous Duty - Officers**

**Part I - Purpose and Scope**

The funds requested will provide for pay to officers under provisions of 37 U.S.C. 301 for these types of duty:

Flight Aviation Service (Rated Officers) - includes rated aviators, who are entitled to continuous aviation career incentive pay, regardless of current duty assignment, as prescribed by the Aviation Career Incentive Act of 1974. In addition, aviators who are assigned to operational flying positions and flight surgeons, both of whom are required to fly at least four hours of aerial flight each month, are eligible.

Aviation Continuation Pay - executes a written agreement to remain on active duty in aviation service for at least one year.

Flight Crew Member/Non-crew member (Non-rated Officers) - assigned to a position that requires at least four hours of aerial flight each month. Non-crew members perform duties directly related to the in-flight mission of the aircraft, e.g., ground liaison officers, aviation maintenance technicians, or aeromedical physicians assistants. The duties performed by crew members are essential to the mission of the aircraft, e.g., aerial observers and airborne electrical equipment sensor operators.

Parachute - assigned to a permanent parachute position or airborne unit which requires parachute jumping as an essential part of military duty, or while undergoing airborne-type training, or performing short-term parachute duty. Continuous payment of hazardous duty pay for parachute duty requires at least one parachute jump every three months. Pay for the short-term parachute duty is prorated based on the duration of the period for which parachute jumping is required.

High Altitude Low Opening Jump Pay - assigned to a permanent military free-fall position which requires parachute jumping from at least 2,500 feet with a planned delay between exit and opening as an essential part of military duties, or while undergoing military free-fall type training at the US Army Military Free-fall Course at the US Army John F. Kennedy Special Warfare School. Soldiers must be graduates of military free-fall course or undergoing training for such designation. They must also be required by orders to engage in military free-fall jumps from an aircraft in flight and perform the specified minimum jumps to be entitled to pay. Proficiency requirements will remain the same as static line requirements.

Demolition of Explosives - assigned to a position which requires the member, as his primary duty, to demolish by the use of explosives, objects, obstacles, or explosives; or recover and render harmless, by disarming or demolition, explosives which failed to function as intended or which become a potential hazard. Demolition pay is limited to those serving in Specialty 91E (Explosive Ordnance Disposal Officer).

Experimental Stress - serving as a human test subject in thermal stress experiments at Natick Laboratories; Natick, MA. The tests conducted include development of equipment (mostly clothing) and physiological testing. Also low pressure, high altitude chamber training is conducted at the US Army Aeromedical Center; Fort Rucker, AL, and the Armed Forces Institute of Pathology; Washington, DC.

Chemical Munitions - this is a peacetime hazardous incentive pay for members of the uniformed services whose primary duties require the routine physical handling of chemical munitions or chemical surety material. Routine physical handling must be incident to manufacturing, maintenance, storage, testing, laboratory analysis, transportation, surveillance, assembly, disassembly, demilitarization, or disposal of chemical munitions or chemical surety material. This incentive pay is not authorized for individuals who handle the individual components of binary munitions, dilute solutions of toxic chemicals, riot control agents, chemical defoliants, herbicides, smoke, flame and incendiaries, or industrial chemicals.

## **Part II - Justification of Funds Requested**

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for aviation service (rated officers) is obtained by multiplying the projected average number of personnel authorized for this type of pay by rates established in 37 U.S.C. 301a for years of aviation service or years of officer service to include a specified number of years in jobs which justify flying. The compensation for all other types of incentive pay is arrived at by multiplying the projected number of each type by the statutory rate.

The estimates for officer crew-nonrated for FY 2000 and FY 2001 include proposed legislative rate increases. Also, the estimates for average number receiving parachute duty pay reflect increases associated with the legislative proposal to remove the limit of paying only one hazardous duty incentive pay for recipients of diving duty pay.

Detailed cost computations are provided by the following table:

OFFICER INCENTIVE PAY FOR HAZARDOUS DUTY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
INCENTIVE PAY												
FLYING DUTY COMMISSIONED OFFICERS CATEGORY												
Crew 125.....	631	\$ 1,500	\$ 947	671	\$ 1,500	\$ 1,007	671	\$ 1,500	\$ 1,007	671	\$ 1,500	\$ 1,007
Crew 156.....	366	1,872	685	317	1,872	593	317	1,872	593	317	1,872	593
Crew 188.....	324	2,256	731	326	2,256	735	326	2,256	735	326	2,256	735
Crew 206.....	670	2,472	1,656	715	2,472	1,767	715	2,472	1,767	715	2,472	1,767
Crew 250.....	26	3,000	78	26	3,000	78	26	3,000	78	26	3,000	78
Crew 385.....	173	4,620	799	51	4,620	236	51	4,620	236	51	4,620	236
Crew 495.....	173	5,940	1,028	53	5,940	315	53	5,940	315	53	5,940	315
Crew 585.....	270	7,020	1,895	61	7,020	428	61	7,020	428	61	7,020	428
Crew 650.....	2,295	7,800	17,901	1,569	7,800	12,238	1,569	7,800	12,238	1,569	7,800	12,238
Crew 840.....	0	0	0	845	9,979	8,432	932	10,080	9,395	932	10,080	9,395
SUBTOTAL.....	4,928		\$ 25,720	4,634		\$ 25,829	4,721		\$ 26,792	4,721		\$ 26,792
WARRANT OFFICERS CATEGORY												
Crew 125.....	477	1,500	716	589	1,500	884	597	1,500	896	597	1,500	896
Crew 156.....	245	1,872	459	398	1,872	745	403	1,872	754	403	1,872	754
Crew 188.....	318	2,256	717	605	2,256	1,365	613	2,256	1,383	613	2,256	1,383
Crew 206.....	938	2,472	2,319	941	2,472	2,326	954	2,472	2,358	954	2,472	2,358
Crew 650.....	3,279	7,800	25,576	2,149	7,800	16,762	2,091	7,800	16,310	2,091	7,800	16,310
Crew 840.....	0	0	0	1,176	9,979	11,735	1,176	10,080	11,854	1,176	10,080	11,854
SUBTOTAL.....	5,257		\$ 29,787	5,858		\$ 33,817	5,834		\$ 33,555	5,834		\$ 33,555
TOTAL FLYING DUTY CREW.....	10,185		\$ 55,507	10,492		\$ 59,646	10,555		\$ 60,347	10,555		\$ 60,347
FLYING DUTY NON-CREW MEMBERS												
AVIATION CONTINUATION PAY....	70	1,737	122	70	1,800	126	70	1,800	126	70	1,800	126
CREW-NONRATED.....	58	2,508	145	58	2,508	145	58	2,808	163	58	2,808	163
TOTAL FLYING DUTY PAY.....	10,313		\$ 55,774	11,188		\$ 66,733	11,291		\$ 67,932	11,322		\$ 68,304
OTHER HAZARDOUS DUTY												
PARACHUTE JUMPING.....	5,565	1,737	9,666	5,693	1,800	10,247	4,688	1,800	8,438	4,688	1,800	8,438
EXPERIMENTAL STRESS.....	20	1,737	35	20	1,800	36	20	1,800	36	20	1,800	36
DEMOLITION OF EXPLOSIVES...	152	1,737	264	152	1,800	274	152	1,800	274	152	1,800	274
TOXIC PESTICIDES EXPOSURE..	0	1,737	0	0	1,800	0	0	1,800	0	0	1,800	0
CHEMICAL MUNITIONS.....	18	1,737	31	18	1,800	32	18	1,800	32	18	1,800	32
HALO JUMP.....	133	2,606	347	133	2,700	359	133	2,700	359	133	2,700	359
SUBTOTAL.....	5,888		\$ 10,343	6,016		\$ 10,948	5,011		\$ 9,139	5,011		\$ 9,139
TOTAL OFFICER INCENTIVE PAY FOR HAZARDOUS DUTY.....	16,201		\$ 66,117	17,204		\$ 77,681	16,302		\$ 77,071	16,333		\$ 77,443



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 197,925
ESTIMATE FY 2000	\$ 203,866
ESTIMATE FY 1999	\$ 198,366
ACTUAL FY 1998	\$ 188,818

**Project: Special Pay - Officers**

**Part I - Purpose and Scope**

Funds requested in this account are authorized to provide monetary incentives for the procurement and retention of officers assigned as physicians, dentists, nurses, psychologists, non-physician health care providers, veterinarians, optometrists, divers, and linguists. Additionally, this account includes special pays authorized to general officers to partially offset extraordinary expenses incurred in the performance of their official duties. Finally, this account covers special pays authorized for officers, who are assigned sea duty and those who are on duty subject to hostile fire or imminent danger.

Special Pay for Physicians - these payments are authorized by 37 U.S.C. 302, as amended. They are intended to provide a monetary incentive for the procurement and retention of medical officers. A physician may qualify for the following pays:

(1) Variable Special Pay - paid monthly as an automatic entitlement to all medical corps officers on active duty. The annual rate of pay is based upon the number of years of creditable service for special pay. The annual amounts range from \$1,200 to \$12,000.

(2) Board Certified Pay - paid on a monthly basis to medical corps officers who are currently certified by an American medical or osteopathic examining board. The annual rate payable is determined by the number of years of creditable service for special pay. The annual amounts range from \$2,500 to \$6,000.

(3) Additional Special Pay - paid as a lump sum bonus to medical corps officers who are not undergoing internship or initial residency training and who execute an agreement to remain on active duty for one year. The annual payment for all recipients is \$15,000.

(4) Incentive Special Pay (ISP)/Medical Incentive Pay - paid as a lump sum bonus to administratively eligible medical officers who are fully qualified in Department of Army (DA) selected specialty categories and who execute an agreement to remain on active duty for a period of not less than 12 months. The Office of the Surgeon General develops an ISP program annually tailored to meet the critical needs of the following year. Payment amounts range from \$3,000 to \$36,000.

(5) Multi-year Special Pay - the FY 1991 DOD Authorization Act (PL 101-510) authorized a new multi-year special pay to be used in conjunction with ISP. Officers must be either unobligated for medical education and training or must have at least eight years of creditable service.

There are three categories of specialties/pays with different pay levels for two-year, three-year, and four-year contracts. The annual amounts range from \$2,000 to \$14,000.

Other Special Pay - Dentist Pay - these payments are authorized by 37 U.S.C. 302b, 302h, and 311 and are intended to provide monetary incentives for the procurement and retention of dental officers. A dentist may qualify for the following special pays:

(1) Variable Special Pay - paid monthly as an automatic entitlement to all dental corps officers on active duty. The annual rate of pay is based on the number of years of creditable service for special pay. The annual rate ranges from \$3,000 to \$12,000.

(2) Board Certified Pay - paid on a monthly basis to dental corps officers who are currently certified by an American dental association specialty examining board or who have been awarded board certification equivalency by the Surgeon General. The annual rate is based on the number of years of creditable service for special pay. The annual rate ranges from \$2,500 to \$6,000.

(3) Additional Special Pay - paid as a lump sum bonus to dental corps officers who are not undergoing internship of initial residency training, who have a minimum of three years of creditable service for special pay, and who execute an agreement to remain on active duty for one year. The rate of pay is based on the number of years of creditable service for special pay. The payment amount ranges from \$4,000 to \$15,000.

(4) Multi-year Retention Bonus - the FY 1998 DOD Authorization Act (PL 105-85) authorized the use of a retention bonus for dental officers who execute a written agreement to remain on active duty for two, three, or four years after completion of any other active duty service commitment. Eligibility criteria require that a dental corps officer must be below the pay grade of O-7 and have a dental specialty in oral and maxillofacial surgery; have at least eight years of creditable service or have completed any active duty service commitment incurred for dental education and training; and have completed initial residency training (or will complete such training before 30 Sep of the fiscal year in which the officer enters into an agreement). The payment amount ranges from \$3,000 to \$14,000.

(5) Accession Bonus - paid to an individual who is a graduate of an accredited dental school and who executes an agreement to remain on active duty as a commissioned officer for a period of not less than four years. The amount of the accession bonus may not exceed \$30,000.

Nurses - nurse anesthetists are authorized to receive a special pay of \$6,000 per individual for one year and requires a written agreement to remain on active duty for a period of not less than 12 months. A nurse anesthetist with more than four years of service can receive a payment of \$15,000. The accession bonus of \$5,000 per individual requires acceptance of a commission as an officer combined with an agreement to remain on active duty for four years.

Diplomate Pay for Psychologists and Board Certified Pay for Non-physician Health Care Providers - paid on a monthly basis to an officer who is designated a psychologist and has been awarded a diploma as a Diplomate in Psychology, or an officer who is a health care provider based on the DoD definition approved by the Assistant Secretary of Defense (Health Affairs (ASD(HA))) in coordination with the Services, has a post baccalaureate degree in the officer's

clinical specialty, and has obtained advance level (past entry level) certification by an approved professional board in the officer's specialty. The annual amounts range from \$2,000 to \$5,000 and are based on years of creditable service. Eligible specialties and boards are determined by the ASD(HA) in coordination with the Services.

Optometrists - these payments are authorized by 37 U.S.C. 302a and are intended to provide monetary incentives for the procurement and retention of optometry officers. These officers are authorized \$100 per month of active duty.

Veterinarians - these payments are authorized by 37 U.S.C. 303 and are intended to provide monetary incentives for the procurement and retention of veterinary officers. These officers are authorized \$100 per month of active duty.

Personal Allowance, General Officers - in addition to other pay and allowances authorized, an officer who is entitled to basic pay is entitled to a personal money allowance of (1) \$500 a year while serving in the grade of lieutenant general, (2) \$2,200 per year while serving in the grade of general, (3) \$2,200 in addition to the personal money allowance in (1) above while serving as a senior member of the military staff committee of the United Nations and (4) \$4,000 per year, in place of any other personal money allowance, while serving as Chief of Staff of the Army (37 U.S.C 414). Additionally, an officer serving as the Chairman of the Joint Chiefs of Staff is entitled to \$4,000 per year in place of any other personal money allowance (37 U.S.C 413). This allowance is intended to partially reimburse high ranking officers for the many unusual personal expenses they incur in the performance of their official duties.

Diving Duty Pay - under regulations prescribed by the Secretary of the Army, an officer or warrant officer who is entitled to basic pay is entitled to special pay at a rate of not more than \$200 a month for periods during which they (1) are assigned by orders to the duty of diving, (2) are required to maintain proficiency as a diver by frequent and regular dives, and (3) actually perform diving duty (37 U.S.C 304). Dive officers are assigned to a position as the leader of a diving detachment which supports marine or special operation units. Duties of marine diving detachments include underwater construction (construction of piers and pipelines), harbor clearance, and ship salvage. Special forces (combat) diving operations include infiltration and exfiltration, combat surface swimming, search and recovery, target attack, harassment and interdiction, and reconnaissance operations.

Sea Duty Pay - Army members who are entitled to basic pay are also entitled, while on sea duty, to special pay at rates which vary with grade and years of sea duty. The range of rates for warrant officers and officers is \$130 to \$410 per month. The term "sea duty" means duty performed by a member (1) while assigned to a ship, and while serving on a ship the primary mission of which is accomplished while underway; or (2) while assigned to a ship, and while serving on a ship the primary mission of which is normally accomplished while in port, but only while the ship is away from its home port for 30 or more consecutive days. Additionally, the member entitled to career sea pay who has served 36 consecutive months of sea duty is entitled to a career sea pay premium of \$100 per month for the 37th month and each consecutive month of sea duty served (37 U.S.C. 305a). Individuals who are affected by career sea pay are generally assigned to either: Fort Eustis, Virginia; Hawaii; Panama; or the Azores.

Foreign Language Proficiency Pay (FLPP) - this pay is authorized under the provisions of 37 U.S.C. 316. FLPP is a monthly monetary incentive that is paid to all military personnel who qualify for and maintain the required proficiency in designated foreign languages. The monthly rate may not exceed \$100.00 per individual.

Hostile Fire Pay - paid to officers on duty subject to hostile fire or imminent danger (37 U.S.C. 310). Paid at the rate of \$150 per month.

## **Part II - Justification of Funds Requested**

The projected average number of personnel is based on the total spaces where each type of pay is authorized to meet force structure requirements. Funding requirements are based on the estimated number of officers eligible for each type of payment and rate of payment.

The diving duty estimates for FY 2000 and FY 2001 include proposed legislative rate increases. Also, foreign language proficiency pay rates increase starting in FY 2001.

The net change in the special pay is +\$5.5 million from FY 1999 to FY 2000. The change is based on an increased requirement for medical pay (+\$.7 million) and dental pay (+\$4.8 million).

From FY 2000 to FY 2001, the estimate for special pay decreases by \$5.9 million. This change reflects a reduced requirement for hostile fire pay.

Detailed cost computations are provided by the following table:

OFFICER SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
<b>SPECIAL PAY FOR PHYSICIANS</b>												
VARIABLE SPECIAL PAY.....	4,628	\$ 7,796	\$ 36,080	4,380	\$ 7,987	\$ 34,983	4,351	\$ 7,983	\$ 34,734	4,351	\$ 7,983	\$ 34,734
ADDITIONAL SPECIAL PAY.....	3,251	15,000	48,765	3,163	15,000	47,445	3,133	15,000	46,995	3,133	15,000	46,995
BOARD CERTIFIED PAY.....	2,508	3,740	9,380	2,496	3,800	9,485	2,476	3,791	9,387	2,476	3,791	9,387
INCENTIVE SPECIAL PAY.....	2,792	19,213	53,643	2,673	20,279	54,206	2,654	20,960	55,628	2,654	20,960	55,628
MULTI-YEAR SPECIAL PAY.....	940	9,704	9,122	936	9,748	9,124	940	9,740	9,156	940	9,740	9,156
SUBTOTAL.....	14,119		156,990	13,648		155,243	13,554		155,900	13,554		155,900
<b>OTHER SPECIAL PAY</b>												
<b>DENTIST PAY</b>												
VARIABLE SPECIAL PAY.....	1,023	\$ 7,537	\$ 7,710	1,120	\$ 8,088	\$ 9,059	1,130	\$ 8,089	\$ 9,141	1,134	\$ 8,088	\$ 9,172
ADDITIONAL SPECIAL PAY.....	754	8,854	6,676	1,072	11,737	12,582	1,082	11,787	12,754	1,095	11,680	12,790
BOARD CERTIFIED PAY.....	406	5,421	2,201	436	5,437	2,371	440	5,442	2,394	441	5,435	2,397
MULTI-YEAR SPECIAL PAY.....	28	12,429	348	115	12,878	1,481	419	11,492	4,815	419	11,492	4,815
ACCESSION BONUS.....	20	30,000	600	54	30,000	1,620	91	30,000	2,730	97	30,000	2,910
SUBTOTAL.....	2,231		\$ 17,535	2,797		\$ 27,113	3,162		\$ 31,834	3,186		\$ 32,084
<b>NURSE PAY</b>												
ACCESSION BONUS.....	25	\$ 5,000	\$ 125	50	\$ 5,000	\$ 250	50	\$ 5,000	\$ 250	50	\$ 5,000	\$ 250
ANESTHETIST PAY.....	211	10,118	2,135	269	11,286	3,036	269	11,286	3,036	269	11,286	3,036
SUBTOTAL.....	236		\$ 2,260	319		\$ 3,286	319		\$ 3,286	319		\$ 3,286
<b>BOARD CERTIFIED PAY FOR NON-PHYSICIAN</b>												
HEALTH CARE PROVIDERS.....	524	\$ 2,504	\$ 1,312	609	\$ 2,526	\$ 1,538	639	\$ 2,527	\$ 1,615	639	\$ 2,527	\$ 1,615
DIPLOMATE PAY FOR PSYCHOLOGISTS..	33	3,758	124	36	3,778	136	47	3,702	174	47	3,702	174
OPTOMETRISTS.....	122	1,200	146	127	1,200	152	127	1,200	152	127	1,200	152
VETERINARIANS.....	419	1,200	503	414	1,200	497	414	1,200	497	414	1,200	497
<b>TOTAL MEDICAL PAY.....</b>	<b>17,684</b>		<b>178,870</b>	<b>17,950</b>		<b>187,965</b>	<b>18,262</b>		<b>193,458</b>	<b>18,286</b>		<b>193,708</b>

OFFICER SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PERSONAL MONEY ALLOWANCES - GENERAL OFFICERS												
CHAIRMAN, JCS.....	1	\$ 4,000	\$ 4	1	\$ 4,000	\$ 4	1	\$ 4,000	\$ 4	1	\$ 4,000	\$ 4
CHIEF OF STAFF.....	1	4,000	4	1	4,000	4	1	4,000	4	1	4,000	4
SENIOR MEMBER OF STAFF COMMITTEE OF UNITED NATIONS.....	1	2,700	3	1	2,700	3	1	2,700	3	1	2,700	3
GENERAL.....	9	2,200	20	9	2,200	20	9	2,200	20	9	2,200	20
LIEUTENANT GENERAL.....	42	500	21	40	500	20	39	500	20	39	500	20
SUBTOTAL.....	54		\$ 52	52		\$ 51	51		\$ 51	51		\$ 51
DIVING DUTY PAY.....	51	\$ 2,157	\$ 110	51	\$ 2,157	\$ 110	51	\$ 2,686	\$ 137	51	\$ 2,686	\$ 137
HOSTILE FIRE PAY.....	4,318	1,800	7,772	4,570	1,800	8,226	4,559	1,800	8,206	1,063	1,800	1,913
SEA DUTY PAY.....	108	3,667	396	108	3,667	396	108	3,667	396	108	3,667	396
FOREIGN LANGUAGE PAY.....	2,211	732	1,618	2,211	732	1,618	2,211	732	1,618	2,211	778	1,720
TOTAL OFFICER SPECIAL PAY..	24,426		188,818	24,942		198,366	25,242		203,866	21,770		197,925

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 0
ESTIMATE FY 2000	\$ 0
ESTIMATE FY 1999	\$ 0
ACTUAL FY 1998	\$ 105,214

**Project: Basic Allowance for Quarters - Officers**

**Part I - Purpose and Scope**

The member who is entitled to basic pay is entitled to a basic allowance for quarters (BAQ) at monthly rates according to the pay grade in which the member is assigned or distributed for basic pay purposes. However, a member who is assigned to quarters of the United States or a housing facility under the jurisdiction of a uniformed service appropriate to the member's grade, rank or rating, and adequate for the member and the member's dependents if with dependents, is not entitled to a BAQ, except that a member assigned to such quarters may not be denied a BAQ if, because of orders of competent authority, the member's dependents are prevented from occupying those quarters (37 U.S.C. 403). There are four types of BAQ payments: (1) to members with dependents, not occupying government quarters; (2) to members without dependents, not occupying government quarters; (3) partial payment to members without dependents assigned to single-type quarters; and (4) to members with dependents occupying inadequate housing. Under the provisions of P.L. 97-214, dated 12 July 1982, effective 1 October 1982, the rental charge for inadequate quarters will be the fair rental value for such quarters, not to exceed 75 percent of the occupant's BAQ at the with dependents rate.

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA).

**Part II - Justification of Funds Requested**

The FY 1998 BAQ amounts reflect payments for 3 months (October - December 1997). Effective 1 January 1998, the payments are included under BAH.

Detailed cost computations are provided by the following table:

OFFICER BASIC ALLOWANCE FOR QUARTERS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAQ WITH DEPENDENTS												
GENERAL.....	11	12,091	\$ 133	0		\$ 0	0		\$ 0	0		\$ 0
COLONEL.....	530	10,969	5,814	0	0	0	0	0	0	0	0	0
LIEUTENANT COLONEL.....	1,430	10,573	15,119	0	0	0	0	0	0	0	0	0
MAJOR.....	1,850	9,320	17,242	0	0	0	0	0	0	0	0	0
CAPTAIN.....	2,696	7,800	21,029	0	0	0	0	0	0	0	0	0
1ST LIEUTENANT.....	607	6,756	4,101	0	0	0	0	0	0	0	0	0
2ND LIEUTENANT.....	510	6,120	3,121	0	0	0	0	0	0	0	0	0
OFFICER SUBTOTAL.....	7,634		\$ 66,559	0		\$ 0	0		\$ 0	0		\$ 0
WARRANT OFFICER (5).....	66	8,996	594	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (4).....	224	8,248	1,848	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (3).....	472	7,556	3,566	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (2).....	631	6,952	4,387	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (1).....	206	6,012	1,238	0	0	0	0	0	0	0	0	0
WARRANT OFFICER SUBTOTAL...	1,599		\$ 11,633	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BAQ WITH DEPENDENTS.....	9,233		\$ 78,192	0		\$ 0	0		\$ 0	0		\$ 0
BAQ WITHOUT DEPENDENTS												
GENERAL.....	1	10,000	\$ 10	0		\$ 0	0		\$ 0	0		\$ 0
COLONEL.....	54	9,079	490	0	0	0	0	0	0	0	0	0
LIEUTENANT COLONEL.....	218	8,744	1,906	0	0	0	0	0	0	0	0	0
MAJOR.....	465	8,104	3,768	0	0	0	0	0	0	0	0	0
CAPTAIN.....	1,490	6,540	9,745	0	0	0	0	0	0	0	0	0
1ST LIEUTENANT.....	1,017	5,196	5,284	0	0	0	0	0	0	0	0	0
2ND LIEUTENANT.....	858	4,380	3,758	0	0	0	0	0	0	0	0	0
OFFICER SUBTOTAL.....	4,103		\$ 24,961	0		\$ 0	0		\$ 0	0		\$ 0
WARRANT OFFICER (5).....	5	8,233	41	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (4).....	25	7,312	183	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (3).....	64	6,145	393	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (2).....	187	5,458	1,021	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (1).....	62	4,568	283	0	0	0	0	0	0	0	0	0
WARRANT OFFICER SUBTOTAL...	343		\$ 1,921	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BAQ WITHOUT DEPENDENTS.....	4,446		\$ 26,882	0		\$ 0	0		\$ 0	0		\$ 0



OFFICER BASIC ALLOWANCE FOR QUARTERS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAQ PARTIAL ALLOWANCE												
BACHELOR												
GENERAL.....	0		\$ 0	0		\$ 0	0		\$ 0	0		\$ 0
COLONEL.....	1	475	0	0	0	0	0	0	0	0	0	0
LIEUTENANT COLONEL.....	6	396	2	0	0	0	0	0	0	0	0	0
MAJOR.....	19	320	6	0	0	0	0	0	0	0	0	0
CAPTAIN.....	110	266	29	0	0	0	0	0	0	0	0	0
1ST LIEUTENANT.....	90	212	19	0	0	0	0	0	0	0	0	0
2ND LIEUTENANT.....	449	158	71	0	0	0	0	0	0	0	0	0
OFFICER SUBTOTAL.....	675		\$ 127	0		\$ 0	0		\$ 0	0		\$ 0
WARRANT OFFICER (5).....	0	302	0	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (4).....	1	302	0	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (3).....	6	248	1	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (2).....	19	191	4	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (1).....	10	166	2	0	0	0	0	0	0	0	0	0
WARRANT OFFICER SUBTOTAL...	36		\$ 7	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BAQ PARTIAL ALLOWANCE BACHELOR.....	711		\$ 134	0		\$ 0	0		\$ 0	0		\$ 0
BAQ INADEQUATE FAMILY HOUSING												
GENERAL.....	0		\$ 0	0		\$ 0	0		\$ 0	0		\$ 0
COLONEL.....	0	2,742	0	0	0	0	0	0	0	0	0	0
LIEUTENANT COLONEL.....	0	2,643	0	0	0	0	0	0	0	0	0	0
MAJOR.....	1	2,330	2	0	0	0	0	0	0	0	0	0
CAPTAIN.....	2	1,950	4	0	0	0	0	0	0	0	0	0
1ST LIEUTENANT.....	0	1,689	0	0	0	0	0	0	0	0	0	0
2ND LIEUTENANT.....	0	1,530	0	0	0	0	0	0	0	0	0	0
OFFICER SUBTOTAL.....	3		\$ 6	0		\$ 0	0		\$ 0	0		\$ 0
WARRANT OFFICER (5).....	0	2,249	0	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (4).....	0	2,062	0	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (3).....	0	1,889	0	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (2).....	0	1,738	0	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (1).....	0	1,503	0	0	0	0	0	0	0	0	0	0
WARRANT OFFICER SUBTOTAL...	0		\$ 0	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BAQ INADEQUATE FAMILY HOUSING.....	3		\$ 6	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL OFFICER BASIC ALLOWANCE FOR QUARTERS.....	14,393		\$ 105,214	0		\$ 0	0		\$ 0	0		\$ 0

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 0
ESTIMATE FY 2000	\$ 0
ESTIMATE FY 1999	\$ 0
ACTUAL FY 1998	\$ 24,297

**Project: Variable Housing Allowance - Officers**

**Part I - Purpose and Scope**

The funds required are to provide for payment of a variable housing allowance (VHA) authorized under the provisions of 37 U.S.C. Section 403a. Under this law a member entitled to a basic allowance for quarters is authorized a variable housing allowance whenever assigned to duty in an area of the United States, including Alaska and Hawaii if assigned to these two states on or after 9 Nov 1985, which has been designated as a high cost area. This payment is also made to those members serving unaccompanied tours of duty outside the United States when the member's dependents reside in an area where this allowance is authorized.

Congress approved in the FY 1998 National Defense Authorization Act the payment of basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA).

**Part II - Justification of Funds Requested**

The FY 1998 VHA amounts reflect payments for 3 months (October - December 1997). Effective 1 January 1998, the payments are included under BAH.

Detailed cost computations are provided by the following table:

OFFICER VARIABLE HOUSING ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
GENERAL.....	30	\$ 3,600	\$ 108	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
COLONEL.....	521	3,658	1,906	0	0	0	0	0	0	0	0	0
LIEUTENANT COLONEL.....	1,451	3,298	4,785	0	0	0	0	0	0	0	0	0
MAJOR.....	1,935	2,656	5,139	0	0	0	0	0	0	0	0	0
CAPTAIN.....	3,482	1,823	6,348	0	0	0	0	0	0	0	0	0
1ST LIEUTENANT.....	1,304	1,313	1,712	0	0	0	0	0	0	0	0	0
2ND LIEUTENANT.....	1,025	1,258	1,289	0	0	0	0	0	0	0	0	0
OFFICER SUBTOTAL.....	9,748		\$ 21,287	0		\$ 0	0		\$ 0	0		\$ 0
WARRANT OFFICER (5).....	64	2,383	153	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (4).....	211	2,138	451	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (3).....	455	1,852	843	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (2).....	685	1,719	1,178	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (1).....	236	1,632	385	0	0	0	0	0	0	0	0	0
WARRANT OFFICER SUBTOTAL	1,651		\$ 3,010	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL OFFICER VARIABLE HOUSING ALLOWANCE..	11,399		\$ 24,297	0		\$ 0	0		\$ 0	0		\$ 0

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 651,110
ESTIMATE FY 2000	\$ 619,968
ESTIMATE FY 1999	\$ 598,636
ACTUAL FY 1998	\$ 454,680

**Project: Basic Allowance for Housing - Officers**

**Part I - Purpose and Scope**

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). In addition, the overseas housing allowance (OHA) payment, formerly located in overseas station allowances, was also moved into this section by the change in law. The continental United States, Alaska, and Hawaii BAH is termed BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to service members is authorized by revisions to 37 U.S.C. 403.

**Part II - Justification of Funds Requested**

The FY 2000 amounts for BAH includes a 3.0 percent increase. Contractor generated surveys of actual housing will provide a housing index determining the appropriate rate of increase for FY 2001.

The net change in the basic allowance for housing requirement is +\$21.3 from FY 1999 to FY 2000. This change is based on--

- (1) Housing cost growth: +\$19.8 million.
- (2) Residential Communities Initiatives: +\$4.0 million.
- (3) Changes in housing inventory: +\$2.5 million.
- (4) Force manning changes: -\$5.0 million.

The net change in the basic allowance for housing requirement is +\$31.1 between FY 2000 and FY 2001. This change is based on--

- (1) Housing cost growth: +\$18.3 million.
- (2) Residential Communities Initiatives: +\$20.3 million.
- (3) Changes in housing inventory: +\$1.0 million.
- (4) Force manning changes: -\$8.5 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
<b>BAH WITH DEPENDENTS</b>												
GENERAL.....	37	15,892	\$ 588	50	16,320	\$ 816	49	16,776	\$ 822	49	17,306	\$ 848
COLONEL.....	1,561	14,553	22,717	2,050	14,960	30,668	2,127	15,401	32,758	2,243	15,863	35,581
LIEUTENANT COLONEL.....	4,202	13,752	57,786	5,578	14,139	78,867	5,509	14,556	80,189	5,800	14,993	86,959
MAJOR.....	6,190	11,787	72,962	8,422	12,117	102,049	8,489	12,475	105,900	8,342	12,849	107,186
CAPTAIN.....	7,846	9,642	75,651	9,810	9,912	97,237	10,993	10,204	112,173	11,599	10,511	121,917
1ST LIEUTENANT.....	1,955	8,283	16,193	2,804	8,515	23,876	1,859	8,766	16,296	1,836	9,029	16,577
2ND LIEUTENANT.....	1,521	7,569	11,512	1,638	7,780	12,744	1,717	8,010	13,753	1,882	8,250	15,527
OFFICER SUBTOTAL.....	23,312		\$ 257,409	30,352		\$ 346,257	30,743		\$ 361,891	31,751		\$ 384,595
WARRANT OFFICER (5).....	193	11,025	2,128	264	11,639	3,073	293	11,983	3,511	308	12,342	3,801
WARRANT OFFICER (4).....	661	10,392	6,869	932	10,684	9,957	1,015	10,999	11,164	1,069	11,329	12,111
WARRANT OFFICER (3).....	1,458	9,414	13,726	1,923	9,679	18,613	1,773	9,965	17,668	1,859	10,264	19,081
WARRANT OFFICER (2).....	1,861	8,844	16,459	2,403	9,091	21,846	2,209	9,359	20,674	2,317	9,640	22,336
WARRANT OFFICER (1).....	657	7,938	5,215	843	8,160	6,879	967	8,401	8,124	1,023	8,653	8,852
WARRANT OFFICER SUBTOTAL...	4,830		\$ 44,397	6,365		\$ 60,368	6,257		\$ 61,141	6,576		\$ 66,181
TOTAL BAH WITH DEPENDENTS.....	28,142		\$ 301,806	36,717		\$ 406,625	37,000		\$ 423,032	38,327		\$ 450,776
<b>BAH WITHOUT DEPENDENTS</b>												
GENERAL.....	2	13,000	\$ 26	3	13,000	\$ 39	3	14,000	\$ 42	3	14,000	\$ 42
COLONEL.....	149	12,216	1,820	193	12,558	2,424	201	12,929	2,599	202	13,317	2,690
LIEUTENANT COLONEL.....	622	11,691	7,272	805	12,019	9,675	798	12,374	9,874	800	12,745	10,196
MAJOR.....	1,365	10,464	14,283	1,959	10,757	21,073	1,982	11,075	21,951	1,854	11,407	21,149
CAPTAIN.....	3,977	8,175	32,512	4,926	8,405	41,403	5,541	8,653	47,946	5,566	8,912	49,604
1ST LIEUTENANT.....	2,860	6,366	18,207	4,104	6,543	26,852	2,732	6,736	18,403	2,570	6,938	17,831
2ND LIEUTENANT.....	2,652	5,517	14,631	2,734	5,673	15,510	2,877	5,840	16,802	3,003	6,015	18,063
OFFICER SUBTOTAL.....	11,627		\$ 88,751	14,724		\$ 116,976	14,134		\$ 117,617	13,998		\$ 119,575
WARRANT OFFICER (5).....	15	10,788	162	20	11,088	222	22	11,415	251	22	11,758	259
WARRANT OFFICER (4).....	73	9,642	704	91	9,912	902	100	10,204	1,020	100	10,511	1,051
WARRANT OFFICER (3).....	174	7,758	1,350	230	7,976	1,834	213	8,211	1,749	213	8,458	1,802
WARRANT OFFICER (2).....	507	6,912	3,504	647	7,106	4,598	597	7,316	4,368	596	7,535	4,491
WARRANT OFFICER (1).....	217	5,802	1,259	264	5,967	1,575	304	6,143	1,867	306	6,327	1,936
WARRANT OFFICER SUBTOTAL...	986		\$ 6,979	1,252		\$ 9,131	1,236		\$ 9,255	1,237		\$ 9,539
TOTAL BAH WITHOUT DEPENDENTS.....	12,613		\$ 95,730	15,976		\$ 126,107	15,370		\$ 126,872	15,235		\$ 129,114

OFFICER BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH PARTIAL ALLOWANCE BACHELOR												
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	3	475	1	5	475	2	6	475	3	6	475	3
LIEUTENANT COLONEL.....	19	396	8	26	396	10	26	396	10	26	396	10
MAJOR.....	60	320	19	83	320	27	84	320	27	79	320	25
CAPTAIN.....	351	266	93	437	266	116	491	266	131	493	266	131
1ST LIEUTENANT.....	339	212	72	476	212	101	317	212	67	298	212	63
2ND LIEUTENANT.....	1,183	158	187	1,333	158	211	1,403	158	222	1,464	158	231
OFFICER SUBTOTAL.....	1,955		\$ 380	2,360		\$ 467	2,327		\$ 460	2,366		\$ 463
WARRANT OFFICER (5).....	3	302	1	2	302	1	2	302	1	2	302	1
WARRANT OFFICER (4).....	2	302	1	4	302	1	4	302	1	5	302	2
WARRANT OFFICER (3).....	19	248	5	24	248	6	22	248	5	22	248	5
WARRANT OFFICER (2).....	49	191	9	65	191	12	60	191	11	60	191	11
WARRANT OFFICER (1).....	32	166	5	45	166	7	51	166	8	52	166	9
WARRANT OFFICER SUBTOTAL...	105		\$ 21	140		\$ 27	139		\$ 26	141		\$ 28
TOTAL BAH PARTIAL ALLOWANCE BACHELOR.....	2,060		\$ 401	2,500		\$ 494	2,466		\$ 486	2,507		\$ 491
BAH INADEQUATE FAMILY HOUSING												
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	0	3,638	0	0	3,740	0	0	3,850	0	0	3,966	0
LIEUTENANT COLONEL.....	0	3,438	0	0	3,535	0	0	3,639	0	0	3,748	0
MAJOR.....	1	2,947	3	3	3,029	9	3	3,119	9	3	3,212	10
CAPTAIN.....	2	2,411	5	4	2,478	10	5	2,551	13	5	2,628	13
1ST LIEUTENANT.....	0	2,071	0	0	2,129	0	0	2,192	0	0	2,257	0
2ND LIEUTENANT.....	0	1,892	0	0	1,945	0	0	2,002	0	0	2,062	0
OFFICER SUBTOTAL.....	3		\$ 8	7		\$ 19	8		\$ 22	8		\$ 23
WARRANT OFFICER (5).....	0	2,756	0	0	2,910	0	0	2,996	0	0	3,086	0
WARRANT OFFICER (4).....	0	2,598	0	0	2,671	0	0	2,750	0	0	2,832	0
WARRANT OFFICER (3).....	0	2,354	0	0	2,420	0	0	2,491	0	0	2,566	0
WARRANT OFFICER (2).....	0	2,211	0	0	2,273	0	0	2,340	0	0	2,410	0
WARRANT OFFICER (1).....	0	1,985	0	0	2,040	0	0	2,100	0	0	2,163	0
WARRANT OFFICER SUBTOTAL...	0		\$ 0	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BAH INADEQUATE FAMILY HOUSING.....	3		\$ 8	7		\$ 19	8		\$ 22	8		\$ 23
TOTAL BASIC ALLOWANCE FOR HOUSING - DOMESTIC.....	42,818		\$ 397,945	55,200		\$ 533,245	54,844		\$ 550,412	56,077		\$ 580,404

OFFICER BASIC ALLOWANCE FOR HOUSING - OVERSEAS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS												
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	97	22,311	2,164	102	23,043	2,350	110	24,534	2,699	112	25,024	2,803
LIEUTENANT COLONEL.....	365	18,521	6,760	382	19,132	7,308	393	20,296	7,976	401	20,771	8,329
MAJOR.....	522	16,459	8,592	577	17,002	9,810	606	18,042	10,933	576	18,458	10,632
CAPTAIN.....	631	15,125	9,544	619	15,624	9,671	720	16,617	11,964	736	16,971	12,491
1ST LIEUTENANT.....	173	12,286	2,125	197	12,693	2,501	136	13,482	1,834	130	13,788	1,792
2ND LIEUTENANT.....	75	13,025	977	63	13,460	848	69	14,339	989	73	14,621	1,067
OFFICER SUBTOTAL.....	1,863		\$ 30,162	1,940		\$ 32,488	2,034		\$ 36,395	2,028		\$ 37,114
WARRANT OFFICER (5).....	8	14,560	116	9	15,040	135	10	15,928	159	11	16,332	180
WARRANT OFFICER (4).....	52	13,809	718	60	14,266	856	68	15,127	1,029	69	15,496	1,069
WARRANT OFFICER (3).....	88	14,711	1,295	94	15,195	1,428	90	16,161	1,454	91	16,503	1,502
WARRANT OFFICER (2).....	162	14,479	2,346	165	14,951	2,467	159	15,922	2,532	160	16,237	2,598
WARRANT OFFICER (1).....	29	13,618	395	31	14,064	436	38	15,012	570	38	15,282	581
WARRANT OFFICER SUBTOTAL...	339		\$ 4,870	359		\$ 5,322	365		\$ 5,744	369		\$ 5,930
TOTAL BAH WITH DEPENDENTS.....	2,202		\$ 35,032	2,299		\$ 37,810	2,399		\$ 42,139	2,397		\$ 43,044
BAH WITHOUT DEPENDENTS												
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	12	15,885	191	16	16,408	263	16	17,400	278	16	17,805	285
LIEUTENANT COLONEL.....	67	14,377	963	85	14,854	1,263	85	15,740	1,338	85	16,132	1,371
MAJOR.....	164	14,592	2,393	215	15,072	3,240	217	15,999	3,472	203	16,364	3,322
CAPTAIN.....	523	12,209	6,385	621	12,612	7,832	699	13,402	9,368	702	13,696	9,615
1ST LIEUTENANT.....	615	10,385	6,387	832	10,725	8,923	554	11,418	6,326	521	11,652	6,071
2ND LIEUTENANT.....	373	10,974	4,093	381	11,335	4,319	401	12,120	4,860	419	12,318	5,161
OFFICER SUBTOTAL.....	1,754		\$ 20,412	2,150		\$ 25,840	1,972		\$ 25,642	1,946		\$ 25,825
WARRANT OFFICER (5).....	2	12,461	25	3	12,877	39	4	13,679	55	4	14,045	56
WARRANT OFFICER (4).....	8	12,066	97	12	12,465	150	13	13,232	172	14	13,562	190
WARRANT OFFICER (3).....	25	11,558	289	33	11,939	394	30	12,708	381	30	12,988	390
WARRANT OFFICER (2).....	65	11,603	754	83	11,982	995	76	12,771	971	76	13,016	989
WARRANT OFFICER (1).....	12	10,506	126	15	10,849	163	17	11,554	196	18	11,762	212
WARRANT OFFICER SUBTOTAL...	112		\$ 1,291	146		\$ 1,741	140		\$ 1,775	142		\$ 1,837
TOTAL BAH WITHOUT DEPENDENTS.....	1,866		\$ 21,703	2,296		\$ 27,581	2,112		\$ 27,417	2,088		\$ 27,662
TOTAL BASIC ALLOWANCE FOR HOUSING - OVERSEAS.....	4,068		\$ 56,735	4,595		\$ 65,391	4,511		\$ 69,556	4,485		\$ 70,706
TOTAL OFFICER BASIC ALLOWANCE FOR HOUSING.....	46,886		\$ 454,680	59,795		\$ 598,636	59,355		\$ 619,968	60,562		\$ 651,110

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 148,927
ESTIMATE FY 2000	\$ 149,286
ESTIMATE FY 1999	\$ 148,573
ACTUAL FY 1998	\$ 149,017

**Project: Basic Allowance for Subsistence - Officers**

**Part I - Purpose and Scope**

The funds requested will provide for subsistence allowance authorized by 37 U.S.C. 402 and P.L. 96-343. All officers, regardless of dependency status and pay grade, are paid a monthly basic allowance for subsistence at the same rate.

**Part II - Justification of Funds Requested**

Subsistence allowance costs are obtained by multiplying the projected average number eligible for the allowance by the annual statutory rate. The estimates for FY 2000 and FY 2001 reflect a pay raise of one percent for regular BAS, while the enlisted Partial BAS is resourced from the remainder of the pay raise.

Detailed cost computations are provided by the following table:



OFFICER BASIC ALLOWANCE FOR SUBSISTENCE  
 (AMOUNT IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BASIC ALLOWANCE FOR SUBSISTENCE.....	79,945	\$ 1,864	\$ 149,017	78,944	\$ 1,882	\$ 148,573	78,530	\$ 1,901	\$ 149,286	77,566	\$ 1,920	\$ 148,927

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 79,203
ESTIMATE FY 2000	\$ 75,583
ESTIMATE FY 1999	\$ 67,020
ACTUAL FY 1998	\$ 74,690

**Project: Station Allowance Overseas - Officers**

**Part I - Purpose and Scope**

The funds requested will provide payment of a per diem allowance to officers on duty outside the United States considering all elements of the cost of living, including quarters, subsistence, and other necessary incidental expenses as prescribed by joint travel regulations and authorized under provisions of 37 U.S.C. 405.

**Part II - Justification of Funds Requested**

The total Overseas Station Allowance includes Cost of Living, Housing and Temporary Lodging Allowances. Overseas station allowance (OSA) payments are determined by multiplying the projected number of personnel eligible for each type of allowance by an estimated average rate.

Fluctuations in currency exchange rates have a direct impact on overseas station allowances. This is especially true in the case of Germany. The FY 2000 and FY 2001 estimates for overseas station allowances are based on exchange rates of 1.7125 DM/\$1 US. Beginning with FY 1997, MPA re-joined the Foreign Currency Fluctuations, Defense account.

The FY 1998 overseas housing allowance (OHA) amount reflects payments for 3 months (October - December 1997). Effective 1 January 1998, the payments are included under BAH.

From FY 1999 to FY 2000, the requirement for overseas station allowance increases by a net +\$8.6 million. This change is based on--

- (1) Annualization of the 3.6 percent, 1 Jan 1999 pay raise: +\$0.6 million.
- (2) The 4.4 percent, 1 Jan 2000 pay raise: +\$2.2 million.
- (3) COLA rate changes: +\$6.3 million.
- (4) Cost growth for temporary lodging allowance (TLA) inflation: +\$0.2 million.
- (5) Changes in estimated number of OSA payments: -\$0.7 million.

The net change in the overseas station allowance estimate is +\$3.6 million between FY 2000 and FY 2001. This change is based on:

- (1) Annualization of the 4.4 percent, 1 Jan 2000 pay raise: +\$1.3 million.
- (2) The 3.9 percent, 1 Jan 2001 pay raise: +\$1.9 million.
- (3) Cost growth for TLA inflation: +\$0.2 million.
- (4) Changes in estimated number of OSA payments: +\$0.2 million.

Detailed cost computations are provided by the following table:

OFFICER OVERSEAS STATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
<b>COST OF LIVING</b>												
GENERAL.....	56	\$ 4,643	\$ 260	54	\$ 4,944	\$ 267	53	\$ 5,736	\$ 304	53	\$ 6,000	\$ 318
COLONEL.....	705	5,094	3,591	669	4,783	3,200	661	5,572	3,683	661	5,834	3,856
LIEUTENANT COLONEL.....	1,921	4,671	8,973	1,822	4,452	8,112	1,801	5,197	9,360	1,801	5,475	9,860
MAJOR.....	2,986	4,038	12,057	2,833	3,776	10,697	2,800	4,426	12,393	2,800	4,720	13,216
CAPTAIN.....	5,074	2,992	15,181	4,814	3,052	14,692	4,757	3,551	16,892	4,757	3,710	17,648
2ND LIEUTENANT.....	2,530	2,590	6,553	2,401	2,671	6,413	2,372	3,115	7,389	2,372	3,271	7,759
1ST LIEUTENANT.....	1,936	1,632	3,160	1,837	1,852	3,402	1,816	2,153	3,910	1,816	2,241	4,070
WARRANT OFFICER (5).....	69	3,453	238	65	3,724	242	64	4,333	277	64	4,525	290
WARRANT OFFICER (4).....	356	3,124	1,112	338	3,341	1,129	334	3,889	1,299	334	4,070	1,359
WARRANT OFFICER (3).....	932	2,906	2,708	885	2,889	2,557	874	3,368	2,944	874	3,540	3,094
WARRANT OFFICER (2).....	1,671	2,546	4,254	1,585	2,707	4,291	1,567	3,148	4,933	1,567	3,279	5,138
WARRANT OFFICER (1).....	375	1,822	683	356	2,163	770	352	2,516	886	352	2,618	922
SUBTOTAL.....	18,611		\$ 58,770	17,659		\$ 55,772	17,451		\$ 64,270	17,451		\$ 67,530
<b>HOUSING ALLOWANCE</b>												
GENERAL.....	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
COLONEL.....	15	9,403	141	0	0	0	0	0	0	0	0	0
LIEUTENANT COLONEL.....	55	7,258	399	0	0	0	0	0	0	0	0	0
MAJOR.....	92	6,916	636	0	0	0	0	0	0	0	0	0
CAPTAIN.....	218	6,711	1,463	0	0	0	0	0	0	0	0	0
2ND LIEUTENANT.....	180	5,529	995	0	0	0	0	0	0	0	0	0
1ST LIEUTENANT.....	120	7,203	864	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (5).....	2	651	1	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (4).....	11	4,476	49	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (3).....	16	6,601	106	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (2).....	37	7,185	266	0	0	0	0	0	0	0	0	0
WARRANT OFFICER (1).....	7	6,719	47	0	0	0	0	0	0	0	0	0
SUBTOTAL.....	753		\$ 4,967	0		\$ 0	0		\$ 0	0		\$ 0
TEMPORARY LODGING ALLOWANCE....	7,206	\$ 1,520	\$ 10,953	7,342	\$ 1,532	\$ 11,248	7,275	\$ 1,555	\$ 11,313	7,388	\$ 1,580	\$ 11,673
TOTAL OFFICER STATION ALLOWANCE OVERSEAS..	26,570		\$ 74,690	25,001		\$ 67,020	24,726		\$ 75,583	24,839		\$ 79,203

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$635
ESTIMATE FY 2000	\$635
ESTIMATE FY 1999	\$635
ACTUAL FY 1998	\$635

**Project: CONUS Cost of Living Allowance - Officers**

**Part I - Purpose and Scope**

The funds requested will provide payment of a cost of living allowance (COLA) to soldiers who are assigned to high cost areas in the continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense but cannot be less than eight percent. The current established threshold is 108 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation level) times the difference between the COLA index for the individual's high cost area and the threshold percentage. This allowance was authorized by the FY 1995 DOD Authorization Act.

**Part II - Justification of Funds Requested**

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated average rate.

Detailed cost computations are provided by the following table:

OFFICER CONUS COST OF LIVING ALLOWANCE  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
CONUS COLA.....	601	\$1,056	\$635	601	\$1,056	\$635	601	\$1,056	\$635	601	\$1,056	\$635

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 2,639
ESTIMATE FY 2000	\$ 2,608
ESTIMATE FY 1999	\$ 2,541
ACTUAL FY 1998	\$ 2,658

**Project: Clothing Allowances - Officers**

**Part I - Purpose and Scope**

The requested funds will provide for the initial payment and supplemental allowance for purchases of required uniforms under provisions of 37 U.S.C. 415 and 416. Also included are funds for civilian clothing allowance for officers assigned to a permanent duty station outside the United States who are required to wear civilian clothing in the performance of official duty in accordance with 37 U.S.C. 419.

**Part II - Justification of Funds Requested**

The estimated number of payments is based on the projected gains into the Army and the anticipated overseas requirements where individuals are required to wear civilian clothing in the performance of official duty. Allowances for uniform and clothing purchases are developed by multiplying the projected number eligible for each type of allowance by the applicable rate.

Detailed cost computations are provided by the following table:

OFFICER CLOTHING ALLOWANCES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
UNIFORM ALLOWANCES												
INITIAL.....	6,617	\$ 200	\$ 1,323	6,191	\$ 200	\$ 1,238	6,381	\$ 200	\$ 1,276	6,442	\$ 200	\$ 1,288
ADDITIONAL.....	6,617	100	662	6,191	100	619	6,381	100	638	6,442	100	644
SUBTOTAL.....	13,234		\$ 1,985	12,382		\$ 1,857	12,762		\$ 1,914	12,884		\$ 1,932
CIVILIAN CLOTHING												
WINTER AND SUMMER.....	530	\$ 1,270	\$ 673	881	\$ 776	\$ 684	881	\$ 788	\$ 694	881	\$ 802	\$ 707
TOTAL OFFICER CLOTHING ALLOWANCES.....	13,764		\$ 2,658	13,263		\$ 2,541	13,643		\$ 2,608	13,765		\$ 2,639

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 5,431
ESTIMATE FY 2000	\$ 7,879
ESTIMATE FY 1999	\$ 7,790
ACTUAL FY 1998	\$ 6,792

**Project: Family Separation Allowances - Officers**

**Part I - Purpose and Scope**

The funds are to provide family separation payments to officers with dependents on duty outside the U.S. or in Alaska for added separation expenses under two circumstances:

(1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for his family and one overseas for himself. Payment is made at the monthly quarters allowance rate authorized for a member of the same grade without dependents.

(2) When a member with dependents makes a permanent change of station, is on temporary duty travel, or on board ship for 30 days or more either in CONUS or overseas and the travel of dependents to his duty station is not authorized and dependents do not reside at or near the duty station. The FY 1998 Authorization Act increased the authorized monthly rate from \$75 to \$100, effective 1 January 1998.

**Part II - Justification of Funds Requested**

The estimated number of payments is based on execution data projected into the future and modified to reflect anticipated overseas stationing requirements. Allowances for family separation are determined by multiplying the estimated number of personnel eligible for each type of family separation allowance by the statutory rate applicable.

From FY 2000 to FY 2001, the requirement for family separation allowances decreases by a net \$2.4 million. This change is based on a reduced need for family separation allowance, type II, primarily due to the absence of contingency operations.

Detailed cost computations are provided by the following table:



OFFICER FAMILY SEPARATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PCS OVERSEAS WITH DEPENDENTS NOT AUTHORIZED AND MAINTAINS TWO HOMES												
COLONEL.....	14	\$ 9,271	\$ 130	14	\$ 9,552	\$ 134	14	\$ 9,841	\$ 138	14	\$ 10,136	\$ 142
LIEUTENANT COLONEL.....	23	8,928	205	23	9,198	212	23	9,476	218	24	9,761	234
MAJOR.....	39	8,274	323	39	8,524	332	39	8,782	342	40	9,045	362
CAPTAIN.....	75	6,663	500	75	6,864	515	76	7,072	537	77	7,284	561
FIRST LIEUTENANT.....	15	5,304	80	15	5,464	82	15	5,629	84	15	5,798	87
SECOND LIEUTENANT.....	10	4,470	45	10	4,605	46	10	4,744	47	10	4,886	49
WARRANT OFFICER (5).....	1	8,406	8	1	8,660	9	1	8,922	9	1	9,190	9
WARRANT OFFICER (4).....	9	7,465	67	9	7,692	69	9	7,924	71	9	8,162	73
WARRANT OFFICER (3).....	21	6,275	132	21	6,465	136	21	6,660	140	22	6,860	151
WARRANT OFFICER (2).....	49	5,571	273	49	5,739	281	50	5,913	296	50	6,090	305
WARRANT OFFICER (1).....	11	4,666	51	11	4,807	53	11	4,953	54	11	5,101	56
SUBTOTAL.....	267		1,814	267		1,869	269		1,936	273		2,029
PCS CONUS OR OVERSEAS WITH DEPENDENTS NOT AUTHORIZED.....												
	1,897	1,125	2,134	1,885	1,200	2,262	1,917	1,200	2,300	1,954	1,200	2,345
TDY CONUS OR OVERSEAS FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TDY STATION.....												
	2,528	1,125	2,844	3,049	1,200	3,659	3,036	1,200	3,643	881	1,200	1,057
TOTAL OFFICER FAMILY SEPARATION ALLOWANCES.....												
	4,692		\$ 6,792	5,201		\$ 7,790	5,222		\$ 7,879	3,108		\$ 5,431

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 98,555
ESTIMATE FY 2000	\$ 87,929
ESTIMATE FY 1999	\$ 131,548
ACTUAL FY 1998	\$ 78,541

**Project: Separation Payments - Officers**

**Part I - Purpose and Scope**

Severance Pay - payment of non-disability separation pay is authorized to retirement ineligible regular commissioned officers, warrant officers, and members of the reserve component who are involuntarily released from active duty after having completed at least 5 years of active duty. Payment of disability severance pay is authorized to members on active duty who are discharged because of physical disability and who have less than 20 years service and less than 30 percent disability.

The FY 1992 National Defense Authorization Act approved two voluntary separation pay programs to use during the force drawdown. The programs apply to both officers and enlisted soldiers who have more than six and less than 20 years of service. The first, voluntary separation incentive (VSI), is an annuity that makes annual payments for twice the number of years served for soldiers who voluntarily leave active duty. The second program, special separation benefit (SSB), provides a lump sum of one and a half times involuntary separation pay (50% more) for soldiers who voluntarily leave active duty. VSI and SSB have been used to reduce involuntary separations. The authority to use VSI/SSB was extended from 30 Sep 1990 30 Sep 2001 by the FY 1999 National Defense Authorization Act. However, the Army will reach its steady state end strength at the end of FY 1999 and will not offer VSI and SSB to any new takers after FY 1999.

The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program has been used to shape the 15-20 year segment of the force. It has assisted the Army in achieving its drawdown goals of maintaining readiness and treating people fairly. Soldiers separated under the early retirement program receive the same benefits as individuals with 20 or more years of service. However, their retired pay is reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent times years of service times basic pay times reduction factor. For the officers who leave under the early retirement program, the Army is required to establish a subaccount within the Military Personnel Appropriation to fund all early retirement payments up front in the Military Personnel Appropriation to cover the entire initial period, which is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use the early retirement program was extended from 1 Oct 1999 to 1 Oct 2001 by the FY 1999 National Defense Authorization Act. However, the Army will reach its steady state end strength at the end of FY 1999 and will not offer early retirement to any new takers after FY 1999.

Accrued Leave Payments - members are authorized 30 days of ordinary leave annually. They may have accumulated a maximum of no more than 60 days unused leave at the beginning of any fiscal year. Upon retirement or separation, members are paid for unused accrued leave at the rate of basic pay to which entitled at time of release. Effective 10 Feb 1976, a member cannot be paid for more than 60 days of accrued leave during his military career. This limitation does not include payments for accrued leave made before that date.

## Part II - Justification of Funds Requested

Separation payments are determined by multiplying the projected number eligible for each type of payment by the estimated average payment applicable. Accumulated leave payments are made based upon leave accrued as of 1 Sep 1976. For leave accumulated prior to 1 Sep 1976 and retained throughout the career, payments include basic pay, basic allowance for subsistence, and basic allowance for quarters. For leave accumulated after 1 Sep 1976, to include the lowering of leave balances prior to 1 Sep 1976, the rate payable is basic pay only. Leave payments will not exceed the career total of 60 days. Severance pay for promotion passover, for separation for cause, and for disability severance pay is 10 percent of the product of (a) years of active service and (b) 12 times the monthly basic pay to which the member was entitled at the time of discharge or release from active duty. The SSB amount is based on annual base pay times 15 percent times years of service. The VSI (annuity) is a product of annual base pay times 2.5 percent times years of service and is paid for twice the number of years served, without any cost of living adjustments. The National Defense Authorization Acts for FY 1992 and FY 1993 required the establishment of a VSI fund effective 1 Jan 1993 from which VSI payments will be made. The Act further required the DOD Board of Actuaries to determine: (1) the amount necessary to liquidate the original unfunded liability, i.e., those personnel accepting VSI benefits prior to 1 Jan 1993 and (2) the total present value costs necessary to fund those members accepting VSI benefits after 1 Jan 1993.

The requirement for separation pays decreases by a net \$43.6 million between FY 1999 and FY 2000. This change is based on--

- (1) Annualization of the 3.6 percent, 1 Jan 1999 pay raise: +\$0.5 million.
- (2) The 4.4 percent, 1 Jan 2000 pay raise: +\$2.0 million.
- (3) Decreased need for separation pays as officer strength reached a steady state at the end of FY 1999: -\$37.0 million.
- (4) Reduced transfer into the VSI Trust Fund: -\$9.1 million.

The net change in the separation pay requirement is +\$10.6 million between FY 2000 and FY 2001. This change is based on--

- (1) Annualization of the 4.4 percent, 1 Jan 2000 pay raise: +\$0.7 million.
- (2) The 3.9 percent, 1 Jan 2001 pay raise: +\$2.0 million.
- (3) Increase in estimated number of individuals separated for nonpromotion: +\$7.9 million.

Detailed cost computations are provided by the following table:

OFFICER SEPARATION PAYMENTS  
(AMOUNT IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998				ESTIMATE FY 1999				ESTIMATE FY 2000				ESTIMATE FY 2001			
	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT
LUMP SUM TERMINAL LEAVE PAYMENTS																
GENERAL.....	44	56.4	16,068	\$ 707	46	56.3	16,500	\$ 759	39	56.3	17,051	\$ 665	41	56.3	17,537	\$ 719
COLONEL.....	640	38.6	8,593	5,500	579	38.6	8,970	5,194	535	38.6	9,246	4,947	540	38.6	9,648	5,210
LT. COLONEL.....	1,137	30.5	5,244	5,962	1,009	30.5	5,468	5,517	934	30.5	5,642	5,269	942	30.5	5,923	5,580
MAJOR.....	779	30.1	4,080	3,179	681	30.1	4,261	2,902	630	30.1	4,421	2,785	637	30.1	4,698	2,993
CAPTAIN.....	2,263	17.3	1,950	4,414	2,247	17.3	2,039	4,582	2,079	17.3	2,104	4,374	2,099	17.3	2,191	4,598
1ST LIEUT.....	864	17.5	1,530	1,322	790	17.5	1,577	1,246	730	17.5	1,601	1,169	737	17.5	1,676	1,235
2ND LIEUT.....	187	13.1	860	161	134	13.1	890	119	124	13.1	908	113	125	13.1	941	118
WARR OFF(5).....	61	33.6	5,171	315	57	33.6	5,389	307	54	33.6	5,541	299	54	33.6	5,766	311
WARR OFF(4).....	183	32.5	4,227	774	176	32.5	4,420	778	163	32.5	4,564	744	164	32.5	4,760	781
WARR OFF(3).....	281	18.9	1,952	549	260	18.9	2,036	529	241	18.9	2,098	506	243	18.9	2,198	534
WARR OFF(2).....	295	20.1	1,710	504	274	20.1	1,795	492	253	20.1	1,858	470	255	20.1	1,929	492
WARR OFF(1).....	34	27.0	1,995	68	33	27.0	2,064	68	31	27.0	2,102	65	31	27.0	2,181	68
SUBTOTAL.....	6,768			\$ 23,455	6,286			\$ 22,493	5,813			\$ 21,406	5,868			\$ 22,639
SEVERANCE PAY (DISABILITY)....	92		41,106	\$ 3,782	87		42,511	\$ 3,698	87		44,309	\$ 3,855	81		46,107	\$ 3,735
SEVERANCE PAY (NON-PROMOTION)	224		42,535	9,528	804		43,989	35,367	714		45,850	32,737	884		47,710	42,176
INVOLUNTARY HALF-PAY(5%)....	6		20,428	123	5		21,126	106	5		22,020	110	5		22,913	115
INVOLUNTARY FULL-PAY(10%)...	38		42,535	1,616	38		43,989	1,672	37		45,850	1,696	37		47,710	1,765
SPECIAL SEP BENEFIT(15%)	40		72,963	2,919	61		75,458	4,603	0		78,649	0	0		81,840	0
15 YEAR RETIREMENT.....	60		63,698	3,822	400		65,876	26,350	0		68,662	0	0		71,448	0
SUBTOTAL SEPARA- TION PAY (NON- DISABILITY).....	144			\$ 8,480	504			\$ 32,731	42			\$ 1,806	42			\$ 1,880
VOLUNTARY SEPARATION INCENTIVE (DIRECT MILPERS PAY) 1) THRU DEC 31, 1992...	40			\$ 33,296	39			\$ 37,259	0			\$ 28,125	0			\$ 28,125
JAN 1, 1993 AND AFTER.....	40			28,125	39			28,125	0			28,125	0			28,125
TOTAL OFFICER SEPARATION PAY..	7,268			\$ 78,541	7,720			\$ 131,548	6,656			\$ 87,929	6,875			\$ 98,555

VSI recipients after 31 Dec 92 - Payments are made from the Military Personnel, Army Appropriation to the VSI Trust Fund.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 284,673
ESTIMATE FY 2000	\$ 275,798
ESTIMATE FY 1999	\$ 303,399
ACTUAL FY 1998	\$ 294,328

**Project: Social Security Tax - Employer's Obligation - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

**Part II - Justification of Funds Requested**

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percent. The old age, survivor, and disability insurance (OASDI) rate is 6.2% and the hospital insurance (HI) rate is 1.45%. The maximum amounts of earnings per individual on which tax is payable are:

Calendar Year	OASDI Base	Medicare Base
1998	\$68,400	No upper limit
1999	\$72,600	No upper limit
2000	\$73,800	No upper limit
2001	\$76,200	No upper limit

In addition to the Employer's Contribution of FICA tax, MPA has also paid the wage credit for service members, which takes into account "non-wage" compensation such as quarters and subsistence. No funds are requested in FY 2000/2001 for wage credits. The Department has proposed to eliminate the military wage credit to allow these funds to be reapplied to other high priority pay initiatives. The realized benefit of the wage credit is minimal since only the highest 35 years of earnings are counted in determining Social Security benefits. Service members who do not continue to retirement (83 percent of service members) would generally have 35 years of earnings without considering military service. Any military earnings that do count in the 35 year period would be modest compared to more recent earnings and would have almost no influence on Social Security benefits. However, wage credits do provide a significant increase in survivor-disability benefits, which should be protected. Funding is requested for the Army to pay the Department of Health and Human Services to cover the supplement (approximately \$100 per person per month) to replace the lost survivor or disability benefit.

The social security tax requirement decreases by a net \$27.6 million from FY 1999 to FY 2000. This change is based on--

- (1) Annualization of the 3.6 percent, 1 Jan 1999 pay raise: +\$2.4 million.
- (2) The 4.4 percent, 1 Jan 2000 pay raise: +\$8.3 million.
- (3) Restructuring of the military basic pay table, effective 1 Jul 2000: +\$0.9 million.
- (4) Elimination of wage credit transfers: -\$37.6 million.
- (5) Force manning changes: -\$1.6 million.

The social security tax requirement increases by a net \$8.9 million between FY 2000 and FY 2001. This change is based on--

- (1) Annualization of the 4.4 percent, 1 Jan 2000 pay raise: +0.1 million.
- (2) Annualization of the pay table restructuring: +2.9 million.
- (2) The 3.9 percent, 1 Jan 2001 pay raise: +\$7.5 million.
- (3) Force manning changes: -\$1.6 million.

Detailed cost computations are provided by the following table:

OFFICER SOCIAL SECURITY TAX  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION OF TAX ON BASIC PAY.....	79,945	\$3,202.46	\$ 256,021	78,934	\$3,360.93	\$ 265,292	78,526	\$3,505.82	\$ 275,298	77,565	\$3,663.68	\$ 284,173
WAGE CREDITS/SURVIVOR OR DISABILITY BENEFIT.....			\$ 38,307			\$ 38,107			\$ 500			\$ 500
TOTAL OFFICER SOCIAL SECURITY TAX.....	79,945		\$ 294,328	78,934		\$ 303,399	78,526		\$ 275,798	77,565		\$ 284,673

Section 4  
 Schedule of Increases and Decreases  
 (Amounts in Thousands of Dollars)

Pay and Allowances of Enlisted Personnel	Amount
FY 1999 Direct Program	\$ 12,597,462
Increases	
a. Pay Raise	372,287
Reflects annualized costs of the 3.6 percent 1 Jan 99 pay raise and the 4.4 percent 1 Jan 00 pay raise.	
b. REDUX	176,400
Reflects restoration of retirement benefit of 50 percent upon reaching 20 years of service.	
c. Pay Table Restoration	31,000
Reflects reconfiguration of basic pay tables.	
d. Inflation reflecting cost growth	45,508
e. Basic Allowance for Housing (BAH)	45,739
Reflects changes in RCI and family housing inventory changes.	
f. Transfer of million Loan Repayment Program (LRP) from OMA and Army College Fund Transfer into BA2 from BA6.	92,463
g. Force Manning Costs	44,776
h. Enlisted Clothing Allowance	17,060
Reflects changes in the numbers receiving and capitalization.	
i. Separation Pay	2,145
Primarily reflects increased number of members receiving separation payments.	
g. Overseas strength changes	1,282
j. Special Duty Assignment Pay, Incentive Pay and Special Pay	1,652
Reflects increased number of members receiving payments.	
k. Overseas Station Allowance	9,212
Reflects rate increase for cost of living allowances	
l. Miscellaneous	64
Total Increase:	\$839,588
Decreases:	
a. Retired Pay Accrual	-29,889
Decrease in NCP from 30.2 percent in FY99 to 29.8 percent in FY00.	
b. Wage Credit	-79,593
Reflects discontinuation of transfers into Social Security Trust Fund.	
c. Reimbursable Program	-1,267



d.	Enlistment Bonus, Selective Reenlistment Bonus and Army College Fund	-20,599	
	Reflects decreased numbers of new bonus payments		
Total Decreases			\$-131,348
FY 2000 Direct Program			\$13,305,702
Increases			
a.	Pay Raise	399,747	
	Reflects annualized costs of the 4.4 percent 1 Jan 00 pay raise and the 3.9 percent 1 Jan 01 pay raise.		
b.	REDUX	21,400	
	Reflects restoration of retirement benefit of 50 percent upon reaching 20 years of service.		
c.	Pay Table Restoration	97,067	
	Reflects reconfiguration of basic pay tables.		
d.	Inflation reflecting cost growth	44,911	
e.	Force Manning Costs	14,776	
f.	Basic Allowance for Housing (BAH)		
	Reflects changes in RCI.	103,555	
g.	Separation Pay	4,046	
	Reflects increased number of members receiving payments.		
h.	Enlisted Clothing Allowance	8,311	
	Reflects changes in the numbers receiving and by the effects of capitalization in FY00 .		
Total Increase:			\$ 693,813
Decreases:			
a.	Retired Pay Accrual	-23,324	
	Decrease in NCP from 29.8 percent in FY00 to 29.5 percent in FY01.		
b.	Enlisted Bonus, Selective Reenlistment Bonus, Army College Fund	-28,579	
	Reflects retention initiative changes.		
c.	Special Pay	-31,063	
	Reflects decreased payments due to discontinued CONOPS.		
d.	Foreign Separation Allowance	-8,868	
	Reflects decreased payments due to discontinued CONOPS.		
e.	Family Housing Inventory decrease	-9,225	
f.	Loan Repayment Program and Army College Fund	-1,167	
g.	Reimbursable Program	-2,900	
h.	Misc	- 633	
Total Decreases			\$-105,759
FY 2001 Direct Program			\$13,893,756

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 8,137,178
ESTIMATE FY 2000	\$ 7,774,659
ESTIMATE FY 1999	\$ 7,472,334
ACTUAL FY 1998	\$ 7,337,765

**Project: Basic Pay - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the basic compensation and length of service pay increments of enlisted personnel on active duty under provisions of 37 U.S.C. 201, 203, 205, and 1009. Also included is the compensation of enlisted personnel of the reserve components, who have entered active duty as members of the active component of the Army.

**Part II - Justification of Funds Requested**

The basic compensation is determined by multiplying the projected average number of personnel by grade by the estimated average annual compensation. The rates reflect actual execution which is adjusted in subsequent years by pay raise and estimated average years of service. In addition to rate changes, manyear program changes contribute to the full cost of the basic pay.

The net change in the basic pay requirement is +\$302.3 million from FY 1999 to FY 2000. This is based on--

- (1) Annualization of the 1 Jan 1999, 3.6% pay raise: +\$48.9 million.
- (2) The 1 Jan 2000, 4.4% pay raise: +\$207.9 million.
- (3) Restructuring of the military basic pay table, effective 1 Jul 2000: +\$22.6 million
- (4) Force Manning changes: +22.9 million.

The net change in the basic pay requirement is +\$362.5 million from FY 2000 to FY 2001. This is based on--

- (1) Annualization of the 1 Jan 2000, 4.4% pay raise: +\$45.9 million.
- (2) Annualization of the pay table restructuring: +\$70.8 million
- (3) The 1 Jan 2001, 3.9% pay raise: +\$230.4 million.
- (4) Force Manning changes: +15.4 million.

Detailed cost computations are provided by the following table:

ENLISTED BASIC PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SERGEANT MAJOR.....	3,179	\$ 40,633	\$ 129,172	3,112	\$ 42,342	\$ 131,768	3,116	\$ 43,940	\$ 136,917	3,118	\$ 46,063	\$ 143,624
1ST SGT/MASTER SGT.....	10,723	32,725	350,910	10,577	33,887	358,423	10,793	34,951	377,226	10,821	36,683	396,947
PLATOON SGT/SGT 1ST CLASS	38,226	27,643	1,056,681	37,011	28,729	1,063,289	37,333	29,679	1,108,006	37,359	30,969	1,156,971
STAFF SERGEANT.....	58,327	23,124	1,348,754	56,998	24,059	1,371,315	57,559	24,898	1,433,104	55,938	25,998	1,454,276
SERGEANT.....	74,917	19,063	1,428,143	71,579	19,770	1,415,117	73,637	20,427	1,504,183	73,379	21,456	1,574,420
CORPORAL/SPECIALIST 4.....	102,693	15,575	1,599,443	110,266	16,081	1,773,188	112,729	16,580	1,869,047	110,944	17,545	1,946,512
PRIVATE FIRST CLASS.....	57,057	13,054	744,822	53,095	13,491	716,305	48,736	13,830	674,019	51,400	14,351	737,641
PRIVATE (E2).....	35,308	12,491	441,032	31,530	12,970	408,944	31,607	13,347	421,859	33,309	13,811	460,031
PRIVATE (E1).....	22,254	10,731	238,808	21,074	11,103	233,985	21,983	11,386	250,298	22,641	11,782	266,756
TOTAL ENLSITED BASIC PAY..	402,684		\$ 7,337,765	395,242		\$ 7,472,334	397,493		\$ 7,774,659	398,909		\$ 8,137,178

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 2,598,268
ESTIMATE FY 2000	\$ 2,493,248
ESTIMATE FY 1999	\$ 2,256,645
ACTUAL FY 1998	\$ 2,238,018

**Project: Retired Pay Accrual - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C. 1466.

**Part II - Justification of Funds Requested**

The budget estimates are derived as a product of:

(a) The DOD Actuary-approved full-time normal cost percentage (NCP) of basic pay, i.e., 30.5 percent for FY 1998, 30.2 percent for FY 1999, 29.8 percent for FY 2000, and 29.5 percent for FY 2001.

(b) The total amount of the basic pay expected to be paid during the fiscal year to members of the Active Army.

The net change in the retired pay accrual estimate is +\$236.6 million from FY 1999 to FY 2000. This change is based on--

- (1) Annualization of the 1 Jan 1999, 3.6% pay raise: +\$14.6 million.
- (2) The 1 Jan 2000, 4.4% pay raise: +\$62.0 million.
- (3) Restructuring of the military basic pay table, effective 1 Jul 2000: +\$6.7 million.
- (4) Restoring the 50% retirement benefit: +\$176.4 million.
- (3) Decrease in NCP from 30.2% to 29.8%: -\$29.9 million.
- (4) Force Manning changes: +\$6.8 million.

The net change in the retired pay accrual estimate is +\$105.0 million from FY 2000 to FY 2001. This change is based on--

- (1) Annualization of the 1 Jan 2000, 4.4% pay raise: +\$13.5 million.
- (2) Annualization of the basic pay table restructuring: +\$20.9 million.
- (3) The 1 Jan 2001, 3.9% pay raise: +\$68.0 million.
- (4) Restoring the 50% retirement benefit: +\$21.4 million.
- (5) Decrease in NCP from 29.8% to 29.5%: -\$23.3 million.
- (6) Force Manning changes: +\$4.5 million.

Detailed cost computations are provided by the following table:

ENLISTED RETIRED PAY ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
RPA	402,684	\$5,557.75	\$ 2,238,018	395,242	\$5,709.53	\$ 2,256,645	397,493	\$5,828.65	\$ 2,316,848	398,909	\$6,017.58	\$ 2,400,468
REDUX			\$ 0			\$ 0			\$ 176,400			\$ 197,800
TOTAL			\$ 2,238,018			\$ 2,256,645			\$ 2,493,248			\$ 2,598,268

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 69,232
ESTIMATE FY 2000	\$ 69,232
ESTIMATE FY 1999	\$ 68,540
ACTUAL FY 1998	\$ 65,793

**Project: Incentive Pay for Hazardous Duty - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for pay to enlisted personnel under provisions of 37 U.S.C. 301 for these types of duty:

Crew Member - assigned to a position which requires at least four hours of aerial flight each month. The duties are essential to the operation of aircraft in-flight, or the duties are required to complete specific missions of the aircraft. The members perform duties as crew chiefs, medical airmen, firefighter crash rescue specialists, airborne electronic system operators, and air observers.

Non-Crew Member - assigned to a position which requires at least four hours of aerial flight each month. The duties are directly related to in-flight missions of the aircraft and the duties cannot be performed by crew members. The members perform duties as aircraft maintenance personnel, aerial photographers, helicopter weapons systems repairmen, and medical personnel.

Parachute - assigned to a permanent parachute position or airborne unit which requires parachute jumping as an essential part of military duty, or while undergoing airborne type training, or performing short-term parachute duty. Continuous payment of hazardous duty pay for parachute duty requires at least one parachute jump every three months. Pay for periods of short-term parachute duty is prorated based on the duration of the period such duty is required.

High Altitude Low Opening Jump Pay (HALO) - assigned to a permanent military position which requires parachute jumping from at least 2,500 feet with a planned delay between exit and opening as an essential part of military duties, or while undergoing military free-fall type training at the US Army John F. Kennedy Special Warfare School. Soldiers must be graduates of the US Army military free-fall course under the proponency of the Commander, US Army JFK Special Warfare School or undergoing training for such designation. They must also be required by competent orders to engage in military free-fall parachute jumping from an aircraft in aerial flight and perform the specified minimum number of jumps to be entitled to pay. Proficiency requirements will remain the same as static line requirements.

Demolition of Explosives - assigned to a position which requires the member as his primary duty to demolish, by use of objects, obstacles, or explosives; or recover and render harmless, by disarming or demolition, explosives which failed to function as intended or which have become a potential hazard. Demolition pay is limited to those serving in specialty 55D (EOD Specialists).

Experimental Stress - serving as a human test subject in thermal stress experiments at Natick Laboratories; Natick, MA. The tests conducted include development of equipment (mostly clothing) and physiological testing. Also, low pressure, high altitude chamber training is conducted at the US Army Aeromedical Center; Fort Rucker, Alabama.

Toxic Fuel - assigned to a position on a Propellant Draining Kit (PDK) Team which requires handling and maintaining the propellants unsymmetrical dimethyl hydrazine and inhibited red-fuming nitric acid used in the Lance missile system.

Toxic Pesticides Exposure - for duty performed while assigned to entomology, pest control, pest management, or preventive medicine functions for a period of 30 consecutive days or more; that requires a member to perform in any calendar month a fumigation task utilizing phosphine, sulfuranyl fluoride, hydrogen cyanide, methyl bromide, or a fumigant of comparable high acute toxicity and hazard potential.

Chemical Munitions Handlers - this is a peacetime hazardous duty incentive pay for members of the uniformed services whose primary duties require the routine physical handling of chemical munitions or chemical surety material. Routine physical handling must be incident to manufacturing, maintenance, storage, testing, laboratory analysis, transportation, surveillance, assembly, disassembly, demilitarization, or disposal of chemical munitions or chemical surety material. This incentive pay is not authorized for individuals who handle the individual components of binary munitions, diluted solutions of toxic chemicals, riot control agents, chemical defoliants, herbicides, smoke, flame and incendiaries, or industrial chemicals.

The estimates for enlisted crew-nonrated for FY 2000 and FY 2001 include proposed legislative rate increases. Also, the estimates for average number receiving parachute duty pay reflect increases associated with the legislative proposal to remove the limit of paying only one hazardous duty pay for recipients of diving duty pay.

## **Part II - Justification of Funds Requested**

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for hazardous duty incentive pay is computed by multiplying the projected average number of each type by the statutory rate.

Detailed cost computations are provided by the following table:

ENLISTED INCENTIVE PAY FOR HAZARDOUS DUTY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
INCENTIVE PAY												
FLYING DUTY CREW MEMBERS												
SERGEANT MAJOR.....	1	\$ 2,400	\$ 2	1	\$ 2,400	\$ 2	1	\$ 3,000	\$ 3	1	\$ 3,000	\$ 3
1ST SGT/MASTER SGT.....	12	2,400	29	12	2,400	29	12	3,000	36	12	3,000	36
PLATOON SGT/SGT 1ST CLASS..	135	2,400	324	124	2,400	298	124	3,000	372	124	3,000	372
STAFF SERGEANT.....	1,292	2,100	2,713	1,297	2,100	2,724	1,297	2,400	3,113	1,297	2,400	3,113
SERGEANT.....	925	1,800	1,665	909	1,800	1,636	909	1,800	1,636	909	1,800	1,636
CORPORAL/SPECIALIST 4.....	888	1,800	1,598	888	1,800	1,598	880	1,800	1,584	880	1,800	1,584
PRIVATE FIRST CLASS.....	55	1,800	99	55	1,800	99	55	1,800	99	55	1,800	99
PRIVATE (E2).....	3	1,800	5	3	1,800	5	3	1,800	5	3	1,800	5
PRIVATE (E1).....	2	1,800	4	2	1,800	4	2	1,800	4	2	1,800	4
SUBTOTAL.....	3,313		6,439	3,291		6,395	3,283		6,852	3,283		6,852
FLYING DUTY NON-CREW MEMBERS	576	\$ 1,737	\$ 1,001	884	\$ 1,800	\$ 1,591	884	\$ 1,800	\$ 1,591	884	\$ 1,800	\$ 1,591
TOTAL FLYING DUTY PAY.....	3,889		\$ 7,440	4,175		\$ 7,986	4,167		\$ 8,443	4,167		\$ 8,443
OTHER HAZARDOUS DUTY												
PARACHUTE JUMPING.....	30,719	1,737	53,359	30,719	1,800	55,294	30,847	1,800	55,525	30,847	1,800	55,525
EXPERIMENTAL STRESS.....	45	1,737	78	88	1,800	158	90	1,800	162	90	1,800	162
DEMOLITION DUTY.....	1,347	1,737	2,340	1,350	1,800	2,430	1,350	1,800	2,430	1,350	1,800	2,430
TOXIC FUEL.....	1	1,737	2	1	1,800	2	1	1,800	2	1	1,800	2
TOXIC PESTICIDE.....	2	1,737	3	4	1,800	7	4	1,800	7	4	1,800	7
HALO JUMP.....	889	2,606	2,317	889	2,700	2,400	889	2,700	2,400	889	2,700	2,400
CHEMICAL MUNITIONS.....	146	1,737	254	146	1,800	263	146	1,800	263	146	1,800	263
SUBTOTAL.....	33,149		\$ 58,353	33,197		\$ 60,554	33,327		\$ 60,789	33,327		\$ 60,789
TOTAL ENLISTED INCENTIVE PAY FOR HAZARDOUS DUTY.....	37,038		\$ 65,793	37,372		\$ 68,540	37,494		\$ 69,232	37,494		\$ 69,232



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 20,963
ESTIMATE FY 2000	\$ 52,026
ESTIMATE FY 1999	\$ 51,604
ACTUAL FY 1998	\$ 51,697

**Project: Special Pay - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for Special Pay to enlisted personnel while on sea duty, and while on duty outside the contiguous 48 states and the District of Columbia. Special Pay is paid at rates varying from \$8.00-\$22.50 per month. Rates depend on grade, at places designated by the Secretary of Army under the provisions of 37 U.S.C. 305; and for diving pay under the provisions of 37 U.S.C. 304 and 310, divers are assigned to a position which supports marine or special operations units. Duties of marine diving detachments include underwater construction (construction of piers and pipelines), harbor clearance, and ship salvage. Special forces (combat) diving operations include infiltration and exfiltration, combat surface swimming, search and recovery, target attack, harassment and interdiction, and reconnaissance operations. Also included are funds to support special payments for overseas extension incentives under provisions of 37 U.S.C. 314; and for Foreign Language Proficiency Pay (FLPP) authorized under the provisions of 37 U.S.C. 316, as provided by PL 99-661. FLPP is a monthly monetary incentive that is paid to all military personnel who qualify for and maintain the required proficiency in designated foreign languages. The monthly rate for FLPP may not exceed \$100.00 per individual. Hostile Fire Pay is paid to enlisted personnel on duty subject to hostile fire or imminent danger (37 U.S.C. 310). Hostile fire pay is \$150 per month.

The funds requested also provide for Career Sea Pay and Career Sea Pay Premium under 37 U.S.C. 305, for Army members who are permanently or temporarily assigned to an Army vessel in commission or in service and equipped with berthing and messing facilities which are regularly used for the intended purposes. In addition, the ship's mission is accomplished while underway, or while in port, but away from its home port for 30 consecutive days or more. A member who is in receipt of career sea pay and who has served over 36 consecutive months of sea duty is entitled to career sea pay monthly premium of \$100.00 for the 37th consecutive month and each subsequent month. Individuals who are affected by Career Sea Pay are generally assigned to either Fort Eustis, Virginia; Hawaii; Panama; or the Azores.

Effective 1 March 1999, a member entitled to basic pay under 37 U.S.C. 315, may qualify for Hardship Duty Pay (HDP) based on performance of a hardship mission or duty in a hardship location designated by the Assistant Secretary of Defense (FMP). HDP replaces Duty at Certain Places Pay (CPP); however, those areas designated CCP-eligible on 28 Feb 1999 are HDP-eligible at the prior CCP rate.

## **Part II - Justification of Funds Requested**

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for each type of Special Pay is developed by multiplying the projected number eligible for each type of pay by the statutory rate.

The diving duty estimates for FY 2000 and FY 2001 include proposed legislative rate increases. Also, foreign language proficiency pay rates increase starting in FY 2001.

The decrease of -\$31.1 million between FY 2000 and FY 2001 is primarily caused by a reduction in the number of soldiers projected to receive Hostile Fire Pay due to discontinued contingency operations.

Detailed cost computations are provided by the following table:

ENLISTED SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
SEA DUTY PAY.....	349	\$ 1,676	\$ 585	427	\$ 1,529	\$ 653	427	\$ 1,560	\$ 666	427	\$ 1,560	\$ 666
<b>HARDSHIP DUTY PAY</b>												
SERGEANT MAJOR.....	274	\$ 270	\$ 74	205	\$ 270	\$ 55	205	\$ 270	\$ 55	205	\$ 270	\$ 55
1ST SGT/MASTER SGT.....	1,018	270	275	802	270	217	802	270	217	802	270	217
PLATOON SGT/SGT 1ST CLASS..	3,760	270	1,015	3,112	270	840	3,114	270	841	3,114	270	841
STAFF SERGEANT.....	21,558	240	5,174	24,138	240	5,793	24,192	240	5,806	7,561	240	1,815
SERGEANT.....	9,205	192	1,767	7,535	192	1,447	7,540	192	1,448	7,540	192	1,448
CORPORAL/SPECIALIST 4.....	12,411	156	1,936	12,194	156	1,902	12,202	156	1,904	12,202	156	1,904
PRIVATE, FIRST CLASS.....	6,988	108	755	5,716	108	617	5,720	108	618	5,720	108	618
PRIVATE (E2).....	4,298	96	413	2,438	96	234	2,440	96	234	2,440	96	234
PRIVATE (E1).....	520	96	50	378	96	36	378	96	36	378	96	36
TOTAL HARDSHIP DUTY PAY.....	60,032		\$ 11,459	56,518		\$ 11,141	56,593		\$ 11,159	39,962		\$ 7,168
SUBTOTAL.....	60,381		\$ 12,044	56,945		\$ 11,794	57,020		\$ 11,825	40,389		\$ 7,834
FOREIGN LANGUAGE PAY.....	5,626	\$ 720	\$ 4,051	5,708	\$ 720	\$ 4,110	5,708	\$ 720	\$ 4,110	5,203	\$ 790	\$ 4,110
DIVING DUTY PAY.....	1,468	2,100	3,083	493	2,049	1,010	493	2,079	1,025	493	2,079	1,025
HOSTILE FIRE PAY.....	17,509	1,800	31,516	18,715	1,800	33,687	18,761	1,800	33,770	3,721	1,800	6,698
OVERSEAS EXTENSION PAY.....	1,045	960	1,003	1,045	960	1,003	1,350	960	1,296	1,350	960	1,296
TOTAL ENLISTED SPECIAL PAY.....	86,029		\$ 51,697	82,906		\$ 51,604	83,332		\$ 52,026	51,156		\$ 20,963

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$57,520
ESTIMATE FY 2000	\$57,520
ESTIMATE FY 1999	\$56,982
ACTUAL FY 1998	\$55,666

**Project: Special Duty Assignment Pay - Enlisted**

**Part I - Purpose and Scope**

The Special Duty Assignment Pay (SDAP) program is authorized under provisions of 37 U.S.C. 307, as amended, by PL-98-525. SDAP is a monthly monetary incentive that is paid to enlisted members who qualify for and serve in designated special duty assignments. The funds are utilized for recruiters, guidance counselors, retention NCO's, drill sergeants, and specially designated personnel who have extremely demanding duties requiring extraordinary effort for satisfactory performance, and/or an unusual level of responsibility.

**Part II - Justification and Funds Requested**

These funds are utilized to ensure readiness by compensating and influencing specially designated soldiers, recruiters, retention NCO's, and drill sergeants who perform demanding duties which require special training and extraordinary effort for satisfactory performance.

Detailed cost computations are provided by the following table:

ENLISTED SPECIAL DUTY ASSIGNMENT PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SPECIAL DUTY ASSIGNMENT												
SD 6 (\$375.00).....	7,677	\$4,500	\$34,547	7,474	\$4,500	\$33,633	7,474	\$4,500	\$33,633	7,474	\$4,500	\$33,633
SD 5 (\$275.00).....	2,776	3,300	9,161	3,209	3,300	10,590	3,372	3,300	11,128	3,372	3,300	11,128
SD 4 (\$220.00).....	268	2,640	708	159	2,640	420	159	2,640	420	159	2,640	420
SD 3 (\$165.00).....	5,682	1,980	11,250	6,232	1,980	12,339	6,232	1,980	12,339	6,232	1,980	12,339
TOTAL ENLISTED SPECIAL DUTY ASSIGNMENT PAY.....	16,403		\$55,666	17,074		\$56,982	17,237		\$57,520	17,237		\$57,520

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 63,048
ESTIMATE FY 2000	\$ 62,995
ESTIMATE FY 1999	\$ 74,929
ACTUAL FY 1998	\$ 50,650

**Project: Reenlistment Bonus - Enlisted**

**Part I - Purpose and Scope**

The Selective Reenlistment Bonus (SRB) Program is authorized under the provisions of 37 U.S.C. 308. The law states that a member of a uniformed service who has completed at least 21 months of continuous active duty but not more than 14 years of active duty, is qualified in a skill designated as critical, and reenlists for a period of at least three years may be paid a bonus. The bonus will not exceed six months of the base pay multiplied by the additional obligated service (not to exceed six years). For most Army personnel, the maximum bonus cannot exceed \$20,000. However, the maximum may be extended to \$45,000 for not more than 10 percent of bonus recipients.

The purpose of the SRB Program is to increase the number of reenlistments in critical skills characterized by current or projected retention levels insufficient to adequately man the career force. The SRB Program also works as a valuable tool in the force alignment process by helping to draw people from overage skills to shortage skills through the bonus extension and retraining program.

SRB payments are made using the installment method of payment. Fifty percent of the total bonus is paid at the time of reenlistment with the remaining bonus being paid in equal annual installments over the balance of the reenlistment contract period.

**Part II - Justification of Funds Requested**

The Selective Reenlistment Bonus Program is a key component in MOS/grade cell force alignment initiatives. The focus of the SRB Program is to reenlist sufficient specialists and sergeants to overcome or prevent present and future shortfalls in sergeant and staff-sergeant manning. Shortfalls in these grades have a direct negative impact on the combat and operational readiness of Army units.

In addition to critically and moderately short MOS/grade cells, there are specific MOS categories that require exceptional management and the application of reenlistment bonuses. These skills include special operations MOS and skills required to meet various treaty commitments.

The Army has and will continue to focus management initiatives to balance overage and shortage skills through the Force Alignment Plan (FAP). For shortage skills, we continually evaluate the SRB Program and offer bonuses where appropriate. Other adjustments to align the force include: recruiting fully qualified prior service personnel, reclassification of soldiers into shortage skills, and increasing promotion opportunities to soldiers in shortage skills. In overage skills, the Army constrains promotion opportunity, constrains reclassification of soldiers into these skills, restricts fully qualified prior service personnel from enlisting in these skills, and does not permit retention beyond the Retention Control Point (RCP). The Army will continue to focus and apply management initiatives to develop an optimal force structure.

The estimate reflects a net decrease of -\$11.9 million from FY 1999 to FY 2000. The decrease between fiscal years is due to a lower number of personnel receiving initial payments offset by increased anniversary payments.

**Project: Reenlistment Bonus - Enlisted**

Furnished in accordance with Congressional direction, the following are the Army's most critically imbalanced skills as of Jan 1999 (restricted to MOS with authorizations in at least four grade cells):

Shortage MOS	
MOS	Title
98C	Signal Intelligence Analyst (Chinese/Korean)
97E	Interrogator (Chinese/Korean)
39B	Automatic Test Equipment Operator
98G	Voice Interceptor Persian/Vietnamese)
93C	Air Traffic Controller
18E	Special Forces Communications Sergeant
67N	UH-1 Helicopter Repairer
63E	M1 Tank Systems Mechanic
74B	Information Systems Operator/Analyst
98J	Noncommunications Interpreter/Analyst

Overage MOS	
MOS	Title
62G	Quarrying Specialist
51R	Interior Electrician
62H	Concrete and Asphalt Equipment Operator
93F	Field Artillery Meteorological Crewmember
51K	Plumber
93B	Aeroscout Observer
42E	Optical Laboratory Specialist
43M	Fabric Repair
45G	Fire Control Repairer
71G	Patient Administrative Specialist

Detailed cost computations are provided by the following table:



ENLISTED REENLISTMENT BONUS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SELECTED REENLISTMENT BONUS												
INITIAL PAYMENTS.....	6,277	\$ 4,530	\$ 28,437	6,089	\$ 8,185	\$ 49,837	5,955	\$ 4,775	\$ 28,437	5,839	\$ 4,870	\$ 28,437
ANNIVERSARY PAYMENTS.....	17,295	1,284	22,213	18,033	1,391	25,092	23,825	1,450	34,558	23,448	1,476	34,611
TOTAL REENLISTMENT BONUS.....	23,572		\$ 50,650	24,122		\$ 74,929	29,780		\$ 62,995	29,287		\$ 63,048

ENLISTED REENLISTMENT BONUS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
PRIOR OBLIGATIONS.....	17,295	22,213	11,818	15,857	7,108	9,323	2,154	2,434	1,197	1,290	0	0	0	0
ANNIVERSARY PAYMENTS.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PRIOR YEAR (1998) INITIAL & SUBSEQUENT ANNIVERSARY PAYMENTS.....	0	0	6,215	9,235	6,152	9,050	4,940	7,081	1,368	1,647	1,117	1,240	0	0
CURRENT YEAR (1999) INITIAL & SUBSEQUENT ANNIVERSARY PAYMENTS.....	0	0	0	0	10,565	16,185	10,458	15,861	8,398	12,410	2,325	2,886	1,900	2,174
BUDGET YEAR (2000) INITIAL & SUBSEQUENT ANNIVERSARY PAYMENTS.....	0	0	0	0	0	0	5,896	9,235	5,896	9,050	4,687	7,081	1,298	1,647
BUDGET YEAR (2001) INITIAL & SUBSEQUENT INITIAL PAYMENTS.....	0	0	0	0	0	0	0	0	5,781	9,235	5,722	9,050	4,595	7,081
TOTAL														
ANNIVERSARY PAYMENTS.....	17,295	22,213	18,033	25,092	23,825	34,558	23,448	34,611	22,580	33,632	19,271	28,915	18,692	28,227
SRB TOTAL.....		50,650		74,929		62,995		63,048		60,293		56,136		56,008

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 39,909
ESTIMATE FY 2000	\$ 74,039
ESTIMATE FY 1999	\$ 118,204
ACTUAL FY 1998	\$ 58,223

**Project: Enlistment Bonus - Enlisted**

**Part I - Purpose and Scope**

Enlistment Bonuses are used to attract higher quality high school diploma graduates into designated Army skills which are difficult to fill with qualified enlistees. The payment is authorized by 37 U.S.C. 308A, as amended by PL 101-189, allows for up to \$12,000 for a four year enlistment, of which the initial lump sum payment may not exceed \$7,000. The remaining amount is paid quarterly over the year following initial payment. The payment authorized by 37 U.S.C. 308F allows up to \$4,000 for a three year enlistee who scores 50 or above on the Armed Forces Qualification Test (AFQT). The Army pays soldiers after completion of initial entry skill training and after the soldier arrives at his first duty station.

New Payments - payments are made before 30 September to individuals who enter active duty and complete skill training during the same fiscal year.

Residual Payments - payments expected in current fiscal year are for individuals who entered the service in previous fiscal years. Since payments do not occur until completion of skill training and after arrival at first duty station, an average of four months elapses from the time the individual enters the service and the initial payment is made.

Incremental Payments - by law, up to \$7,000 may be paid initially in lump sum. Amounts above \$7,000 are paid in four equal payments commencing three months after the initial payment and continuing every three months for one year. These payments are contractual obligations.

**Part II - Justification of Funds Requested**

The Enlistment Bonus Program is designed to expand penetration into the quality market and to distribute quality among the 250 plus initial entry military occupational specialties (MOS). Quality goals for Army accessions are: at least 90 percent high school diploma graduates, 67 percent Test Score Category (TSC) I-III A, and less than 2 percent Category IV.

The program is tied to a level commensurate with the programmed recruiting mission. These funding levels are critical to attaining Army quality goals during a period of a low unemployment market and low positive propensity of the youth market to enlist, such as currently exists. It is becoming increasingly difficult to recruit sufficient soldiers to sustain a

quality force. FY 1999 initiatives included a \$3,000 seasonable bonus to all soldiers accessing during the period 12 Nov 98 through 31 May 99, at a cost of \$42.9 million.

The estimate decreases by -\$44.2 million between FY 1999 and FY 2000 and by -\$34.1 million between FY 2000 and FY 2001. The decrease across these years reflect the end to initiatives which had begun in FY98 and FY99, a relatively steady state in the accession mission and a sustainable taker rate in the enlisted bonus program.

Detailed cost computations are provided by the following table:

ENLISTMENT BONUS PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
ENLISTMENT BONUS PROGRAM												
NEW PAYMENTS												
UP THRU \$2,000.....	598	\$ 1,729	\$ 1,034	635	\$ 1,729	\$ 1,098	636	\$ 1,729	\$ 1,100	815	\$ 1,729	\$ 1,409
UP THRU \$3,000.....	754	2,824	2,129	1,773	2,824	5,007	654	2,824	1,847	358	2,824	1,011
UP THRU \$4,000.....	386	3,932	1,518	2,171	3,932	8,536	585	3,932	2,300	307	3,932	1,207
UP THRU \$5,000.....	321	4,973	1,596	2,585	4,973	12,855	602	4,973	2,994	476	4,973	2,367
UP THRU \$6,000.....	315	5,984	1,885	2,778	5,984	16,624	578	5,984	3,459	158	5,984	945
UP THRU \$7,000.....	931	7,000	6,517	2,835	7,000	19,845	835	7,000	5,845	237	7,000	1,659
UP THRU \$12,000.....	1,512	7,000	10,584	1,469	7,000	10,283	2,169	7,000	15,183	3,363	7,000	23,541
TOTAL .....	4,817		\$ 25,263	14,246		\$ 74,248	6,059		\$ 32,728	5,714		\$ 32,139
RESIDUAL NEW PAYMENTS												
UP THRU \$2,000.....	325	\$ 1,729	\$ 562	689	\$ 1,729	\$ 1,191	568	\$ 1,729	\$ 982	383	\$ 1,729	\$ 662
UP THRU \$3,000.....	498	2,824	1,406	788	2,824	2,225	688	2,824	1,943	168	2,824	474
UP THRU \$4,000.....	386	3,932	1,518	725	3,932	2,851	625	3,932	2,458	144	3,932	566
UP THRU \$5,000.....	685	4,973	3,407	889	4,973	4,421	789	4,973	3,924	222	4,973	1,104
UP THRU \$6,000.....	615	5,984	3,680	875	5,984	5,236	875	5,984	5,236	74	5,984	443
UP THRU \$7,000.....	508	7,000	3,556	760	7,000	5,320	760	7,000	5,320	111	7,000	777
UP THRU \$12,000.....	1,060	7,000	7,420	1,142	7,000	7,994	1,142	7,000	7,994	237	7,000	1,659
TOTAL .....	4,077		\$ 21,549	5,868		\$ 29,238	5,447		\$ 27,857	1,339		\$ 5,685
ANNIVERSARY (INCREMENTAL)												
PAYMENTS.....	10,498	\$ 1,087	\$ 11,411	13,540	\$ 1,087	\$ 14,718	12,937	\$ 1,040	\$ 13,454	2,005	\$ 1,040	\$ 2,085
TOTAL												
ENLISTMENT BONUS PROGRAM.....	19,392		\$ 58,223	33,654		\$ 118,204	24,443		\$ 74,039	9,058		\$ 39,909

ENLISTMENT BONUS INCREMENT PAYMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	# PAYMENTS	\$ AMOUNTS	# PAYMENTS	\$ AMOUNTS	# PAYMENTS	\$ AMOUNTS	# PAYMENTS	\$ AMOUNTS
NEW OBLIGATIONS.....	2,625	2,853	3,385	3,680	3,234	3,364	501	521
PRIOR OBLIGATIONS.....	7,873	8,558	10,155	11,038	9,703	10,090	1,504	1,564
TOTAL INCREMENT PAYMENTS.....	10,498	11,411	13,540	14,718	12,937	13,454	2,005	2,085

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$108,691
ESTIMATE FY 2000	\$103,955
ESTIMATE FY 1999	\$0
ACTUAL FY 1998	\$0

**Project: Educational Benefits**

**Part I - Purpose and Scope**

Funds are for the payment to the Department of Defense Educational Benefits Trust Fund. The Army College Fund (ACF) is governed by Title 38 U.S.C., Chapter 30. The program will fund additional and supplemental benefit payments above a basic benefit to be budgeted by the Department of Veteran Affairs. This program is budgeted on an accrual basis by the Department of Defense. Actual benefit payments to individuals will be made by the Department of Veterans Affairs from funds transferred from the Trust Fund account. The Strom Thurmond National Defense Authorization Act increased the maximum amount of educational benefits to \$50,000.

**Part II - Justification of Funds Requested**

All individuals entering active duty after July 1, 1985 (including those in the Delayed Entry Program) are eligible to receive additional and supplemental educational assistance at the discretion of the Secretary of Defense. Basic eligibility to qualify for these educational benefits is contingent upon the soldier electing to participate in the basic program - the Montgomery GI Bill. Exceptions to eligibility are those who have received a commission from a Service academy or completed an ROTC Scholarship Program.

In FY 1997, the Army initiated additional and supplemental benefit payments above the basic benefit to provide increased incentives for a selected number of critical skills open to both male and female recruits. The ACF Program is designed to expand penetration into the quality market and distribute quality among the 200 plus initial entry military occupational specialties (MOS). Offering an ACF, especially at the higher levels, allows the Army to channel applicants into critical MOS and support readiness. It also compliments the top reasons -- money for college-- for considering enlisting in the Army according to the FY 1997 Youth Attitude Survey (YATS).

The program is tied to a level commensurate with the programmed recruiting mission. These funding levels are critical to attaining Army quality goals during a period of a low unemployment economy and low positive propensity of the youth market to enlist. It is becoming increasingly difficult to recruit sufficient soldiers to sustain a quality force as indicated in the FY98 soldier shortfall, continued difficulties in FY99, and projected shortfall missions in FY99 and FY00. In response, the Army has implemented a \$50K ACF for the critical MOS and raised the ACF levels for 2/3/4 year terms of service.

This account is transferred from Budget Activity 6, Other Military Personnel Compensation, beginning in FY00.

Detailed cost computations are provided by the following table:



ENLISTED EDUCATIONAL BENEFITS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
FOUR YEAR OBLIGATION.....	\$0	\$0	\$50,560	\$54,816
THREE YEAR OBLIGATION.....	\$0	\$0	\$23,200	\$23,481
TWO YEAR OBLIGATION.....	\$0	\$0	\$12,194	\$12,393
AMORTIZATION BENEFITS.....	0	0	18,001	18,001
EDUCATIONAL BENEFITS.....	\$0	\$0	\$103,955	\$108,691

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 23,605
ESTIMATE FY 2000	\$ 24,008
ESTIMATE FY 1999	\$ 0
ACTUAL FY 1998	\$ 0

**Project: Loan Repayment Program - Enlisted**

**Part I - Purpose and Scope**

The Loan Repayment Program (LRP) is authorized by PL 99-145, Section 2171. The LRP is an enlistment incentive designed to increase Test Score Category I-III A enlistments. The LRP repays loans incurred by soldiers prior to enlistment on federally insured and state sponsored school loans up to the maximum ceiling of \$65,000.

**Part II - Justification and Funds Requested**

The +\$24.0 million increase between FY 1999 and FY 2000 reflects the transfer of funds from the Army Operation and Maintenance Appropriation into the Military Personnel Appropriation in FY 2000. This transfer aligns the LRP, a major enlistment incentive program, with other enlistment incentive programs in the Military Personnel Appropriation.

Detailed cost computations are provided by the following table:

ENLISTED LOAN REPAYMENT PROGRAM  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
LOAN REPAYMENT PROGRAM.....	0	\$ 0	0	\$ 0	6,633	\$ 24,008	7,354	\$ 23,605

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 0
ESTIMATE FY 2000	\$ 0
ESTIMATE FY 1999	\$ 0
ACTUAL FY 1998	\$ 230,222

**Project: Basic Allowance for Quarters - Enlisted**

**Part I - Purpose and Scope**

In accordance with 37 U.S.C.403, an Army member who is entitled to basic pay is entitled to a basic allowance for quarters (BAQ). Monthly rates are assigned according to pay grade. However, a member who is assigned to quarters in the U.S. or to a housing facility under the jurisdiction of a uniformed service appropriate to the member's rank and adequate for the member and his dependents, if with dependents, is not entitled to a BAQ; except that a member assigned to such quarters may not be denied BAQ if, because of orders of competent authority, the member's dependents are prevented from occupying those quarters. There are four types of BAQ payments: (1) to members with dependents, not occupying government quarters; (2) to members without dependents, not occupying government quarters; (3) partial payment to members without dependents assigned to single-type quarters; and (4) to members with dependents occupying inadequate housing. Under the provisions of PL 97-214 the rental charge for inadequate quarters is the fair rental value for such quarters, not to exceed 75 percent of the occupant's BAQ at the with dependent rate.

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA).

**Part II - Justification of Funds Requested**

The FY 1998 BAQ amounts reflect payments for 3 months (October - December 1997). Effective 1 January 1998, the payments are included under BAH.

Detailed cost computations are provided by the following table:

ENLISTED BASIC ALLOWANCE FOR QUARTERS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAQ WITH DEPENDENTS												
SERGEANT MAJOR.....	440	\$ 8,084	\$ 3,557	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
1ST SGT/MASTER SGT..	1,699	7,451	12,659	0	0	0	0	0	0	0	0	0
PLTN SGT/SGT FLC....	5,474	6,918	37,869	0	0	0	0	0	0	0	0	0
STAFF SERGEANT.....	7,268	6,393	46,464	0	0	0	0	0	0	0	0	0
SERGEANT.....	7,642	5,749	43,934	0	0	0	0	0	0	0	0	0
CORPORAL/SPC4.....	7,558	4,999	37,782	0	0	0	0	0	0	0	0	0
PRIVATE, 1ST CL.....	2,859	4,652	13,300	0	0	0	0	0	0	0	0	0
PRIVATE (E2).....	1,282	4,430	5,679	0	0	0	0	0	0	0	0	0
PRIVATE (E1).....	870	4,430	3,854	0	0	0	0	0	0	0	0	0
TOTAL BAQ WITH DEPENDENTS.....	35,092		\$ 205,098	0		0	\$ 0	0		0	\$ 0	0
BAQ WITHOUT DEPENDENTS												
SERGEANT MAJOR.....	56	\$ 6,132	\$ 343	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
1ST SGT/MASTER SGT..	231	5,223	1,207	0	0	0	0	0	0	0	0	0
PLTN SGT/SGT FLC....	959	4,809	4,612	0	0	0	0	0	0	0	0	0
STAFF SERGEANT.....	1,283	4,352	5,584	0	0	0	0	0	0	0	0	0
SERGEANT.....	862	4,011	3,457	0	0	0	0	0	0	0	0	0
CORPORAL/SPC4.....	1,479	3,493	5,166	0	0	0	0	0	0	0	0	0
PRIVATE, 1ST CL.....	394	3,425	1,349	0	0	0	0	0	0	0	0	0
PRIVATE (E2).....	78	2,782	217	0	0	0	0	0	0	0	0	0
PRIVATE (E1).....	16	2,481	40	0	0	0	0	0	0	0	0	0
TOTAL BAQ WITHOUT DEPENDENTS....	5,358		\$ 21,975	0		0	\$ 0	0		0	\$ 0	0

ENLISTED BASIC ALLOWANCE FOR QUARTERS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAQ PARTIAL ALLOWANCE BACHELOR												
SERGEANT MAJOR.....	3	\$ 223	\$ 1	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
1ST SGT/MASTER SGT..	14	184	3	0	0	0	0	0	0	0	0	0
PLTN SGT/SGT FLC....	84	144	12	0	0	0	0	0	0	0	0	0
STAFF SERGEANT.....	502	119	60	0	0	0	0	0	0	0	0	0
SERGEANT.....	2,442	104	254	0	0	0	0	0	0	0	0	0
CORPORAL/SPC4.....	9,550	97	926	0	0	0	0	0	0	0	0	0
PRIVATE, 1ST CL.....	9,049	94	851	0	0	0	0	0	0	0	0	0
PRIVATE (E2).....	5,402	86	465	0	0	0	0	0	0	0	0	0
PRIVATE (E1).....	5,312	83	441	0	0	0	0	0	0	0	0	0
TOTAL BAQ PARTIAL ALLOWANCE BACHELOR....	32,358		\$ 3,013	0		0	\$ 0	0		0	\$ 0	0
BAQ INADEQUATE FAMILY HOUSING												
SERGEANT MAJOR.....	0	\$ 2,021	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
1ST SGT/MASTER SGT..	1	1,863	2	0	0	0	0	0	0	0	0	0
PLTN SGT/SGT FLC....	4	1,730	7	0	0	0	0	0	0	0	0	0
STAFF SERGEANT.....	6	1,598	10	0	0	0	0	0	0	0	0	0
SERGEANT.....	15	1,437	22	0	0	0	0	0	0	0	0	0
CORPORAL/SPC4.....	51	1,250	64	0	0	0	0	0	0	0	0	0
PRIVATE, 1ST CL.....	23	1,163	27	0	0	0	0	0	0	0	0	0
PRIVATE (E2).....	4	1,107	4	0	0	0	0	0	0	0	0	0
PRIVATE (E1).....	0	1,107	0	0	0	0	0	0	0	0	0	0
TOTAL BAQ INADEQUATE FAMILY HOUSING.....	104		\$ 136	0		0	\$ 0	0		0	\$ 0	0
TOTAL ENLISTED BASIC ALLOWANCE FOR QUARTERS.....	72,912		\$ 230,222	0		0	\$ 0	0		0	\$ 0	0

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 0
ESTIMATE FY 2000	\$ 0
ESTIMATE FY 1999	\$ 0
ACTUAL FY 1998	\$ 42,239

**Project: Variable Housing Allowance - Enlisted**

**Part I - Purpose and Scope**

The funds required are to provide for payment of a Variable Housing Allowance authorized under the provisions of PL 96-343, dated 8 September 1980. Under this law a member entitled to a basic allowance for quarters is entitled to a Variable Housing Allowance whenever assigned to duty in an area of the United States, (including Alaska and Hawaii for those soldiers assigned to these two states on or after 9 November 1985), which has been designated as a high cost area. This payment is also made to those members serving unaccompanied tours of duty outside the United States when the member's dependents reside in an area where this allowance is authorized.

Congress approved in the FY 1998 National Defense Authorization Act the payment of basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA).

**Part II - Justification of Funds Requested**

The FY 1998 VHA amount reflect payments for 3 months (October - December 1997). Effective 1 January 1998, the payments are included under BAH.

Detailed cost computations are provided by the following table:

ENLISTED VARIABLE HOUSING ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SERGEANT MAJOR.....	433	\$1,793.00	\$ 776	0	\$0.00	\$ 0	0	\$0.00	\$ 0	0	\$0.00	\$ 0
1ST SGT/MASTER SGT.....	1,661	1,794.00	2,980	0	0.00	0	0	0.00	0	0	0.00	0
PLATOON SGT/SGT 1ST CLASS..	5,459	1,666.00	9,095	0	0.00	0	0	0.00	0	0	0.00	0
STAFF SERGEANT.....	7,098	1,351.00	9,589	0	0.00	0	0	0.00	0	0	0.00	0
SERGEANT.....	7,177	1,208.00	8,670	0	0.00	0	0	0.00	0	0	0.00	0
CORPORAL/SPECIALIST 4.....	6,963	1,079.00	7,513	0	0.00	0	0	0.00	0	0	0.00	0
PRIVATE, 1ST CLASS.....	2,499	840.00	2,099	0	0.00	0	0	0.00	0	0	0.00	0
PRIVATE (E2).....	900	991.00	892	0	0.00	0	0	0.00	0	0	0.00	0
PRIVATE (E1).....	610	1,024.00	625	0	0.00	0	0	0.00	0	0	0.00	0
 TOTAL ENLISTED VARIABLE HOUSING ALLOWANCE	 32,800	 \$ 42,239	 0	 0	 \$ 0	 0	 0	 \$ 0	 0	 0	 \$ 0	 0



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 1,425,690
ESTIMATE FY 2000	\$ 1,298,062
ESTIMATE FY 1999	\$ 1,198,596
ACTUAL FY 1998	\$ 910,074

**Project: Basic Allowance for Housing - Enlisted**

**Part I - Purpose and Scope**

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). In addition, the overseas housing allowance (OHA) payment, formerly located in overseas station allowances, was also moved into this section by the change in law. The continental United States, Alaska and Hawaii BAH is termed BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to service members is authorized by revisions to 37 U.S.C. 403.

**Part II - Justification of Funds Requested**

The FY 2000 amounts for BAH includes a 3.0 percent increase. Contractor generated surveys of actual housing will provide a housing index determining the appropriate rate of increase for FY 2001.

The net change in the basic allowance for housing requirement is +\$99.5 million from FY 1999 to FY 2000. This is based on--

- (1) Housing cost growth: +\$40.5 million.
- (2) Residential Communities Initiatives (RCI): +\$20.4 million.
- (3) Changes in housing inventory: +\$25.3 million.
- (4) Force Manning changes: +\$13.3 million.

The net change in the basic pay requirement is +\$127.6 million from FY 2000 to FY 2001. This is based on--

- (1) Housing cost growth: +\$39.8 million.
- (2) Residential Communities Initiatives (RCI): +\$103.6 million.
- (3) Changes in housing inventory: -\$9.2 million.
- (4) Force Manning changes: -\$6.6 million.

(Detailed cost computations are provided by the following table:

ENLISTED BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS												
SERGEANT MAJOR.....	1,318	\$ 9,776	\$ 12,885	1,690	\$ 10,049	\$ 16,983	1,731	\$ 10,346	\$ 17,909	1,873	\$ 10,656	\$ 19,959
1ST SGT/MASTER SGT..	5,081	9,109	46,283	6,578	9,364	61,596	6,865	9,641	66,185	7,441	9,930	73,889
PLTN SGT/SGT FLC....	16,327	8,449	137,947	20,769	8,686	180,400	21,427	8,942	191,600	23,184	9,211	213,548
STAFF SERGEANT.....	22,216	7,603	168,908	28,351	7,816	221,591	29,282	8,046	235,603	30,770	8,288	255,022
SERGEANT.....	22,649	6,771	153,356	28,462	6,961	198,124	29,949	7,166	214,615	32,266	7,381	238,155
CORPORAL/SPC4.....	23,217	5,883	136,586	32,491	6,047	196,473	33,974	6,226	211,522	36,152	6,412	231,807
PRIVATE, 1ST CL.....	8,802	5,344	47,038	10,671	5,494	58,626	10,018	5,656	56,662	11,424	5,825	66,545
PRIVATE (E2).....	4,571	5,099	23,308	5,137	5,241	26,923	5,266	5,396	28,415	6,001	5,558	33,354
PRIVATE (E1).....	2,308	5,105	11,782	2,968	5,250	15,582	3,172	5,405	17,145	3,530	5,567	19,652
TOTAL BAH WITH DEPENDENTS.....	106,489		\$ 738,093	137,117		\$ 976,298	141,684		\$ 1,039,656	152,641		\$ 1,151,931
BAH WITHOUT DEPENDENTS												
SERGEANT MAJOR.....	159	\$ 7,942	\$ 1,263	207	\$ 8,166	\$ 1,690	207	\$ 8,407	\$ 1,740	207	\$ 8,659	\$ 1,792
1ST SGT/MASTER SGT..	624	6,717	4,191	851	6,904	5,875	869	7,108	6,177	871	7,321	6,377
PLTN SGT/SGT FLC....	2,615	6,094	15,936	3,435	6,264	21,517	3,465	6,449	22,346	3,467	6,642	23,028
STAFF SERGEANT.....	3,768	5,432	20,468	4,896	5,584	27,339	4,944	5,749	28,423	4,805	5,921	28,450
SERGEANT.....	4,353	5,054	22,000	5,562	5,196	28,900	5,722	5,349	30,607	5,702	5,509	31,412
CORPORAL/SPC4.....	4,488	4,225	18,962	6,429	4,343	27,921	6,572	4,472	29,390	6,468	4,606	29,792
PRIVATE, 1ST CL.....	1,267	4,038	5,116	1,545	4,152	6,415	1,418	4,275	6,062	1,496	4,403	6,587
PRIVATE (E2).....	311	3,834	1,192	347	3,940	1,367	348	4,056	1,411	366	4,178	1,529
PRIVATE (E1).....	62	3,671	228	74	3,775	279	77	3,887	299	79	4,003	316
TOTAL BAH WITHOUT DEPENDENTS....	17,647		\$ 89,356	23,346		\$ 121,303	23,622		\$ 126,455	23,461		\$ 129,283

ENLISTED BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH PARTIAL ALLOWANCE BACHELOR												
SERGEANT MAJOR.....	6	\$ 223	\$ 1	7	\$ 223	\$ 2	7	\$ 223	\$ 2	7	\$ 223	\$ 2
1ST SGT/MASTER SGT..	41	184	8	52	184	10	53	184	10	53	184	10
PLTN SGT/SGT FLC....	252	144	36	326	144	47	329	144	47	329	144	47
STAFF SERGEANT.....	1,382	119	164	1,841	119	219	1,859	119	221	1,807	119	215
SERGEANT.....	7,035	104	732	9,069	104	943	9,330	104	970	9,297	104	967
CORPORAL/SPC4.....	28,559	97	2,770	40,942	97	3,971	41,856	97	4,060	41,194	97	3,996
PRIVATE, 1ST CL.....	25,972	94	2,441	32,553	94	3,060	29,880	94	2,809	31,513	94	2,962
PRIVATE (E2).....	19,027	86	1,636	21,759	86	1,871	21,812	86	1,876	22,987	86	1,977
PRIVATE (E1).....	10,740	83	891	15,182	83	1,260	15,837	83	1,314	16,311	83	1,354
TOTAL BAH PARTIAL ALLOWANCE BACHELOR....	93,014		\$ 8,679	121,731		\$ 11,383	120,963		\$ 11,309	123,498		\$ 11,530
BAH INADEQUATE FAMILY HOUSING												
SERGEANT MAJOR.....	0	\$ 2,444	\$ 0	0	\$ 2,512	\$ 0	0	\$ 2,586	\$ 0	0	\$ 2,664	\$ 0
1ST SGT/MASTER SGT..	1	2,277	2	2	2,341	5	2	2,410	5	2	2,482	5
PLTN SGT/SGT FLC....	8	2,112	17	15	2,172	33	15	2,236	34	15	2,303	35
STAFF SERGEANT.....	12	1,901	23	28	1,954	55	29	2,012	58	28	2,072	58
SERGEANT.....	120	1,693	203	50	1,740	87	52	1,792	93	51	1,845	94
CORPORAL/SPC4.....	62	1,471	91	176	1,512	266	180	1,556	280	178	1,603	285
PRIVATE, 1ST CL.....	29	1,336	39	80	1,373	110	73	1,414	103	77	1,456	112
PRIVATE (E2).....	4	1,275	5	13	1,310	17	13	1,349	18	13	1,389	18
PRIVATE (E1).....	2	1,276	3	2	1,313	3	2	1,351	3	2	1,392	3
TOTAL BAH INADEQUATE FAMILY HOUSING.....	238		\$ 383	366		\$ 576	366		\$ 594	366		\$ 610
TOTAL BASIC ALLOWANCE FOR HOUSING - DOMESTIC	217,388		\$ 836,511	282,560		\$ 1,109,560	286,635		\$ 1,178,014	299,966		\$ 1,293,354

ENLISTED BASIC ALLOWANCE FOR HOUSING - OVERSEAS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS												
SERGEANT MAJOR.....	93	\$ 13,313	\$ 1,238	105	\$ 13,842	\$ 1,453	138	\$ 14,641	\$ 2,020	153	\$ 14,989	\$ 2,293
1ST SGT/MASTER SGT...	364	14,347	5,222	411	14,937	6,139	549	15,851	8,702	611	16,172	9,881
PLTN SGT/SGT FLC....	1,098	13,918	15,282	1,242	14,495	18,003	1,638	15,395	25,217	1,817	15,693	28,514
STAFF SERGEANT.....	1,440	12,875	18,540	1,631	13,408	21,868	2,153	14,240	30,659	2,321	14,515	33,689
SERGEANT.....	1,161	11,541	13,399	1,294	12,019	15,553	1,741	12,765	22,224	1,923	13,013	25,024
CORPORAL/SPC4.....	665	10,002	6,651	803	10,685	8,580	1,073	11,342	12,170	1,171	11,569	13,547
PRIVATE, 1ST CL.....	77	9,355	720	75	9,742	731	92	10,347	952	107	10,547	1,129
PRIVATE (E2).....	17	8,279	141	12	8,619	103	15	9,141	137	19	9,332	177
PRIVATE (E1).....	3	8,112	24	4	8,444	34	3	8,951	27	3	9,142	27
TOTAL BAH WITH DEPENDENTS.....	4,918		\$ 61,217	5,577		\$ 72,464	7,402		\$ 102,108	8,125		\$ 114,281
BAH WITHOUT DEPENDENTS												
SERGEANT MAJOR.....	8	\$ 11,362	\$ 91	12	\$ 11,827	\$ 142	12	\$ 12,542	\$ 151	12	\$ 12,807	\$ 154
1ST SGT/MASTER SGT...	55	12,205	671	73	13,008	950	74	13,846	1,025	75	14,083	1,056
PLTN SGT/SGT FLC....	214	11,548	2,471	281	12,040	3,383	284	12,828	3,643	284	13,035	3,702
STAFF SERGEANT.....	327	10,652	3,483	422	11,107	4,687	426	11,838	5,043	414	12,025	4,978
SERGEANT.....	375	9,768	3,663	465	10,184	4,736	479	10,853	5,199	477	11,026	5,259
CORPORAL/SPC4.....	195	8,322	1,623	265	8,676	2,299	271	9,243	2,505	266	9,394	2,499
PRIVATE, 1ST CL.....	34	7,837	266	37	8,167	302	34	8,695	296	36	8,843	318
PRIVATE (E2).....	7	9,071	63	6	9,472	57	6	10,134	61	7	10,253	72
PRIVATE (E1).....	2	7,495	15	2	7,824	16	2	8,362	17	2	8,469	17
TOTAL BAH WITHOUT DEPENDENTS....	1,217		\$ 12,346	1,563		\$ 16,572	1,588		\$ 17,940	1,573		\$ 18,055
TOTAL BASIC ALLOWANCE FOR HOUSING - OVERSEAS	6,135		\$ 73,563	7,140		\$ 89,036	8,990		\$ 120,048	9,698		\$ 132,336
TOTAL ENLISTED BASIC ALLOWANCE FOR HOUSING.....	223,523		\$ 910,074	289,700		\$ 1,198,596	295,625		\$ 1,298,062	309,664		\$ 1,425,690

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 263,738
ESTIMATE FY 2000	\$ 253,947
ESTIMATE FY 1999	\$ 232,327
ACTUAL FY 1998	\$ 238,481

**Project: Station Allowance Overseas - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide payment of a per diem allowance to enlisted personnel on duty outside the United States considering all elements of the cost of living, including quarters, subsistence and other necessary incidental expenses as prescribed by joint travel regulations and authorized under provisions of 37 U.S.C. 405.

**Part II - Justification of Funds Requested**

Overseas Station Allowance payments are determined by multiplying the projected number of personnel eligible for each type of allowance by the estimated average rate applicable.

Fluctuations in currency exchange rates have a direct impact on Overseas Station Allowance. This is especially true in the case of Germany. The FY 2000 and FY 2001 estimates for overseas station allowances are based on rates of exchange of 1.7125 DM/\$1 US. Beginning in FY 1997, MPA rejoined the Foreign Currency Fluctuation, Defense Account.

The FY 1998 overseas housing allowance (OHA) amount reflects payments for three months (October - December 1997). Effective 1 January 1998, the payments are included under BAH.

From FY 1999 to FY 2000, the requirement for overseas station allowance increases by a net +\$21.6 million. This change is based on--

- (1) Annualization of the 3.6%, 1 Jan 1999 pay raise: +\$2.0 million
- (2) The 4.4%, 1 Jan 2000 pay raise: +\$7.3 million.
- (3) COLA rate changes: +9.1 million.
- (4) Cost growth for TLA: +\$1.1 million.
- (5) Changes in estimated number of OSA payments: +\$2.1 million.

From FY 2000 to FY 2001, the requirement for overseas station allowance increases by a net +9.8 million. This change is based on--

- (1) Annualization of the 4.4%, 1 Jan 2000 pay raise: +\$2.5 million
- (2) The 3.9%, 1 Jan 2001 pay raise: +\$6.7 million.
- (3) Cost growth for TLA: +\$1.1 million.
- (4) Changes in estimated number of OSA payments: -\$0.5 million

Detailed cost computations are provided by the following table:

ENLISTED OVERSEAS STATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
<b>COST OF LIVING</b>												
SERGEANT MAJOR.....	739	\$ 3,639	\$ 2,689	746	\$ 3,898	\$ 2,908	751	\$ 4,260	\$ 3,199	750	\$ 4,433	\$ 3,325
1ST SGT/MASTER SGT.....	2,388	3,584	8,559	2,411	3,359	8,099	2,428	3,671	8,913	2,423	3,820	9,256
PLTN SGT/SGT FLC.....	9,037	3,032	27,400	9,122	2,065	18,837	9,190	2,257	20,742	9,169	2,349	21,538
STAFF SERGEANT.....	14,735	2,504	36,896	14,874	2,737	40,710	14,984	2,991	44,817	14,950	3,112	46,524
SERGEANT.....	22,081	2,391	52,796	22,289	2,332	51,978	22,454	2,548	57,213	22,403	2,651	59,390
CORPORAL/SPC4.....	35,874	1,483	53,201	36,212	1,799	65,145	36,480	1,966	71,720	36,397	2,046	74,468
PRIVATE, 1ST CL.....	12,225	1,268	15,501	12,340	1,177	14,524	12,432	1,285	15,975	12,403	1,337	16,583
PRIVATE (E2).....	4,615	1,201	5,543	4,659	895	4,170	4,693	977	4,585	4,683	1,017	4,763
PRIVATE (E1).....	1,041	913	950	1,051	705	741	1,059	770	815	1,056	801	846
SUBTOTAL.....	102,735		\$ 203,535	103,704		\$ 207,112	104,471		\$ 227,979	104,234		\$ 236,693
<b>HOUSING ALLOWANCE</b>												
SERGEANT MAJOR.....	24	\$ 5,651	\$ 136	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
1ST SGT/MASTER SGT.....	99	7,238	717	0	0	0	0	0	0	0	0	0
PLTN SGT/SGT FLC.....	335	7,433	2,490	0	0	0	0	0	0	0	0	0
STAFF SERGEANT.....	433	7,249	3,139	0	0	0	0	0	0	0	0	0
SERGEANT.....	388	6,366	2,470	0	0	0	0	0	0	0	0	0
CORPORAL/SPC4.....	201	5,559	1,117	0	0	0	0	0	0	0	0	0
PRIVATE, 1ST CL.....	23	5,249	121	0	0	0	0	0	0	0	0	0
PRIVATE (E2).....	5	6,775	34	0	0	0	0	0	0	0	0	0
PRIVATE (E1).....	2	658	1	0	0	0	0	0	0	0	0	0
SUBTOTAL.....	1,510		\$ 10,225	0		\$ 0	0		\$ 0	0		\$ 0
TEMPORARY LODGING ALLOWANCE....	47,268	\$ 523	\$ 24,721	46,694	\$ 540	\$ 25,215	47,044	\$ 552	\$ 25,968	48,038	\$ 563	\$ 27,045
<b>TOTAL ENLISTED STATION ALLOWANCE OVERSEAS..</b>												
	151,513		\$ 238,481	150,398		\$ 232,327	151,515		\$ 253,947	152,272		\$ 263,738

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$1,450
ESTIMATE FY 2000	\$1,450
ESTIMATE FY 1999	\$1,450
ACTUAL FY 1998	\$1,450

**Project: CONUS Cost of Living Allowance - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide payment of a cost of living allowance (COLA) to soldiers who are assigned to high cost areas in the continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense but cannot be less than eight percent. The current established threshold is 108 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation level) multiplied by the difference between the COLA index for the individual's high cost area and the threshold percentage. The allowance was authorized by the FY 1995 DoD Authorization Act.

**Part II - Justification of Funds Requested**

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated rate.

Detailed cost computations are provided by the following table:

ENLISTED CONUS COST OF LIVING ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
CONUS COLA.....	1,989	\$729	\$1,450	1,989	\$729	\$1,450	1,989	\$729	\$1,450	1,989	\$729	\$1,450



ESTIMATE FY 2001	\$ 223,851
ESTIMATE FY 2000	\$ 211,665
ESTIMATE FY 1999	\$ 190,920
ACTUAL FY 1998	\$ 217,086

**Project: Clothing Allowances - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for payment to enlisted personnel for prescribed clothing authorized by the Secretary of Defense under the provisions of 37 U.S.C. 418 including:

- (1) Initial Clothing Allowance when authorized by competent orders.
- (2) For cash payment of the Clothing Basic Maintenance Allowance authorized from the sixth month of entrance on duty through the thirty-sixth month and/or cash payment of the Standard Maintenance Allowance authorized from the thirty-seventh month through the completion of the enlistment.
- (3) For cost of Issue-In-Kind in areas where clothing maintenance allowance is not authorized.
- (4) Supplementary Clothing Allowances for personnel assigned to special organizations or details where the nature of the duties to be performed requires additional items of individual clothing not required for the majority of enlisted personnel.

**Part II - Justification of Funds Requested**

The estimated +\$20.7 million increase between FY 1999 and FY 2000 reflects increased numbers receiving allowances and cost changes in the clothing bag rates and other associated rates. The estimated +\$12.2 million increase between FY 2000 and FY 2001 reflects increased numbers receiving allowances and cost changes in the clothing bag rates and other associated rates.

Detailed cost computations are provided by the following table:

ENLISTED CLOTHING ALLOWANCES  
RATE SUMMARY REVIEW

	FY 1999 COLUMN OF FY 99 PRES BUDGET	FY 1999 COLUMN OF FY 00/01 PRES BUDGET	FY 2000 COLUMN OF FY 00/01 PRES BUDGET	FY 2001 COLUMN OF FY 00/01 PRES BUDGET
INITIAL ISSUE				
ENLISTED MEN.....	1,082.00	984.20	998.94	1,032.73
ENLISTED WOMEN.....	1,352.00	1,237.85	1,256.41	1,391.04
CLOTHING MAINTENANCE ALLOWANCE				
ENLISTED MEN - BASIC.....	258.00	234.24	237.36	263.52
- STANDARD.....	368.00	334.63	339.09	376.46
ENLISTED WOMEN - BASIC.....	325.00	294.80	298.84	325.98
- STANDARD.....	464.00	421.15	426.91	465.69

ENLISTED CLOTHING ALLOWANCES

	FY 1998			FY 1999			FY 2000			FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
CLOTHING - INITIAL ALLOWANCE												
INITIAL ALLOWANCE												
MILITARY CLOTHING												
CIVILIAN LIFE, MEN.....	59,860	\$1,059.85	\$ 63,443	51,127	\$984.20	\$ 50,319	60,560	\$998.94	\$ 60,496	63,049	\$1,032.73	\$ 65,113
CIVILIAN LIFE, WOMEN.....	12,798	1,323.95	16,944	14,532	1,237.85	17,988	17,081	1,256.41	21,461	17,783	1,391.04	24,737
ARMY RESERVE W/PARTIAL CLOTHING ALLOWANCE.....	75	293.00	22	75	266.10	20	75	270.07	20	75	333.90	25
NATIONAL GUARD WITH PARTIAL CLOTHING ALLOWANCE.....	65	225.85	15	65	205.15	13	65	208.21	14	65	271.05	18
LESS SAVINGS ON DEFERRED CLOTHING ISSUE.....			-1,594			-1,321			-1,586			-1,677
ADVANCE FUNDING FOR NEW CLOTHING ITEMS.....			1,700			1,700			8,000			0
LIQUIDATION OF PRIOR YEAR ADVANCES.....			0			0			0			0
TOTAL MILITARY CLOTHING.....			80,530			68,719			88,405			88,216
CIVILIAN CLOTHING												
WINTER AND SUMMER.....	1,497	1,270.00	1,901	2,879	776.00	2,234	4,376	788.00	3,448	5,873	802.00	4,710
WINTER OR SUMMER.....	76	821.00	62	0	0.00	0	0	0.00	0	0	0.00	0
TEMPORARY DUTY.....	162	469.00	76	0	0.00	0	0	0.00	0	0	0.00	0
SPEC CONTINUING - DUAL SEASON.....	209	635.00	133	0	0.00	0	0	0.00	0	0	0.00	0
SPEC CONTINUING - SINGLE SEASON.....	35	411.00	14	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL CIVILIAN CLOTHING.....			2,186			2,234			3,448			4,710
TOTAL INITIAL ALLOWANCE.....			82,716			70,953			91,853			92,926

ENLISTED CLOTHING ALLOWANCES

	FY 1998			FY 1999			FY 2000			FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
CLOTHING - MAINTENANCE ALLOWANCE												
BASIC MAINTENANCE ( PERSONNEL WITH 7-36 MONTHS SERVICE )												
MALE.....	125,902	252.18	31,750	115,270	234.24	27,001	110,032	237.36	26,117	116,660	263.52	30,742
FEMALE.....	13,031	318.23	4,147	16,135	294.80	4,757	17,019	298.84	5,086	17,030	325.98	5,551
TOTAL.....			35,897			31,758			31,203			36,293
STANDARD MAINTENANCE ( PERSONNEL WITH 37 MONTHS OR MORE OF SERVICE )												
MALE.....	200,482	360.25	72,224	195,278	334.63	65,346	193,980	339.09	65,777	185,340	376.46	69,773
FEMALE.....	42,462	454.62	19,304	38,449	421.15	16,193	37,284	426.91	15,917	37,850	465.69	17,626
TOTAL.....			91,528			81,539			81,694			87,399
TOTAL MAINTENANCE ALLOWANCES....			127,425			113,297			112,897			123,692
SUPPLEMENTARY ALLOWANCES..			1,884			1,857			1,865			1,895
OTHER												
ISS.-IN-KIND-KATUSA.....	5,200	554.93	2,886	5,200	529.95	2,756	5,200	536.92	2,792	5,200	578.77	3,010
REPLACEMENT DURING FIRST SIX MONTHS.....	72,658	15.44	1,122	65,659	15.29	1,004	77,641	15.52	1,205	80,832	15.77	1,275
CHARGE SALES.....			1,053			1,053			1,053			1,053
TOTAL.....			5,061			4,813			5,050			5,338
TOTAL CLOTHING ALLOWANCES.....			217,086			190,920			211,665			223,851
LESS REIMBURSABLE OBLIGATIONS.....			1,053			1,053			1,053			1,053
TOTAL DIRECT ENLISTED CLOTHING OBLIGATIONS.....			216,033			189,867			210,612			222,798

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 30,844
ESTIMATE FY 2000	\$ 39,539
ESTIMATE FY 1999	\$ 40,074
ACTUAL FY 1998	\$ 35,950

**Project: Family Separation Allowances - Enlisted**

**Part I - Purpose and Scope**

The funds requested are to provide for family separation allowance (FSA) payments to enlisted personnel with dependents on duty outside the United States or in Alaska for added separation expenses under two circumstances:

(1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for the member's family and one overseas for the member. Payment is made at the monthly quarters allowance rate authorized for a member of the same grade without dependents.

(2) When a member with dependents makes a permanent change of station (PCS) or is on temporary duty travel (TDY), or on board ship for thirty days or more either in CONUS or overseas and the travel of dependents to the member's duty station is not authorized and dependents do not reside at or near duty station. The payment is \$100 per month for both FSA-PCS and FSA-TDY(37 U.S.C. 427).

**Part II - Justification of Funds Requested**

The estimated number of payments is based on historical performance and programmed requirements for overseas stationing. Allowances for family separation payments are determined by multiplying the estimated number of personnel for each type of family separation allowance by the applicable statutory rate.

The net decrease of -\$8.7 million from FY 2000 to FY 2001 primarily reflects the number of soldiers receiving FSA-TDY due to discontinuing contingency operations in FY01.

Detailed cost computations are provided by the following table:

ENLISTED FAMILY SEPARATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PCS OVERSEAS WITH DEPENDENTS NOT AUTHORIZED AND MAINTAINS TWO HOMES												
SERGEANT MAJOR.....	26	\$ 6,132	\$ 159	26	\$ 6,318	\$ 164	27	\$ 6,509	\$ 176	27	\$ 6,704	\$ 181
1ST SGT/MASTER SGT.....	119	5,223	622	121	5,246	635	122	5,404	659	123	5,566	685
PLATOON SGT/SGT 1ST CLASS....	298	4,809	1,433	302	4,955	1,496	306	5,104	1,562	308	5,258	1,619
STAFF SERGEANT.....	471	4,352	2,050	478	4,483	2,143	484	4,619	2,236	487	4,757	2,317
SERGEANT.....	208	4,015	835	211	4,137	873	214	4,262	912	215	4,390	944
CORPORAL/SPECIALIST 4.....	50	3,493	175	51	3,599	184	51	3,708	189	52	3,819	199
SUBTOTAL.....	1,172		5,274	1,189		5,495	1,204		5,734	1,212		5,945
PCS CONUS OR OVERSEAS WITH DEPENDENTS NOT AUTHORIZED.....	16,695	1,125	18,782	16,944	1,200	20,333	17,161	1,200	20,593	17,266	1,200	20,719
TDY CONUS OR OVERSEAS FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TDY STATION.....	10,572	1,125	11,894	11,872	1,200	14,246	11,010	1,200	13,212	3,483	1,200	4,180
TOTAL ENLISTED FAMILY SEPARATION ALLOWANCES.....	28,439		\$ 35,950	30,005		\$ 40,074	29,375		\$ 39,539	21,961		\$ 30,844

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 285,540
ESTIMATE FY 2000	\$ 270,039
ESTIMATE FY 1999	\$ 257,870
ACTUAL FY 1998	\$ 292,183

**Project: Separation Payments - Enlisted**

**Part I - Purpose and Scope**

Accrued Leave Payments - members are authorized 30 days of ordinary leave annually. They may accumulate a maximum of no more than 60 days unused leave at the beginning of any fiscal year. Upon retirement or separation, members are paid for unused accrued leave at the rate of basic pay to which entitled at time of release. Effective 10 February 76, a member cannot be paid for more than 60 days of accrued leave during his military career. This limitation does not include payments for accrued leave made before that date.

Severance Pay - Disability - Disability Severance Pay is authorized to members on active duty who are discharged because of physical disability and who have less than 20 years of service and less than 30 percent disability.

Severance Pay - Non Disability - Commencing in FY 1991, non disability severance pay is authorized to members on active duty who are involuntarily separated from service, are not eligible for retirement pay, and meet minimum time-in-service requirements.

The FY 1992 National Defense Authorization Act approved two voluntary separation pay programs to use during the force drawdown. The programs apply to both officers and enlisted soldiers who have more than six and less than 20 years of service. The first, voluntary separation incentive (VSI), is an annuity that makes annual payments for twice the number of years served for soldiers who voluntarily leave active duty. The second program, special separation benefit (SSB), provides a lump sum of one and a half times involuntary separation pay (50% more) for soldiers who voluntarily leave active duty. VSI and SSB have been used to reduce involuntary separations. The authority to use VSI/SSB was extended from 30 Sep 1990 to 30 Sep 2001 by the FY 1999 National Defense Authorization Act. However, the Army will reach its steady state end strength at the end of FY 1999 and will not offer VSI and SSB to any new takers after FY 1999.

The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program has been used to shape the 15-20 year segment of the force. It has assisted the Army in achieving its drawdown goals of maintaining readiness and treating people fairly. Soldiers separated under the early retirement program receive the same benefits as individuals with 20 or more years of service. However, their retired pay is reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent times years of service times basic pay times reduction factor. For the officers who leave under the early retirement program, the Army is required to establish a subaccount within the Military Personnel Appropriation to fund all early retirement payments up front in the Military Personnel Appropriation to cover the entire initial period, which is defined as that period equal to the

difference between 20 years and the number of years completed by the member. The authority to use the early retirement program was extended from 1 Oct 1999 to 1 Oct 2001 by the FY 1999 National Defense Authorization Act. However, the Army will reach its steady state end strength at the end of FY 1999 and will not offer early retirement to any new takers after FY 1999.

## **Part II - Justification of Funds Requested**

Severance payments are determined by multiplying the projected number eligible for each type of payment by the estimated average payment applicable. Accumulated leave payments are made based upon leave accrued as of 1 September 76. For leave accumulated prior to 1 September 76, and retained throughout the career, payments include basic pay, \$1.25 per day quarters allowance to members in pay grade E-5 to E-9 with dependents, and 70 cents per day to all members for subsistence. For leave accumulated after 1 September 76, to include lowering of leave balances prior to 1 September 76, the rate payable is basic pay only. Leave payments will not exceed a career total of 60 days. Severance pay for disability is computed at two months basic pay of grade held at time of discharge multiplied by the number of years active service, but not more than 12. The SSB amount is from the annual base pay times 15 percent times years of service. The VSI (annuity) is a product of annual base pay times 2.5 percent times years of service and is paid for twice the number of years served, without any cost of living adjustments. Donations are computed by multiplying the programmed number of releases from confinement and the number discharged for fraudulent enlistments by \$25.00. The National Defense Authorization Act for FY 1992 and FY 1993 required the establishment of a VSI Fund effective 1 January 93 from which VSI payments will be made. The act further required the board of actuaries to determine: (1) the amount necessary to liquidate the original unfunded liability, i.e., those personnel accepting VSI benefits prior to 1 January 93 and (2) the total present value costs necessary to fund those members accepting VSI benefits after 1 January 93.

The requirement for separation pay increases by a net +\$12.2 million between FY 1999 and FY 2000. This change is based on:

- (1) Annualization of the 3.6%, 1 Jan 1999 pay raise: +\$1.4 million.
- (2) The 4.4%, 1 Jan 2000 pay raise: +\$8.6 million.
- (3) Increase numbers receiving separation payments: +\$10.4 million.
- (4) Decreased need for transfers into the VSI Trust Fund: -\$8.2 million.

The requirement for separation pay increases by a net +\$15.5 million between FY 2000 and FY 2001. This change is based on--

- (2) Annualization of the 4.4%, 1 Jan 2000 pay raise: +\$3.6 million.
- (3) The 3.9%, 1 Jan 2001 pay raise: +\$7.9 million.
- (4) Increased numbers receiving separation payments: +\$4.0 million.

Detailed cost computations are provided by the following table:



ENLISTED SEPARATION PAYMENTS  
(AMOUNT IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001					
		AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT
LUMP SUM TERMINAL LEAVE PAYMENTS																
SGT MAJOR.....	506	16.3	\$ 1,840	\$ 931	599	16.3	\$ 1,917	\$ 1,148	633	16.3	\$ 1,990	\$ 1,259	617	16.3	\$ 2,086	\$ 1,287
1ST SGT/MSG....	1,988	15.6	1,418	2,819	1,697	15.6	1,468	2,492	1,770	15.6	1,515	2,681	1,771	15.6	1,590	2,815
PLATOON SGT/SFC	5,535	17.3	1,328	7,353	5,164	17.3	1,381	7,129	4,636	17.3	1,426	6,612	4,245	17.3	1,488	6,318
STAFF SGT.....	5,242	21.2	1,362	7,138	3,948	21.2	1,417	5,594	4,442	21.2	1,466	6,513	4,575	21.2	1,531	7,004
SERGEANT.....	12,033	18.9	1,001	12,043	11,574	18.9	1,038	12,013	14,288	18.9	1,072	15,323	15,517	18.9	1,126	17,479
CPS/SPEC 4.....	25,845	14.1	610	15,766	29,868	14.1	630	18,812	31,813	14.1	649	20,659	31,317	14.1	687	21,520
PRIVATE, FC....	6,057	18.0	653	3,953	5,310	18.0	675	3,582	5,028	18.0	692	3,477	5,137	18.0	718	3,686
PRIVATE (E2)...	4,164	15.6	541	2,254	3,650	15.6	562	2,051	3,457	15.6	578	1,999	3,532	15.6	598	2,114
PRIVATE (E1)....	2,958	17.9	534	1,578	2,593	17.9	552	1,432	2,456	17.9	566	1,390	2,509	17.9	586	1,470
SUBTOTAL.....	64,328			\$ 53,835	64,403			\$ 54,253	68,523			\$ 59,913	69,220			\$ 63,693
SEVERANCE PAY (DISABILITY)....																
	3,643		16,369	\$ 59,632	4,099		16,929	\$ 69,390	4,314		17,645	\$ 76,119	4,427		18,361	\$ 81,282
AUTHORIZED DONATIONS.....																
	152		25	4	152		25	4	152		25	4	152		25	4
INVOLUNTARY HALF-PAY(5%)....																
	1,694		9,163	15,522	2,942		9,476	27,879	2,942		9,877	29,058	2,942		10,278	30,237
INVOLUNTARY FULL-PAY(10%)...																
	1,558		26,260	40,913	3,292		27,158	89,403	3,401		28,306	96,270	3,451		29,455	101,649
SPECIAL SEP BENEFIT(15%)																
	1,504		36,565	54,994	0		37,815	0	0		39,415	0	0		41,014	0
15 YEAR RETIREMENT.....																
	1,500		33,547	50,321	0		34,694	0	0		36,161	0	0		37,629	0
SUBTOTAL SEPARATION PAY (NON-DISABILITY).....																
	6,256			\$ 161,750	6,234			\$ 117,282	6,343			\$ 125,328	6,393			\$ 131,886
VOLUNTARY SEPARATION INCENTIVE (DIRECT MILPERS PAY) 1)																
	96			\$ 16,962	0		\$ 16,941	0	0		\$ 8,675	0	0		\$ 8,675	0
THRU DEC 31, 1992...																
				9,375			9,375				8,675				8,675	
JAN 1, 1993 AND AFTER.....																
	96			7,587	0		7,566	0	0		0	0	0		0	0
TOTAL ENLISTED SEPARATION PAY..																
	74,475			\$ 292,183	74,888			\$ 257,870	79,332			\$ 270,039	80,192			\$ 285,540

VSI recipients after 31 Dec 92 - Payments are made from the Military Personnel, Army Appropriation to the VSI Trust Fund.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 614,045
ESTIMATE FY 2000	\$ 586,232
ESTIMATE FY 1999	\$ 642,634
ACTUAL FY 1998	\$ 638,068

**Project: Social Security Tax - Employer's Obligation - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

**Part II - Justification of Funds Requested**

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percentage. The Old Age, Survivor, and Disability Insurance (OASDI) rate is 6.2 percent and the Hospital Insurance (HI) rate is 1.45 percent. The maximum amount of earnings per individual on which tax is payable are:

Calendar year	OASDI Base	Medicare base
1998	\$68,400	No upper limit
1999	\$72,600	No upper limit
2000	\$73,800	No upper limit
2001	\$76,200	No upper limit

In addition to the Employers Contribution of FICA tax, MPA has also paid the wage credit for service members, which takes into account "non-wage" compensation such as quarters allowance and subsistence. No funds are requested in FY 2000/2001 for wage credits. The Department has proposed to eliminate the military wage credit to allow these funds to be reapplied to other high priority pay initiatives. The realized benefit of the wage credit is minimal since only the highest 35 years of earnings are counted in determining Social Security benefits. Service members who do not continue to retirement (83 percent of service members) would generally have 35 years of earnings without considering military service. Any military earnings that do count in the 35 year period would be modest compared to more recent earnings and would have almost no influence on Social Security benefits.

Funding is included to pay the Department of Health and Human Services (HHS) to cover a supplement to replace the lost survivor or disability benefit which was provided for in the Army's annual wage credit transfer to HHS.

The request reflects the impact of PL 99-576, which provides for removal from taxable income of the \$1,200 member contribution required for participation in the basic benefit program of the new G.I. Bill effective 1 January 86.

The social security tax requirement decreases by -\$56.4 million between FY 1999 and FY 2000. This change is based on--

- (1) Annualization of the 3.6%, 1 Jan 1999 pay raise: +\$3.7 million.
- (2) The 4.4%, 1 Jan 2000 pay raise: +\$15.9 million.
- (3) Restructuring of the military basic pay table, effective 1 Jul 2000: +1.7 million.
- (4) Force manning changes: +\$1.7 million.
- (5) Elimination of wage credit transfers: -\$79.6 million.
- (6) G.I. Bill offset: +\$.2 million

The social security tax requirement increases by +\$27.8 million between FY 2000 and FY 2001. This change is based on--

- (6) Annualization of the 4.4%, 1 Jan 2000 pay raise: +\$8.9 million.
- (7) The 3.9%, 1 Jan 2001 pay raise: +\$17.6 million.
- (8) Force manning changes: +\$1.4 million.
- (9) G.I. Bill offset: -\$.1 million

Detailed cost computations are provided by the following table:

ENLISTED SOCIAL SECURITY TAX  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION OF TAX ON BASIC PAY.....	402,684	\$1,376.91	\$ 554,460	395,242	\$1,427.68	\$ 564,281	397,493	\$1,477.94	\$ 587,472	398,909	\$1,542.42	\$ 615,285
WAGE CREDITS/SURVIVOR OR DISABILITY BENEFIT.....			\$ 85,348			\$ 80,093			\$ 500			\$ 500
LESS NON_JUDICIAL FINES AND FORFEITURES.....			\$ 1,740			\$ 1,740			\$ 1,740			\$ 1,740
TOTAL ENLISTED SOCIAL SECURITY TAX.....	402,684		\$ 638,068	395,242		\$ 642,634	397,493		\$ 586,232	398,909		\$ 614,045

Section 4  
 Schedule of Increases and Decreases  
 (Amounts in Thousands of Dollars)

Pay and Allowances of Cadets	Amount
FY 1999 Direct Program	\$40,684
Increase:	
Ration rate increase	162
Pay raise increase	525
Total Increase	687
Decrease:	
Manyear Decrease	-1,725
Total Decrease	-1,725
FY 2000 Direct Program	\$ 39,646
Increase:	
Ration rate increase	159
Total Increase	159
FY 2001 Direct Program	\$ 39,805

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$39,805
ESTIMATE FY 2000	\$39,646
ESTIMATE FY 1999	\$40,684
ACTUAL FY 1998	\$37,679

**Project: Academy Cadets**

**Part I - Purpose and Scope**

The funds requested provide for basic pay and allowances of Academy Cadets and commuted ration allowance under the provisions of 37 U.S.C. 201, 203, and 422. The employer's share of FICA tax as provided by the Federal Insurance Contribution Act (FICA) is included.

**Part II - Justification of Funds Requested**

The fund requirement was determined by applying statutory rates to the projected manyears. Between FY99 and FY00, the overall cost decreases -\$1.0M. The cost change is attributed to an increase of +\$0.5 due to the pay raise beginning 1 Jan 99 and a ration rate increase of +\$.02M. However, these increases are offset by the decline in the number of Cadets attending the Academy. This decline in manyears is budgeted at -\$1.7M.

The daily rate for cadet rations increases from \$5.25 per day in FY 1999 to \$5.35 in FY 2000 due to inflation. The cost of operational rations is included for field training.

Detailed cost computations are provided by the following table:

PAY AND ALLOWANCE OF ACADEMY CADETS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
(1) BASIC PAY.....	4,040	\$6,696	\$27,052	4,016	\$7,074	\$28,409	3,858	\$7,200	\$27,778	3,858	\$7,200	\$27,778
(2) SUBSISTENCE - COMMUTED-RATION												
A. SUBSISTENCE ALLOWANCE....	4,040	\$1,880	7,595	4,016	\$1,916	7,695	3,858	\$1,958	7,554	3,858	\$1,989	7,674
B. OPERATIONAL RATIONS.....			982			2,460			2,242			2,281
(3) SOCIAL SECURITY TAX - EMPLOYER CONTRIBUTION.....	4,003	\$512	2,050	3,919	\$541	2,120	3,761	\$551	2,072	3,761	\$551	2,072
TOTAL ACADEMY CADETS.....	4,040		\$37,679	4,016		\$40,684	3,858		\$39,646	3,858		\$39,805

Section 4  
 Schedule of Increases and Decreases  
 (Amounts in Thousands of Dollars)

Subsistence of Enlisted Personnel	Amount
FY 1999 Direct Program	\$1,209,082
Increases:	
a. Pay Raise: reflects annualization costs of the 3.6% FY99 pay raise and the FY00 4.4% pay raise for BAS. (BAS is 1% and partial BAS is 3.4%)	23,674
b. Inflation: Subsistence-In-Messes; inflationary increase of 1.5%	4,565
c. Workload change including realignment of percent receiving BAS and subsisting in messes. Increase for Operational Rations and Augmentation of Rations. These increases are due primarily to Contingency Operations	10,604
Total Increases	38,843
FY 2000 Direct Program	\$1,247,925
Increases:	
a. Pay Raise: reflects annualization costs of the 4.4% FY00 pay raise and the 3.9% FY01 pay raise for BAS (BAS is 1% and partial BAS is 2.9% for FY01)	11,307
b. Inflation: Subsistence-In-Messes; inflationary increase of 1.6%	2,204
Total Increases	13,511
Decreases	
a. Decreased workload budgeted for receiving BAS due primarily to discontinuing Contingency Operations	-11,763
b. Decrease in number of participants subsisting in messes due to discontinuing Contingency Operations	-72,297
c. Decrease in Operational and Augmentation Rations due to discontinuing Contingency Operations	-17,436
Total Decreases	-101,496
FY 2001 Direct Program	\$1,159,940



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 1,199,577
ESTIMATE FY 2000	\$ 1,286,671
ESTIMATE FY 1999	\$ 1,248,966
ACTUAL FY 1998	\$ 1,217,365

**Project: Subsistence of Enlisted Personnel**

**Part I - Purpose and Scope**

The funds requested for this activity are for the payment of authorized Basic Allowances for Subsistence (BAS), Subsistence-in-Kind (SIK), and Operational Rations. BAS in this account is for the enlisted soldier, SIK includes the cost for both officer and enlisted personnel. Operational Rations includes the cost for both officer and the enlisted force. Reimbursements are from the Army National Guard and the Army Reserve. SIK includes the cost of procuring food and beverage supplies (Subsistence in Messes). It also includes the payment of meals furnished under contract (when approved by competent authority) at commercial facilities, which is done when the payment of commuted rations would create an individual hardship and/or the costs for establishing a government mess facility are prohibitive.

**Part II - Justification of Funds Requested**

This budget activity includes the Basic Allowance for Subsistence (BAS) paid to enlisted personnel. BAS is paid under the following conditions: (1) When authorized to mess separately, (2) While on authorized leave, (3) When rations in kind are not available, and (4) for the augmentation of commuted ration allowance for meals taken separately. A new category, (5) Partial BAS, was implemented in FY98. This category provides an allowance for the enlisted soldier who is being subsisted at government expense, and is not receiving full BAS and is not in basic training.

**Basic Allowance for Subsistence** Beginning in FY98, BAS reform limited growth of BAS to 1% per year to provide a cost-neutral method of paying BAS to all enlisted service members. This program funds all enlisted servicemembers either full or partial BAS. Partial BAS recipients receive a payment based on a rate derived from the remaining 2.6% of the 3.6% pay raise in FY99. In FY00 the partial BAS rate will be derived from the 4.4% pay raise: 1% for full BAS and 3.4% for partial BAS. In FY01 partial BAS will be derived from the 3.9% pay raise: 1% for full BAS and 2.9% for partial BAS.

The 1% per year cap on growth for BAS costs remains in effect until the allowance equals the U.S. Department of Agriculture (USDA) food plan target. Projected increases in cost growth

are currently planned to allow the USDA food plan to catch up with the BAS payment in FY04. At this time all enlisted personnel will be entitled to a BAS payment.

Overall BAS costs increase +\$28.2M from FY99 to FY00. The pay raise increases cost +\$23.7M from FY99 to FY00. Of the +\$23.7M, +\$6.1M is due to the annualization of the FY99 3.6% payraise. And +\$17.6M is due to the new pay raise of 4.4% beginning 1 Jan 00.. Pay raise estimates reflect the one percent growth cap. Workload changes increases cost +\$4.5M.

Between FY00 and FY01 BAS costs decrease -\$0.5M. The pay raise increase is estimated to cost +\$11.3M. The annualization of the 1 Jan 00 pay raise is estimated to cost +\$6.1M. The new pay raise of 3.9% beginning 1 Jan 01 is estimated to cost +\$5.2M. Pay raise estimates reflect the one percent growth cap. The decrease in the number of soldiers receiving BAS is budgeted at -\$11.8M since contingency operations are not reflected in FY01 funding.

Subsistence-In-Kind (SIK) funds subsistence to feed enlisted soldiers their daily rations in accordance with Title 10 U.S. Code. This activity also funds operational rations for field subsistence. Operational rations include Meals-Ready-to-Eat (MREs), Tray Rations, Unitized Group Rations (UGR), Rations Cold Weather, Arctic Rations, and miscellaneous types of rations. Tray rations and B rations have been replaced by the UGR.

Subsistence-in-Messes is the cost of bulk subsistence for dining facilities. SIK garrison dining facility funding requirements are dependent on the number of personnel using the dining facilities (participation rate), and the cost of subsistence used in preparing meals (food cost).

All CONUS installations and Europe have converted to Prime Vendor; the Pacific theater will convert during FY99. Under Prime Vendor, subsistence prices are more susceptible to market price fluctuations than under the previous depot system.

From FY99 to FY00 Subsistence-in-Messes costs increase +\$5.9M. Inflationary rate change accounts for +\$4.1; and the change in manyears accounts for +\$1.8M.

From FY00 to FY01 Subsistence-in-Messes costs decrease -\$70.1M overall. The decline in usage rate accounts for a -\$72.3M change because contingency operations are not reflected in FY01. The inflationary increase of 1.6% is budgeted to cost +\$2.2M.

Operational Rations and Augmentation Rations are rations used for field subsistence. Costs for these rations are determined by the number of active duty personnel and the type of rations used, and the number of unique training scenarios. Funding for Augmentation Rations is primarily for KATUSA (Korean Augmentation to U.S. Army) requirements.

Between FY99 and FY00 Operational Rations and Augmentation Rations increase +\$10.6M due to contingency operations. Between FY00 and FY01 Operational Rations and Augmentation Rations decrease -\$17.4M because contingency operations are not reflected in FY01.

ENLISTED BASIC ALLOWANCE FOR SUBSISTENCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
A. BASIC ALLOWANCE FOR SUBSISTENCE												
1. WHEN AUTH TO MESS SEP...	223,697	\$ 2,706	\$ 605,324	220,701	\$ 2,731	\$ 602,734	221,958	\$ 2,767	\$ 614,158	221,600	\$ 2,789	\$ 618,042
2. LEAVE RATION	31,169	\$ 2,706	84,343	30,643	\$ 2,731	83,686	30,818	\$ 2,767	85,273	30,877	\$ 2,789	86,116
3. WHEN RATIONS IN KIND NOT AVAILABLE...	22,625	\$ 3,051	69,029	26,474	\$ 3,081	81,566	26,625	\$ 3,118	83,017	22,413	\$ 3,142	70,422
4. AUGMENTATION OF COMMUTED RATION ALLOW FOR MEALS TAKEN SEP...	507	\$ 1,358	689	497	\$ 1,372	682	499	\$ 1,391	694	501	\$ 1,402	702
5. PARTIAL BAS	125,193	\$ 84.63	10,595	117,424	\$ 255.11	29,956	118,092	\$ 369.54	43,640	124,019	\$ 412.39	51,144
TOTAL ENLISTED BASIC ALLOWANCE FOR SUBSISTENCE...	402,684		\$ 769,980	395,242		\$ 798,624	397,493		\$ 826,782	398,909		\$ 826,426

SUBSISTENCE IN KIND  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	ANNUAL RATE	DOLLAR AMOUNT	NUMBER	ANNUAL RATE	DOLLAR AMOUNT	NUMBER	ANNUAL RATE	DOLLAR AMOUNT	NUMBER	ANNUAL RATE	DOLLAR AMOUNT
B. SUBSISTENCE-IN-KIND												
1. SUBSISTENCE IN MESSES												
CONUS												
ARMY.....	59,182	\$ 2,234	\$ 132,213	58,411	\$ 2,252	\$ 131,542	57,360	\$ 2,291	\$ 131,412	42,662	\$ 2,321	\$ 99,019
OTHER.....	2,430	\$ 2,234	5,429	2,474	\$ 2,252	5,571	2,413	\$ 2,291	5,528	2,357	\$ 2,321	5,471
OVERSEAS												
ARMY.....	36,513	\$ 2,617	\$ 95,555	34,293	\$ 2,639	\$ 90,499	35,861	\$ 2,686	\$ 96,323	21,473	\$ 2,723	\$ 58,471
OTHER.....	1,502	\$ 2,617	3,931	1,459	\$ 2,639	3,850	1,520	\$ 2,686	4,083	1,576	\$ 2,723	4,291
TOT REIM.....			58,423			39,884			38,746			39,637
SUBTOTAL.....	99,627		\$ 295,551	96,637		\$ 271,346	97,154		\$ 276,092	68,068		\$ 206,889

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	UNIT COST	DOLLAR AMOUNT	NUMBER	UNIT COST	DOLLAR AMOUNT	NUMBER	UNIT COST	DOLLAR AMOUNT	NUMBER	UNIT COST	DOLLAR AMOUNT
2. OPERATIONAL RATIONS												
MEAL-READY-TO-EAT	1,550,000	76	\$ 117,800	1,601,777	72	\$ 115,328	1,601,777	74	\$ 118,531	1,517,533	75	\$ 113,815
TRAY PACKS.....	3,121	1,956	6,105	0	0	0	0	0	0	0	0	0
UNITIZED GROUP RA	2,950	1,680	4,956	21,202	1,749	37,082	21,202	1,785	37,846	18,694	1,823	34,079
OTHER.....			3,112			4,005			4,192			5,390
SUBTOTAL.....			\$ 131,973			\$ 156,415			\$ 160,569			\$ 153,284

(MRE's - Package of 12; Tray packs - Pallet of 432 Meals; Unitized Group Rations - Pallet of 400 Meals)

	ACTUAL FY 1998 DOLLAR AMOUNT	ESTIMATE FY 1999 DOLLAR AMOUNT	ESTIMATE FY 2000 DOLLAR AMOUNT	ESTIMATE FY 2001 DOLLAR AMOUNT
3. AUGMENTATION RATIONS / OTHER PROGRAMS				
AUGMENT RATIONS / OTHER PGMS.....	\$ 19,861	\$ 22,581	\$ 23,228	\$ 12,978

Includes supplemental rations, special exercises/operations, contract messes, box lunch meals, KATUSA Rations/Kits, New Food Items, Allied Nations support, and special issue.

TOTAL SIK.....	\$ 447,385	\$ 450,342	\$ 459,889	\$ 373,151
	ACTUAL FY 1998 TOTAL AMOUNT	ESTIMATE FY 1999 TOTAL AMOUNT	ESTIMATE FY 2000 TOTAL AMOUNT	ESTIMATE FY 2001 TOTAL AMOUNT
TOTALS: BAS/SIK				
TOTAL OBLIGATIONS.....	\$ 1,217,365	\$ 1,248,966	\$ 1,286,671	\$ 1,199,577
TOTAL REIMBURSABLES.....	\$ 58,423	\$ 39,884	\$ 38,746	\$ 39,637
TOTAL DIRECT OBLIGATIONS.....	\$ 1,158,942	\$ 1,209,082	\$ 1,247,925	\$ 1,159,940

Section 4  
 Schedule of Increases and Decreases  
 (Amounts in Thousands of Dollars)

		Amount
Permanent Change of Station Travel		
FY 1999 Direct Program		\$ 1,090,947
Increases:		
a. Pay Raise	4,378	
Sub-total		4,378
b. Defense Working Capital Funds		
AMC Passenger	1,288	
AMC HHG	1,033	
Global POV Contract	17,200	
Sub-total		19,521
c. Inflation		
Land	4,366	
ITGBL	3,062	
Trailer	48	
Commercial Air	140	
Non Temporary Storage	431	
Sub-total		8,047
d. Increased Moves		
Accession Moves	14,090	
Training Moves	597	
Operational	3,995	
Separation	6,023	
Sub-total		24,705
Total Increases:		\$ 56,651
Decreases:		
a. Decreased Moves		
Rotational Moves	-47,486	
Unit Moves	-6,610	
Subtotal		-54,096
b. Entitlements		
Mileage Allowance (32.5 cents to 31.0 cents)	-4,687	
Total Decreases:		\$ -58,783
FY 2000 Direct Program		\$1,088,815

Increases:

a. Pay Raise	3,895	
Sub-total		3,895
b. Defense Working Capital Funds		
AMC Passenger	1,368	
AMC HHG	403	
MSC POV	1,610	
MSC HHG & Port Handling	370	
Sub-total		3,751
c. Inflation		
Land	4,691	
ITGBL	3,206	
Trailer	53	
Commercial Air	149	
Non Temporary Storage	462	
Sub-total		8,561
d. Increased Moves		
Separation Moves	6,016	
Training Moves	277	
Sub-total		6,293

Total Increases: \$ 22,500

Decreases:

a. Decreased Moves		
Accession Moves	-12,646	
Rotational Moves	-12,310	
Operational Moves	- 3,579	
Unit Moves	- 388	
Subtotal		- 28,923

Total Decreases: \$- 28,923

FY 2001 Direct Program \$1,082,392

PCS - SUMMARY OF MOVE REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
ACCESSIONS TRAVEL.....	82,156	116,718	80,832	114,459	91,380	129,429	93,632	133,646
TRAINING TRAVEL.....	8,276	46,047	8,170	46,007	8,303	47,289	8,344	48,435
OPERATIONAL TRAVEL BETWEEN DUTY STATIONS..	22,466	131,424	22,168	130,535	22,602	136,305	22,115	135,269
ROTATIONAL TRAVEL TO AND FROM OVERSEAS....	76,028	570,504	79,416	601,863	71,991	575,093	68,317	556,900
SEPARATION TRAVEL.....	88,183	162,547	82,916	153,815	87,194	162,933	90,631	170,902
TRAVEL OF ORGANIZED UNITS.....	4,286	16,462	3,180	12,446	1,650	6,409	1,550	6,168
NON-TEMPORARY STORAGE.....		27,960		28,401		28,752		28,870
TEMPORARY LODGING EXPENSE.....		11,484		11,422		10,605		10,202
TOTAL OBLIGATIONS.....	281,395	1,083,145	276,682	1,098,947	283,120	1,096,815	284,589	1,090,392
LESS: REIMBURSABLES.....		\$ 8,000		\$ 8,000		\$ 8,000		\$ 8,000
TOTAL DIRECT.....	281,395	1,075,145	276,682	1,090,947	283,120	1,088,815	284,589	1,082,392

PCS - SUMMARY OF REQUIREMENTS BY TYPES OF COST  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
TRAVEL OF MILITARY MEMBER								
MILEAGE AND PER DIEM.....	281,395	\$ 147,316	276,682	\$ 142,439	283,120	\$ 141,610	284,589	\$ 141,697
MAC.....	113,398	58,511	114,888	61,650	112,472	61,259	110,647	61,228
COMMERCIAL AIR.....	12,600	6,788	12,766	6,980	12,497	6,936	12,294	6,932
TRAVEL OF DEPENDENTS								
MILEAGE.....	120,149	67,495	119,394	67,096	118,015	62,185	116,790	60,289
MAC.....	47,714	24,285	48,686	25,773	45,885	24,654	44,491	24,287
COMMERCIAL AIR.....	4,452	2,399	4,515	2,471	4,300	2,388	4,193	2,366
TRANSPORTATION OF HHG								
LAND SHIPMENT.....	76,566	291,406	74,603	288,352	74,840	291,058	74,669	293,199
ITGBL SHIPMENT.....	55,928	206,614	57,465	214,898	53,618	204,156	51,721	200,399
M TONS - MSC.....	53,052	9,083	53,667	9,327	51,458	8,940	50,249	8,867
S TONS - MAC.....	15,663	22,677	15,719	24,807	15,977	25,184	15,905	25,158
DISLOCATION ALLOWANCE.....	75,983	97,041	76,857	101,204	71,858	99,507	69,238	99,865
TRAILER ALLOWANCE.....	1,132	3,101	1,105	3,071	1,142	3,223	1,150	3,297
TRANSPORTATION OF POV'S.....	47,473	82,445	48,746	85,925	45,612	102,554	44,039	100,601
PORT HANDLING CHARGES.....		24,540		25,131		23,804		23,135
NON-TEMPORARY STORAGE.....		27,960		28,401		28,752		28,870
TEMPORARY LODGING EXPENSE.....		11,484		11,422		10,605		10,202
TOTAL OBLIGATIONS.....		\$ 1,083,145		\$ 1,098,947		\$ 1,096,815		\$ 1,090,392
LESS: REIMBURSABLES.....		\$ 8,000		\$ 8,000		\$ 8,000		\$ 8,000
TOTAL DIRECT.....		\$ 1,075,145		\$ 1,090,947		\$ 1,088,815		\$ 1,082,392



**Section 4**  
**Permanent Change of Station Travel**

**Purpose and Scope of Work**

The funds requested are for expenses incident to Permanent Change of Station (PCS) travel of military personnel. The total requirement is a function of number of moves, entitlements, and rates.

Entitlements for PCS include:

- Mileage and monetary allowances in lieu of transportation for members and dependents
- Transportation by common carrier to include Air Mobility Command (AMC) for members and dependents.
- Transportation of Household Goods (HHG) and baggage by common carrier, AMC, and Military Sealift Command (MSC). Examples include cost of packing, crating, handling and temporary storage.
- Transportation and storage in lieu of transportation of Privately Owned Vehicles.
- Port handling charges for HHG, baggage, and POVs.
- Transportation of trailers.
- Non-temporary storage of HHG and POVs.
- Dislocation Allowances.
- Temporary Lodging Expenses.

The total number of moves is driven by the commitment to station 25 percent of the force overseas and by mandated end strength. All personnel overseas serve prescribed tour lengths as directed by Senate Report 99-176, 1986 DOD Appropriation Bill and House of Representatives Report 99-81, Authorization Bill. Congressional language in these reports establishes 36 month accompanied and 24 month unaccompanied tour lengths unless assigned duty area is designated a hardship area by the Service Secretary.

- The overseas rotational moves account for 25 percent of the Army's total move program and 54 percent of total PCS costs.
- Accessions and Separations moves comprise 63 percent of total moves and 28 percent of the dollar requirement.
- The remaining move/dollar requirements consist of Operational, Training and Unit moves which equal 12 percent of total moves and 18 percent of dollar requirements. These moves are essential to maintain requisite levels of training, force readiness, quality of life, unit integrity, and support Base Realignment and Closure actions.

The General Accounting Office has examined the Army's system of rotating forces overseas and has reported to Congress that there were no strong arguments to depart from the current system.

The FY00 President's Budget includes projected inflation, pay raise (impacts dislocation allowance), and Defense Working Capital Funds (DWCF) cost growth for applicable modes of PCS travel and transportation:

- Inflation generated increased costs of \$8.0M for FY00 and \$8.6M for FY01.
- Rate increases for DWCF vary by entitlement in each fiscal year; details are provided in the schedule of increases and decreases. Total increase for DWCF is \$2.3M in FY00 and \$3.8M in FY01. An additional \$17.2M was added in FY00 to cover increased costs attributed to the Global POV contract.

The FY00 PCS program supports changes to force structure and policy changes:

- POV mileage rate allowance drop from 32.5 cents to 31.0 cents effective April 1999.
- POV shipment changes resulting from the new Global POV contract.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 133,646
ESTIMATE FY 2000	\$ 129,429
ESTIMATE FY 1999	\$ 114,459
ACTUAL FY 1998	\$ 116,718

**Project: Accession Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of (1) officers appointed to a commissioned grade from civilian life, military academies, ROTC, and Army Reserve and National Guard officers called or recalled to extended duty from home or place where orders were received to first permanent duty station or training school of 20 weeks or more duration and (2) new permanent duty station or training school. Also included are officers appointed from enlisted status upon graduation from OCS. This category also includes travel to/from schools less than 20 weeks duration when they precede completion of travel to the new permanent duty station or training school in excess of 20 weeks.

Enlisted. Covers PCS movements of (1) enlistees and prior service personnel from recruiting station or place of enlistment to their first permanent duty station or training school of 20 weeks or more duration and (2) recalled enlisted reservists from home to first permanent duty station or training school of 20 weeks or more duration. Also includes travel to/from schools less than 20 weeks when they precede completion of travel to the new permanent duty station or training school in excess of 20 weeks.

Cadets. Funds PCS movements of (1) individuals selected as academy cadets upon entry into the academy and (2) individuals who travel to the academies but fail to pass the entrance physical examinations and are required to return home.

**Part II - Justification of Funds Requested**

Accession estimates are based upon the officer, enlisted and cadet gains necessary to meet the Army's planned manpower levels through FY01.

Changes to this program can only be accommodated through adjustments in officer, enlisted or cadet strengths. Changes in move numbers between fiscal years reflect adjustments required to meet the Army's projected end strengths.

Inflation, DWCF rates, and pay raise all impact on the cost per move.

Detailed cost computations are provided by the following table:

PCS ACCESSION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL.....	6,617	\$ 741	\$ 4,903	6,191	\$ 733	\$ 4,539	6,381	\$ 722	\$ 4,608	6,442	\$ 725	\$ 4,670
DEPENDENT TRAVEL.....	1,985	662	1,315	1,857	672	1,248	1,914	672	1,287	1,933	680	1,314
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	4,632	2,988	13,842	4,334	3,033	13,145	4,467	3,079	13,752	4,510	3,128	14,106
- OVERSEAS (MAC & MSC)...	2,340	439	1,027	2,190	467	1,022	2,256	480	1,082	2,279	487	1,111
DISLOCATION ALLOWANCE.....	2,124	1,415	3,006	1,987	1,466	2,913	2,048	1,531	3,135	2,068	1,590	3,289
TRAILER ALLOWANCE.....	26	2,740	71	25	2,779	69	26	2,822	73	26	2,866	75
PRIVATELY OWNED VEHICLE												
- MIL. SEALIFT COMMAND...	953	1,737	1,655	891	1,763	1,571	919	2,248	2,066	928	2,284	2,120
- PORT HANDLING (MTMC)...	953	279	266	891	279	249	919	279	257	928	279	259
PORT HANDLING (HHG).....	11,910	43	514	11,142	44	488	11,484	44	503	11,598	44	508
SUBTOTAL.....			\$ 26,599			\$ 25,244			\$ 26,763			\$ 27,452
CADETS.....	1,261	\$ 750	\$ 946	1,118	\$ 750	\$ 839	1,218	\$ 750	\$ 914	1,218	\$ 750	\$ 914

PCS ACCESSION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED												
MEMBER TRAVEL.....	74,278	\$ 707	\$ 52,510	73,523	\$ 702	\$ 51,580	83,781	\$ 692	\$ 58,016	85,972	\$ 696	\$ 59,796
DEPENDENT TRAVEL.....	21,541	283	6,098	21,322	279	5,940	24,296	274	6,646	24,932	274	6,832
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	11,060	1,961	21,694	10,947	1,991	21,794	12,475	2,021	25,209	12,801	2,053	26,282
- OVERSEAS (MAC & MSC)...	5,815	409	2,378	5,757	442	2,547	6,560	460	3,017	6,731	467	3,145
TRAILER ALLOWANCE.....	371	2,740	1,016	368	2,779	1,023	419	2,822	1,182	430	2,866	1,232
PRIVATELY OWNED VEHICLE												
- MIL. SEALIFT COMMAND...	2,600	1,737	4,515	2,573	1,763	4,535	2,932	2,248	6,592	3,009	2,284	6,874
- PORT HANDLING (MTMC)...	2,600	279	726	2,573	279	719	2,932	279	819	3,009	279	841
PORT HANDLING (HHG).....	7,305	32	236	7,231	33	238	8,240	33	271	8,455	33	278
SUBTOTAL.....			\$ 89,173			\$ 88,376			\$ 101,752			\$ 105,280
TOTAL PCS ACCESSION TRAVEL...			\$ 116,718			\$ 114,459			\$ 129,429			\$ 133,646

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 48,435
ESTIMATE FY 2000	\$ 47,289
ESTIMATE FY 1999	\$ 46,007
ACTUAL FY 1998	\$ 46,047

**Project: Training Travel**

**Part I - Purpose and Scope**

Officers. Funds CONUS PCS movements for officers and warrant officers (1) from current permanent duty station to formal service or civilian schools, including technical schools, pilot training, factory training, and other approved courses of instruction of 20 weeks duration or more, and (2) to next CONUS permanent duty station upon completion of school or when eliminated from school prior to completion. Excludes academy graduates, OCS graduates, ROTC graduates, and others (chargeable as Accession travel) and those officers and warrant officers who are moving into and out of a training seat from/to an overseas location (chargeable as Rotational travel).

Enlisted. Funds PCS movements of (1) enlisted personnel from previous CONUS permanent duty station to formal service or civilian schools, including technical schools, aircraft maintenance training, factory training, and other approved courses of instruction, of 20 weeks duration or more; (2) enlisted school graduates and those eliminated from school to their next CONUS permanent duty station; and (3) enlisted personnel ordered to training leading to a commission, if such training period is of 20 weeks duration or more. Excludes those soldiers moving in or out of a training seat to or from an overseas location (chargeable as Rotational travel).

**Part II - Justification of Funds Requested**

Costs for training travel are based upon requirements for officer and enlisted personnel to attend military, other federal government, and civilian training programs.

Training is required to maintain the requisite skill levels/educational levels required by an Army that is capable of responding to strategic obligations in the evolving international environment. Training moves support the requirement to shape the force for tomorrow and the Army's duty to prepare soldiers to perform their required mission. Through training moves the Army is provided with soldiers trained in aviation, medical specialties, linguistics, force modernization, leadership skills, and Special Forces operations.

Detailed cost computations are provided by the following table:

PCS TRAINING TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL												
MILEAGE AND PER DIEM.....	5,876	\$ 468	\$ 2,752	5,770	\$ 458	\$ 2,640	5,787	\$ 447	\$ 2,586	5,829	\$ 447	\$ 2,605
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	4,407	413	1,820	4,328	403	1,746	4,340	394	1,710	4,372	394	1,723
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	4,995	5,098	25,464	4,905	5,174	25,380	4,919	5,252	25,834	4,955	5,336	26,440
DISLOCATION ALLOWANCE.....	4,407	1,494	6,583	4,328	1,548	6,698	4,340	1,616	7,012	4,372	1,679	7,339
TRAILER ALLOWANCE.....	6	2,740	16	6	2,779	17	6	2,822	17	6	2,866	17
SUBTOTAL.....			\$ 36,635			\$ 36,481			\$ 37,159			\$ 38,124
ENLISTED												
MEMBER TRAVEL												
MILEAGE AND PER DIEM.....	2,400	\$ 468	\$ 1,124	2,400	\$ 458	\$ 1,098	2,516	\$ 447	\$ 1,124	2,515	\$ 447	\$ 1,124
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	1,560	413	644	1,560	403	629	1,635	394	644	1,635	394	644
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	1,800	3,159	5,686	1,800	3,206	5,771	1,887	3,254	6,141	1,886	3,306	6,236
DISLOCATION ALLOWANCE.....	1,560	1,243	1,939	1,560	1,288	2,009	1,635	1,344	2,198	1,635	1,397	2,284
TRAILER ALLOWANCE.....	7	2,740	19	7	2,779	19	8	2,822	23	8	2,866	23
SUBTOTAL.....			\$ 9,412			\$ 9,526			\$ 10,130			\$ 10,311
TOTAL PCS TRAINING TRAVEL.....			\$ 46,047			\$ 46,007			\$ 47,289			\$ 48,435

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 135,269
ESTIMATE FY 2000	\$ 136,305
ESTIMATE FY 1999	\$ 130,535
ACTUAL FY 1998	\$ 131,424

**Project: Operational Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of (1) officers and warrant officers to and from permanent duty stations located within the United States; (2) officers and warrant officers to and from permanent duty stations located within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of officers and warrant officers who are interned, missing, or captured provided no transoceanic travel is involved.

Enlisted. Covers PCS movements of (1) enlisted personnel to and from permanent duty stations located within the United States; (2) enlisted personnel to and from permanent duty stations within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing, or captured provided no transoceanic travel is involved.

**Part II - Justification of Funds Requested**

Operational moves are critical to the Army's ability to maintain readiness throughout the force. They are necessary to maintain units at required personnel readiness levels; support activations and inactivations; fill joint duty positions mandated under the Goldwater-Nichols DOD Reorganization Act of 1986; correct imbalances of skill and grade; support humanitarian, compassionate, and joint domicile needs; assign personnel to key positions in response to unprogrammed/unanticipated requirements, support Base Realignment and Closure actions and to fill high priority units.

Detailed cost computations are provided by the following table:



PCS OPERATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	5,966	\$ 565	\$ 3,371	5,668	\$ 552	\$ 3,128	6,117	\$ 539	\$ 3,298	5,856	\$ 539	\$ 3,157
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	4,594	463	2,127	4,364	452	1,974	4,710	442	2,082	4,509	442	1,993
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	5,787	6,493	37,574	5,498	6,590	36,233	5,933	6,689	39,686	5,680	6,796	38,602
DISLOCATION ALLOWANCE.....	4,594	1,691	7,769	4,364	1,752	7,645	4,710	1,829	8,614	4,509	1,900	8,568
TRAILER ALLOWANCE.....	23	2,740	63	22	2,779	61	24	2,822	68	23	2,866	66
SUBTOTAL.....			\$ 50,904			\$ 49,041			\$ 53,748			\$ 52,386
ENLISTED												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	16,500	\$ 565	\$ 9,323	16,500	\$ 552	\$ 9,106	16,485	\$ 539	\$ 8,887	16,259	\$ 539	\$ 8,766
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	12,210	413	5,043	12,210	404	4,927	12,199	394	4,809	12,032	394	4,743
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	14,190	3,573	50,707	14,190	3,627	51,467	14,177	3,681	52,191	13,983	3,740	52,301
DISLOCATION ALLOWANCE.....	12,210	1,229	15,009	12,210	1,273	15,549	12,199	1,329	16,218	12,032	1,381	16,620
TRAILER ALLOWANCE.....	160	2,740	438	160	2,779	445	160	2,822	452	158	2,866	453
SUBTOTAL.....			\$ 80,520			\$ 81,494			\$ 82,557			\$ 82,883
TOTAL PCS OPERATIONAL TRAVEL.....			\$ 131,424			\$ 130,535			\$ 136,305			\$ 135,269

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 556,900
ESTIMATE FY 2000	\$ 575,093
ESTIMATE FY 1999	\$ 601,863
ACTUAL FY 1998	\$ 570,504

**Project: Rotational Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of officers and warrant officers (1) from permanent duty stations in CONUS to permanent duty stations overseas; (2) from permanent duty stations overseas to permanent duty stations in CONUS; (3) from permanent duty stations in one overseas area to permanent duty stations in another overseas area, but only when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowance, and privately owned vehicles of officers and warrant officers who are interned, missing, or captured, but only when transoceanic travel is involved.

Enlisted. Covers PCS movements of enlisted personnel (1) from permanent duty stations in CONUS to permanent duty stations overseas; (2) from permanent duty stations overseas to permanent duty stations in CONUS; (3) from permanent duty stations overseas to permanent duty stations in another overseas area, but only when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing, or captured, but only when transoceanic travel is involved.

**Part II - Justification of Funds Requested**

Rotational moves are driven by the commitment to station 25% of the force overseas in support of the National Military Strategy. The number of moves required is determined by overseas end strength and the average time actually served overseas, less the number of overwater Accession, Separation, and Unit moves. Current time on station for soldiers serving in overseas locations exceeds prescribed tour lengths by three months. While this increased average time on station due to stabilized European troop strength and management efficiencies reduces rotational move requirements, increased end strength in Korea, tour length conversions in Saudi Arabia and Kuwait and permanent positions in support of Traditional CINC Activities generate additional rotational move requirements.

The Army's system of rotating soldiers to and from Europe was examined by the General Accounting Office (GAO). In their 1993 report to Congress GAO stated there were no strong arguments to depart from the Army's current system.

PCS ROTATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL.....	8,026	\$ 1,333	\$ 10,696	7,900	\$ 1,333	\$ 10,532	8,110	\$ 1,323	\$ 10,730	8,110	\$ 1,332	\$ 10,799
DEPENDENT TRAVEL.....	6,823	1,661	11,332	6,715	1,665	11,182	6,893	1,655	11,408	6,893	1,667	11,490
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	7,560	6,371	48,168	7,441	6,467	48,121	7,640	6,564	50,149	7,640	6,669	50,952
- OVERSEAS.....	20,458	439	8,978	20,137	466	9,379	20,672	479	9,895	20,672	486	10,052
TRAILER ALLOWANCE.....	63	2,746	173	62	2,790	173	63	2,825	178	63	2,873	181
DISLOCATION ALLOWANCE...	6,823	1,630	11,121	6,715	1,689	11,339	6,893	1,763	12,151	6,893	1,832	12,626
PRIVATELY OWNED VEHICLE												
- MIL. SEALIFT COMMAND	4,816	1,737	8,364	4,740	1,763	8,355	4,866	2,248	10,940	4,866	2,284	11,115
- PORT HANDLING (MTMC)	4,816	279	1,345	4,740	280	1,325	4,866	279	1,360	4,866	279	1,360
PORT HANDLING (HHG).....	71,044	53	3,771	69,929	54	3,768	71,788	54	3,868	71,788	54	3,868
SUBTOTAL.....		\$ 103,948			\$ 104,174			\$ 110,679			\$ 112,443	

PCS ROTATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED												
MEMBER TRAVEL.....	68,002	\$ 1,129	\$ 76,779	71,516	\$ 1,134	\$ 81,119	63,881	\$ 1,129	\$ 72,091	60,207	\$ 1,137	\$ 68,469
DEPENDENT TRAVEL.....	41,482	1,365	56,634	43,625	1,359	59,278	38,968	1,344	52,358	36,727	1,351	49,602
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	53,885	3,637	195,992	56,669	3,692	209,212	50,620	3,747	189,682	47,709	3,807	181,636
- OVERSEAS.....	32,437	467	15,158	34,113	497	16,955	30,472	511	15,585	28,719	520	14,924
TRAILER ALLOWANCE.....	157	2,745	431	165	2,776	458	147	2,823	415	138	2,870	396
DISLOCATION ALLOWANCE...	41,482	1,154	47,887	43,625	1,196	52,174	38,968	1,249	48,654	36,727	1,297	47,644
PRIVATELY OWNED VEHICLE												
- MIL. SEALIFT COMMAND	34,002	1,737	59,050	35,758	1,763	63,031	31,941	2,248	71,817	30,104	2,284	68,768
- PORT HANDLING (MTMC)	34,002	279	9,500	35,758	279	9,991	31,941	279	8,925	30,104	279	8,412
PORT HANDLING (HHG).....	118,656	43	5,125	124,788	44	5,471	111,466	44	4,887	105,055	44	4,606
SUBTOTAL.....			\$ 466,556			\$ 497,689			\$ 464,414			\$ 444,457
TOTAL PCS ROTATIONAL TRAVEL.....			\$ 570,504			\$ 601,863			\$ 575,093			\$ 556,900

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 170,902
ESTIMATE FY 2000	\$ 162,933
ESTIMATE FY 1999	\$ 153,815
ACTUAL FY 1998	\$ 162,547

**Project: Separation Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of officers and warrant officers upon separation from the service from their last permanent duty station to their home of record, point of entry into service, or to their home of selection when authorized by law.

Enlisted. Covers PCS movements of enlisted personnel upon separation from the service from last permanent duty station to their home of record, point of entry into service, or to their home of selection when authorized by law.

Cadets. Covers PCS movements of cadets eliminated from the academy to their home of record or point of entry into service.

**Part II - Justification of Funds Requested**

Separations are based on projected personnel losses.

Detailed cost computations are provided in the following table:

PCS SEPARATION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL.....	7,424	598	\$ 4,439	6,889	592	\$ 4,077	6,381	583	\$ 3,721	6,442	586	\$ 3,772
DEPENDENT TRAVEL.....	5,939	333	1,980	5,511	333	1,836	5,105	330	1,685	5,154	332	1,712
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	4,046	4,817	19,488	3,755	4,889	18,358	3,477	4,962	17,253	3,511	5,042	17,702
- OVERSEAS.....	1,374	523	718	1,274	557	710	1,180	575	678	1,193	585	698
TRAILER ALLOWANCE.....	36	2,740	99	33	2,779	92	31	2,822	87	31	2,866	89
PRIVATELY OWNED VEHICLE												
- MIL. SEALIFT COMMAND...	1,076	1,737	1,869	999	1,763	1,761	925	2,248	2,080	934	2,284	2,134
- PORT HANDLING (MTMC)...	1,076	279	301	999	279	279	925	279	258	934	279	261
PORT HANDLING (HHG).....	20,416	43	881	18,942	44	830	17,545	44	769	17,721	44	776
SUBTOTAL.....			\$ 29,775			\$ 27,943			\$ 26,531			\$ 27,144
CADETS.....	230	750	\$ 173	322	750	\$ 242	228	750	\$ 171	228	750	\$ 171

PCS SEPARATION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED												
MEMBER TRAVEL.....	80,529	547	\$ 44,048	75,705	542	\$ 41,044	80,585	535	\$ 43,091	83,961	537	\$ 45,080
DEPENDENT TRAVEL.....	16,911	372	6,289	15,898	373	5,929	16,923	371	6,271	17,632	373	6,581
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	21,799	3,176	69,231	20,493	3,224	66,060	21,814	3,272	71,373	22,728	3,324	75,553
- OVERSEAS.....	6,291	557	3,501	5,915	595	3,521	6,295	614	3,867	6,560	624	4,095
TRAILER ALLOWANCE.....	242	2,740	663	227	2,779	631	242	2,822	683	252	2,866	722
PRIVATELY OWNED VEHICLE												
- MIL. SEALIFT COMMAND...	4,026	1,737	6,992	3,785	1,763	6,672	4,029	2,248	9,059	4,198	2,284	9,590
- PORT HANDLING (MTMC)...	4,026	279	1,125	3,785	279	1,058	4,029	279	1,126	4,198	279	1,173
PORT HANDLING (HHG).....	23,554	32	750	22,143	32	715	23,571	32	761	24,558	32	793
SUBTOTAL.....			\$ 132,599			\$ 125,630			\$ 136,231			\$ 143,587
TOTAL PCS SEPARATION TRAVEL.....			\$ 162,547			\$ 153,815			\$ 162,933			\$ 170,902

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$ 6,168
ESTIMATE FY 2000	\$ 6,409
ESTIMATE FY 1999	\$ 12,446
ACTUAL FY 1998	\$ 16,462

**Project: Travel of Organized Units**

**Part I - Purpose and Scope**

Officers. Covers PCS movements (CONUS or overseas), of (1) officers and warrant officers directed to move as members of an organized unit movement and (2) officer and warrant officer fillers and replacements directed to move as part of the unit move.

Enlisted. Covers PCS movements (CONUS or overseas), of (1) enlisted personnel directed to move as members of an organized unit movement and (2) enlisted fillers and replacements directed to move as part of the unit move.

**Part II - Justification of Funds Requested**

Unit moves are required to support changes in force structure that necessitate realignment of forces to correct imbalances of support/command/control units, and to maintain unit tactical integrity. Costs are based on point-to-point unit moves. The number of unit moves are cyclical as the Army repositions the force structure in response to an evolving global focus, and the fielding of new equipment/units.

Detailed cost computations are provided by the following table:



PCS ORGANIZED UNIT TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	486	\$ 407	\$ 198	380	\$ 397	\$ 151	150	\$ 387	\$ 58	150	\$ 387	\$ 58
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	379	332	126	296	324	96	117	316	37	117	316	37
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	384	5,773	2,217	300	5,860	1,758	119	5,950	708	119	6,042	719
DISLOCATION ALLOWANCE.....	389	1,805	702	304	1,870	568	120	1,952	234	120	2,028	243
TRAILER ALLOWANCE.....	4	2,740	11	3	2,779	8	1	2,822	3	1	2,866	3
SUBTOTAL.....			\$ 3,254			\$ 2,581			\$ 1,040			\$ 1,060
ENLISTED												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	3,800	\$ 356	\$ 1,354	2,800	\$ 348	\$ 975	1,500	\$ 340	\$ 510	1,400	\$ 340	\$ 476
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	2,318	333	771	1,708	325	555	915	317	290	854	317	271
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	2,356	3,377	7,957	1,736	3,428	5,951	930	3,480	3,236	868	3,536	3,069
DISLOCATION ALLOWANCE.....	2,394	1,263	3,025	1,764	1,309	2,309	945	1,367	1,291	882	1,420	1,252
TRAILER ALLOWANCE.....	37	2,740	101	27	2,779	75	15	2,822	42	14	2,866	40
SUBTOTAL.....			\$ 13,208			\$ 9,865			\$ 5,369			\$ 5,108
TOTAL PCS ORGANIZED UNIT TRAVEL.....			\$ 16,462			\$ 12,446			\$ 6,409			\$ 6,168

PCS - NON-TEMPORARY STORAGE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998 AMOUNT	ESTIMATE FY 1999 AMOUNT	ESTIMATE FY 2000 AMOUNT	ESTIMATE FY 2001 AMOUNT
NON-TEMPORARY STORAGE.....	\$ 27,960	\$ 28,401	\$ 28,752	\$ 28,870
TEMPORARY LODGING EXPENSE.....	11,484	11,422	10,605	10,202
TOTAL OBLIGATIONS.....	\$ 1,083,145	\$ 1,098,947	\$ 1,096,815	\$ 1,090,392
LESS: REIMBURSABLE OBLIGATIONS.....	8,000	8,000	8,000	8,000
TOTAL DIRECT OBLIGATIONS.....	\$ 1,075,145	\$ 1,090,947	\$ 1,088,815	\$ 1,082,392

Section 4  
 Schedule of Increases and Decreases  
 (Amounts in Thousands of Dollars)

Other Military Personnel Costs	Amount
FY 1999 Direct Program	\$ 204,063
Decreases:	
a. Unemployment Benefits	- 13,647
Reflects decreased payments to the Unemployment Trust Fund	
b. Army College Fund reduction reflects lower requirements	- 7,521
c. Transfer Army College Fund to Enlisted Pay & Allowances	- 68,455
The Army College Fund is transferred to BA2 to consolidate Army recruiting and retention programs.	
Total Decreases:	\$- 89,623
FY 2000 Direct Program	
Increases:	
Unemployment Benefits	7,664
Reflects increased payments to the Unemployment Trust Fund	
Total Increases:	\$ 7,664
Decreases:	
Force Manning	- 459
Reflects decreases in Survivor Benefits	
Total Decreases:	\$- 459
FY 2001 Direct Program	\$ 121,645

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$798
ESTIMATE FY 2000	\$795
ESTIMATE FY 1999	\$771
ACTUAL FY 1998	\$785

**Project: Apprehension of Deserters**

**Part I - Purpose and Scope**

The funds requested provide for expenses in connection with the apprehension of deserters, absentees, and escaped military prisoners and for their delivery to the control of the Department of Defense. Included is the cost of detention and subsistence furnished during the period a military member is detained in civil confinement for safekeeping when so requested by military authority, cost of reimbursement for expenses incurred (not to exceed \$75.00 in either case), and cost of transportation, lodging, and subsistence of an escort guard.

**Part II - Justification of Funds Requested**

Cost estimates are based on factors developed from current expenditure experience as applied against programmed manyears.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
APPREHENSION OF DESERTERS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

ACTUAL FY 1998                      ESTIMATE FY 1999                      ESTIMATE FY 2000                      ESTIMATE FY 2001

TRAVEL AND OTHER EXPENSES INCIDENT TO THE  
APPREHENSION AND DELIVERY OF DESERTERS,  
PRISONERS AND SOLDIERS AWOL INCLUDING  
PAYMENT OF CONFINEMENT OF MILITARY  
PRISONERS IN NON-MILITARY FACILITIES.....

\$785

\$771

\$795

\$798

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$2,862
ESTIMATE FY 2000	\$2,856
ESTIMATE FY 1999	\$2,112
ACTUAL FY 1998	\$2,148

**Project: Death Gratuities**

**Part I - Purpose and Scope**

The funds requested are for the payment of death gratuities to beneficiaries of deceased military personnel as authorized by law. Death gratuities are composed of basic pay, incentive pay, and overseas pay, if applicable. The National Defense Authorization Act for FY92 and FY93, section 652, amends Section 1478(a) of Title 10 U.S.C., increasing the maximum amount payable to \$6,000.

**Part II - Justification of Funds Requested**

Fund requirements are based on the most recent mortality rates as applied against programmed manyears of personnel and the statutory gratuity payment.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
DEATH GRATUITIES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
DEATH GRATUITIES												
OFFICER.....	45	\$6,000	\$270	44	\$6,000	\$264	77	\$6,000	\$462	76	\$6,000	\$456
ENLISTED.....	307	6,000	1,842	302	6,000	1,812	395	6,000	2,370	397	6,000	2,382
CADETS.....	6	6,000	36	6	6,000	36	4	6,000	24	4	6,000	24
TOTAL.....	358		\$2,148	352		\$2,112	476		\$2,856	477		\$2,862

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$109,956
ESTIMATE FY 2000	\$102,292
ESTIMATE FY 1999	\$115,939
ACTUAL FY 1998	\$106,463

**Project: Unemployment Benefits Paid to Ex-Service Members**

**Part I - Purpose and Scope**

Funds are to pay unemployment benefits to ex-service members who are discharged or released under honorable conditions as prescribed in Paragraph (1) of Section 8521(a) of Title 5, United States Code. The Department of Labor is the executive agency for the program; however, program administration is accomplished by each state. Generally, eligibility is defined as active service in the Army whereupon service members were discharged under honorable conditions (and, if an officer, did not resign for the good of the service); and had completed their first full term of active service; or were discharged before completing their first term under an early release program, because of hardship, for medical reasons, for personal disorders, or inaptitude (but only if the service was continuous for 365 days or more).

The Emergency Unemployment Compensation Act of 1991 (P.L. 102-164) extended unemployment compensation benefits for former military personnel up to 26 weeks with a one-week waiting period as opposed to 13 weeks after a four-week wait. The law also reduced the amount of active duty days required in a reserve status from 180 continuous days to 90 continuous days to be considered as "federal service" for claim purposes.

**Part II - Justification of Funds Requested**

The estimated unemployment benefit payments are based on programmed separations from the Army's manpower program and average monthly benefit amounts of compensation from the Department of Labor. Costs decrease by \$13.6 million from FY99 to FY00 due lower usage rates.

Detailed cost computations are provided by the following table:



OTHER MILITARY PERSONNEL COSTS  
 UNEMPLOYMENT BENEFITS PAID TO EX-SERVICE MEMBERS  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
UNEMPLOYMENT BENEFITS												
OFFICER.....	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
ENLISTED.....	32,330	3,293	\$106,463	33,354	3,476	\$115,939	28,203	3,627	\$102,292	29,228	3,762	\$109,956
TOTAL.....	32,330		\$106,463	33,354		\$115,939	28,203		\$102,292	29,228		\$109,956

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$7,416
ESTIMATE FY 2000	\$7,883
ESTIMATE FY 1999	\$8,351
ACTUAL FY 1998	\$8,272

**Project: Survivor Benefits**

**Part I - Purpose and Scope**

Funds are requested to provide for payments of restored social security benefits to widows and orphans of deceased Army military personnel. These benefits were withdrawn under Public Law 97-35, which terminated the "Mother's Milk Benefit" when the last child in custody of the surviving spouse reached age 16, rather than 18, and affected the "school child" by either eliminating benefit payments or by requiring a reduction in benefits. Section 156 of Public Law 97-37, modified by Section 943 of the DOD Authorization Act, 1984, P.L. 98-94, Stat. 614, restored these Social Security benefits to survivors of military members and directed the Department of Defense to budget for this requirement.

**Part II - Justification of Funds Requested**

Cost estimates from the Department of Veterans Affairs are based on average benefit payments and caseload for spouses and children in school.

The latest Department of Veterans Affairs cost estimates are provided in the following table:

OTHER MILITARY PERSONNEL COSTS  
SURVIVOR BENEFITS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
SURVIVOR BENEFIT COSTS.....	\$8,272	\$8,351	\$7,883	\$7,416

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$252
ESTIMATE FY 2000	\$252
ESTIMATE FY 1999	\$380
ACTUAL FY 1998	\$380

**Project: Adoption Costs**

**Part I - Purpose and Scope**

Section 651 of the National Defense Authorization Act for FY92 and FY93 permanently established the adoption program to reimburse service members for adoption expenses of a child under the age of 18 years.

**Part II - Justification of Funds Required**

The average amount payable is \$2,000 per adoption. Expenses include public and private agency fees; legal fees; medical expenses associated with the child, biological mother, and adoptive parents; temporary foster care; and other expenses approved by the Department of Defense.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
ADOPTION EXPENSES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ADOPTION EXPENSES.....	190	\$2,000	\$380	190	\$2,000	\$380	126	\$2,000	\$252	126	\$2,000	\$252

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$486
ESTIMATE FY 2000	\$487
ESTIMATE FY 1999	\$540
ACTUAL FY 1998	\$538

**Project: Interest on Soldier's Deposit**

**Part I - Purpose and Scope**

The National Defense Authorization Act for FY92 and FY93, Section 639 amends Section 1035 of Title 10 U.S.C. This section establishes a savings program for overseas members participating in temporary duty contingency operations. Precedence from Vietnam indicates that the Department of the Army will be required to fund the difference between ten percent paid and the average Treasury Bill rates.

**Part II - Justification of Funds Requested**

The amount budgeted is based on current experience in relation to the number of Army participants.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
INTEREST ON SOLDIERS' DEPOSIT  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
INTEREST ON SOLDIERS' DEPOSIT												
OFFICER.....	785	\$280	\$220	790	\$280	\$221	628	\$280	\$176	625	\$280	\$175
ENLISTED.....	1,720	185	318	1,725	185	319	1,680	185	311	1,680	185	311
TOTAL.....	2,505		\$538	2,515		\$540	2,308		\$487	2,305		\$486

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2001	\$0
ESTIMATE FY 2000	\$0
ESTIMATE FY 1999	\$76,120
ACTUAL FY 1998	\$88,570

**Project: Educational Benefits**

**Part I - Purpose and Scope**

Funds are for the payment to the Department of Defense Educational Benefits Trust Fund. The Army College Fund is governed by Title 38 U.S.C., Chapter 30. The program will fund additional and supplemental benefit payments above a basic benefit to be budgeted by the Department of Veterans Affairs. This program is budgeted on an accrual basis by the Department of Defense. Actual benefit payments to individuals will be made by the Department of Veterans Affairs from funds transferred from the Trust Fund account.

**Part II - Justification of Funds Requested**

All individuals entering active duty after July 1, 1985 (including those in the Delayed Entry Program) except those who have received a commission from a service academy or completed an ROTC Scholarship Program are eligible to receive additional and supplemental educational assistance at the discretion of the Secretary of Defense unless they elect not to participate in the basic program.

In FY97, the Army initiated additional and supplemental benefit payments above the basic benefit to provide increased incentives for a selected number of critical skills open to both male and female recruits. The Board of Actuaries established new rates for these higher incentives midway through FY97. Due to fluctuating per capita rates for higher incentives, and the absorption of the FY99 amortization and liability payments, a decrease of \$-7.7 million is anticipated from FY99 to FY00 and \$-0.8 million is expected from FY00 to FY01. Beginning in FY00 Educational Benefits will be reflected under Budget Activity 2, Enlisted Pay and Allowances.

Detailed cost computations are provided by the following table:



OTHER MILITARY PERSONNEL COSTS  
 EDUCATIONAL BENEFITS  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
FOUR YEAR OBLIGATION.....	\$29,010	\$25,481	\$0	\$0
THREE YEAR OBLIGATION.....	\$27,119	\$21,490	\$0	\$0
TWO YEAR OBLIGATION.....	\$11,528	\$9,436	\$0	\$0
AMORTIZATION BENEFITS.....	20,913	19,713	0	0
EDUCATIONAL BENEFITS.....	\$88,570	\$76,120	\$0	\$0
 TOTAL DIRECT OMPC OBLIGATION AMOUNTS.....	 \$207,006	 \$204,063	 \$114,440	 \$121,645

Section 5  
Military Personnel, Army  
Defense Working Capital Funds (DWCF) Reimbursements  
Introduction

The Defense Management Resource Decision (DMRD) 971 established the Defense Working Capital Funds (DWCF) (formerly the Defense Business Operations Fund (DBOF)) in order to expand the use of business-like financial management practices. DWCF was initiated to improve the tools available to managers of the support establishment by collecting all costs related to goods and services, including military costs. Prior to DMRD 971 DWCF activities did not pay for the cost of military support. Reimbursements requested are for the cost of base pay and entitlements for military personnel assigned to DWCF activities.

Justification of Funds Requested

The estimated reimbursements are based on the Under Secretary of Defense (Comptroller) guidance. Estimated manpower reflects the number of workyears for each DWCF business area.

Detailed cost by DWCF activity is provided by the following table:

SECTION 5  
 DEFENSE WORKING CAPITAL FUNDS REIMBURSABLE PROGRAM  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

OFFICERS	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
SUPPLY MGMT	9	\$ 467	8	\$ 597	8	\$ 615	3	\$ 213
ORDNANCE	10	1,060	12	1,070	18	1,698	18	1,753
DEPOT MAINTENANC	29	3,070	26	2,145	16	1,364	16	1,408
INFORMATION SERV	32	2,679	21	1,689	18	1,495	18	1,544
SMALL COMPUTER P	0	0	0	0	0	0	0	0
AMC	80	7,277	67	5,501	60	5,171	55	4,919
ICP's	100	8,000	95	8,050	95	8,637	95	8,919
DRMS	2	262	2	204	2	210	2	217
INFO SERVICES	2	167	2	178	2	179	115	10,614
DEPOTS	41	4,262	28	2,114	28	2,163	28	2,650
DLA	145	12,691	127	10,546	127	11,188	240	22,400
DFAS	55	4,497	55	6,277	55	4,968	44	4,117
DECA	9	492	9	578	9	524	9	541
DECCO	2	149	2	146	0	0	0	0
DISO	4	107	3	0	1	108	0	0
DISA	6	256	5	146	1	108	0	0
JLSC	2	197	0	0	0	0	0	0
MTMC	65	6,000	60	5,740	59	5,255	59	5,414
DEFENSE COURIER	7	500	4	494	4	303	4	313
TRANSCOM	69	5,943	67	6,143	61	6,277	61	5,781
TOTAL TRANSCOM	141	12,443	131	12,377	124	11,835	124	11,507
TOTAL	438	\$ 37,852	394	\$ 35,425	376	\$ 33,795	472	\$ 43,484

SECTION 5  
 DEFENSE WORKING CAPITAL FUNDS REIMBURSABLE PROGRAM  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

ENLISTED	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
SUPPLY MGMT	8	\$ 295	9	\$ 291	8	\$ 272	8	\$ 281
ORDNANCE	12	367	12	337	8	263	8	271
DEPOT MAINTENANC	16	1,715	6	220	4	152	4	156
INFORMATION SERV	114	5,024	59	1,729	0	0	0	0
SMALL COMPUTER P	0	0	0	0	0	0	0	0
AMC	150	7,401	86	2,578	20	686	20	709
ICP's	49	1,230	62	1,750	37	1,279	37	1,321
DRMS	24	765	4	493	4	125	4	130
INFO SERVICES	0	0	9	0	9	308	9	318
DEPOTS	6	1,113	6	767	20	700	20	723
DLA	79	3,109	81	3,010	70	2,412	70	2,491
DFAS	445	11,703	443	9,023	443	11,332	371	11,826
DECA	1	40	1	42	1	43	1	44
DECCO	4	128	13	0	40	497	30	989
DISO	34	2,516	39	2,044	6	195	6	201
DISA	38	2,644	52	2,044	46	692	36	1,190
JLSC	1	0	0	0	0	0	0	0
MTMC	68	2,400	63	2,326	60	2,076	60	2,144
DEFENSE COURIER	85	2,500	76	2,441	76	2,442	76	2,522
TRANSCOM	35	1,157	30	1,071	30	947	30	978
TOTAL TRANSCOM	188	6,057	169	5,838	166	5,465	166	5,645
TOTAL	902	\$ 30,953	832	\$ 22,535	746	\$ 20,630	664	\$ 21,904

SECTION 5  
DEFENSE WORKING CAPITAL FUNDS REIMBURSABLE PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

TOTAL	ACTUAL FY 1998		ESTIMATE FY 1999		ESTIMATE FY 2000		ESTIMATE FY 2001	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
SUPPLY MGMT	17	\$ 763	17	\$ 888	16	\$ 887	11	\$ 494
ORDNANCE	22	1,427	24	1,408	26	1,960	26	2,024
DEPOT MAINTENANC	45	4,785	32	2,365	20	1,515	20	1,565
INFORMATION SERV	146	7,703	102	3,418	18	1,495	18	1,544
SMALL COMPUTER P	0	0	3	0	0	0	0	0
AMC	230	14,677	178	8,079	80	5,858	75	5,627
ICP's	149	9,230	157	9,800	132	9,915	132	10,240
DRMS	26	1,027	6	697	6	336	6	347
INFO SERVICES	2	167	11	178	11	486	124	10,932
DEPOTS	47	5,376	34	2,881	48	2,863	48	3,373
DLA	224	15,800	208	13,556	197	13,600	310	24,891
DFAS	500	16,200	498	15,300	498	16,300	415	15,944
DECA	10	532	10	620	10	567	10	585
DECCO	6	277	15	146	40	497	30	989
DISO	38	2,623	42	2,044	7	303	6	201
DISA	44	2,899	57	2,190	47	800	36	1,190
JLSC	3	197	0	0	0	0	0	0
MTMC	133	8,400	123	8,066	119	7,331	119	7,558
DEFENSE COURIER	92	3,000	80	2,935	80	2,745	80	2,835
TRANSCOM	104	7,100	97	7,214	91	7,224	91	6,759
TOTAL TRANSCOM	329	18,500	300	18,216	290	17,300	290	17,152
TOTAL	1,340	\$ 68,806	1,251	\$ 57,960	1,122	\$ 54,425	1,136	\$ 65,388

SECTION 5  
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
<b>NONREIMBURSABLE</b>												
EXEC OFF OF THE PRES.....	14	3	17	14	3	17	14	3	17	14	3	17
NATIONAL SEC COUNCIL.....	6	1	7	6	1	7	6	1	7	6	1	7
INTERIOR DEPARTMENT.....	0	0	0	0	0	0	0	0	0	0	0	0
STATE DEPARTMENT.....	23	2	25	23	2	25	23	2	25	23	2	25
ENERGY DEPARTMENT.....	6	0	6	6	0	6	6	0	6	6	0	6
UN TRUCE SUPERVISOR.....	7	0	7	0	0	0	0	0	0	0	0	0
FED EMER MGMT AGENCY.....	2	0	2	2	0	2	2	0	2	2	0	2
JUSTICE DEPARTMENT.....	7	0	7	7	0	7	7	0	7	7	0	7
TREASURY DEPARTMENT.....	0	0	0	0	0	0	0	0	0	0	0	0
EXEC OFF OF THE VICE PRES..	0	0	0	0	0	0	0	0	0	0	0	0
FED BUREAU OF INVESTIGATION	1	0	1	1	0	1	1	0	1	1	0	1
DRUG ENFORCEMENT AGENCY....	5	7	12	5	7	12	5	7	12	5	7	12
OFFICE OF THE NATIONAL												
DRUG CONTROL POLICY.....	10	0	10	10	0	10	10	0	10	10	0	10
UNITED STATES SENATE.....	2	0	2	1	0	1	0	0	0	0	0	0
TOTAL NONREIMBURSABLE....	83	13	96	75	13	88	74	13	87	74	13	87
<b>REIMBURSABLE</b>												
ENERGY DEPARTMENT.....	0	0	0	0	0	0	0	0	0	0	0	0
AMER BATTLE MON COMM.....	5	0	5	5	0	5	5	0	5	5	0	5
ARMS CON DISARM AGENCY.....	4	0	4	4	0	4	4	0	4	4	0	4
AID.....	0	0	0	1	0	1	1	0	1	1	0	1
CLASSIFIED ACT.....	18	5	23	18	5	23	18	5	23	18	5	23
JUSTICE DEPARTMENT.....	2	4	6	1	0	1	2	4	6	0	0	0
NASA.....	3	0	3	3	0	3	3	0	3	3	0	3
TRANS DEPARTMENT (FAA).....	0	0	0	4	0	4	4	0	4	0	0	0
SELECTIVE SERVICE.....	7	0	7	7	0	7	7	0	7	7	0	7
FED EMER MGMT AGENCY.....	0	0	0	5	0	5	6	0	6	6	0	6
VETERANS ADMINISTRATION....	0	0	0	0	0	0	0	0	0	0	0	0
NATIONAL SCIENCE FDN.....	1	1	2	2	0	2	0	0	0	0	0	0
FED BUREAU OF INVESTIGATION	3	0	3	3	0	3	3	0	3	3	0	3
NATIONAL INSTITUTE OF HEALT	0	0	0	0	0	0	0	0	0	0	0	0
NOAA.....	0	0	0	0	0	0	0	0	0	0	0	0
OTHER AGENCIES.....	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REIMBURSABLE.....	43	10	53	53	5	58	53	9	62	47	5	52
TOTAL OUTSIDE DOD.....	126	23	149	128	18	146	127	22	149	121	18	139

SECTION 5  
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD

	ACTUAL FY 1998			ESTIMATE FY 1999			ESTIMATE FY 2000			ESTIMATE FY 2001		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
ASSIGNED TO DOD IN SUPPORT OF NON-DOD FUNCTIONS												
REIMBURSABLE:												
FOREIGN MILITARY SALES.....	302	230	532	302	230	532	108	230	338	108	230	338
MILITARY ASSIST PROGRAM....	0	0	0	0	0	0	0	0	0	0	0	0
DEFENSE WORKING CAPITAL FUN	444	951	1,395	419	939	1,358	439	1,050	1,489	439	1,050	1,489
TOTAL OTHER.....	746	1,181	1,927	721	1,169	1,890	547	1,280	1,827	547	1,280	1,827
TOTAL NONREIMBURSABLE.....	83	13	96	75	13	88	74	13	87	74	13	87
TOTAL REIMBURSABLE.....	43	10	53	53	5	58	53	9	62	47	5	52
GRAND TOTAL.....	872	1,204	2,076	849	1,187	2,036	674	1,302	1,976	668	1,298	1,966

SECTION 5 - REIMBURSABLE PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
MEDICAL.....	\$ 0	\$ 0	\$ 0	\$ 0
FOREIGN MILITARY SALES.....	\$ 24,980	\$ 27,619	\$ 29,538	\$ 31,537
TRAINING.....	11,000	13,000	14,000	15,500
PCS TRAVEL.....	7,580	7,580	7,580	7,580
ADMINISTRATIVE SURCHARGE.....	6,400	7,039	7,958	8,457
OTHER NON-STRENGTH.....	\$ 58,823	\$ 40,284	\$ 39,121	\$ 40,012
SUBSISTENCE IN KIND.....	58,423	39,884	38,746	39,637
CLOTHING.....	250	250	250	250
OTHER MILITARY COSTS.....	150	150	125	125
STRENGTH RELATED.....	\$ 123,264	\$ 125,097	\$ 127,920	\$ 132,420
OFFICER.....	76,025	76,177	77,500	79,500
ENLISTED.....	46,819	48,500	50,000	52,500
PCS TRAVEL.....	420	420	420	420
TOTAL PROGRAM.....	\$ 207,067	\$ 193,000	\$ 196,579	\$ 203,969



SECTION 5 - REIMBURSABLE PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
STRENGTH RELATED.....	\$ 122,844	\$ 124,677	\$ 127,500	\$ 132,000
TOTAL END STRENGTH.....	1,988	1,954	1,813	1,827
ENLISTED.....	1,191	1,185	1,086	1,004
OFFICER.....	797	769	727	823
TOTAL MANYEARS.....	1,986	1,946	1,807	1,521
ENLISTED.....	1,190	1,175	1,081	999
OFFICER.....	796	771	726	522
 FEDERAL AGENCIES				
OFFICER.....	\$ 5,331	\$ 5,405	\$ 6,244	\$ 5,145
END STRENGTH.....	51	51	51	51
MANYEARS.....	50	50	50	50
ENLISTED.....	\$ 496	\$ 681	\$ 789	\$ 822
END STRENGTH.....	10	10	10	10
MANYEARS.....	9	9	9	9
TOTAL.....	\$ 5,827	\$ 6,086	\$ 7,033	\$ 5,967
END STRENGTH.....	61	61	61	61
MANYEARS.....	59	59	59	59
 MAAGS, MISSIONS, AND MILITARY GROUPS				
OFFICER.....	\$ 32,842	\$ 35,347	\$ 37,461	\$ 30,871
END STRENGTH.....	308	324	300	300
MANYEARS.....	308	327	300	300
ENLISTED.....	\$ 15,370	\$ 25,284	\$ 28,581	\$ 29,774
END STRENGTH.....	279	343	330	330
MANYEARS.....	279	334	326	326
TOTAL.....	\$ 48,212	\$ 60,631	\$ 66,042	\$ 60,645
END STRENGTH.....	587	667	630	630
MANYEARS.....	587	661	626	626

SECTION 5 - REIMBURSABLE PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

DEFENSE WORKING CAPITAL FUNDS (DWCF)	ACTUAL FY 1998	ESTIMATE FY 1999	ESTIMATE FY 2000	ESTIMATE FY 2001
OFFICER.....	\$ 37,852	\$ 35,425	\$ 33,795	\$ 43,484
END STRENGTH.....	438	394	376	472
MANYEARS.....	438	394	376	172
ENLISTED.....	\$ 30,953	\$ 22,535	\$ 20,630	\$ 21,904
END STRENGTH.....	902	832	746	664
MANYEARS.....	902	832	746	664
TOTAL.....	\$ 68,805	\$ 57,960	\$ 54,425	\$ 65,388
END STRENGTH.....	1,340	1,226	1,122	1,136
MANYEARS.....	1,340	1,226	1,122	836

**COMBATING TERRORISM**  
**ARMY**  
**MILITARY PERSONNEL ARMY (21\*2010)**

**THIS BUDGET INCLUDES SUPPORT IN THE FORM OF PAY AND ALLOWANCES COSTS FOR ACTIVE MILITARY PERSONNEL ASSOCIATED WITH COUNTERTERRORISM ACTIVITIES AS FOLLOWS:**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
<b><u>Appropriation Summary:</u></b>				
Military Personnel Army (\$ in Millions)				
Total	\$ 625.2	\$ 650.7	\$ 632.0	\$ 646.1
I. Financial Summary (\$ in Millions)				
<u>Security Forces and Technicians</u>	\$ 86.3	\$ 89.7	\$ 86.0	\$ 87.9
<u>Law Enforcement</u>	\$ 434.0	\$ 451.9	\$ 437.6	\$ 446.9
<u>Security and Investigative Matters</u>	\$ 41.5	\$ 43.4	\$ 43.2	\$ 44.2
<u>Counterintelligence</u>	\$ 63.4	\$ 65.7	\$ 65.2	\$ 67.0
<b>Total Funding</b>	<b>\$ 625.2</b>	<b>\$ 650.7</b>	<b>\$ 632.0</b>	<b>\$ 646.1</b>
II. Personnel Summary (Active Military End Strength)				
<u>Security Forces and Technicians</u>	2,440	2,441	2,404	2,404
<u>Law Enforcement</u>	11,341	11,357	11,198	11,199
<u>Security and Investigative Matters</u>	758	772	768	767
<u>Counterintelligence</u>	1,384	1,376	1,375	1,386
<b>Total Personnel</b>	<b>15,923</b>	<b>15,946</b>	<b>15,745</b>	<b>15,756</b>

Exhibit CbT-1 Combating Terrorism

