

DEPARTMENT OF DEFENSE
FY 2007 Supplemental Request
FOR
OPERATION IRAQI FREEDOM (OIF) AND
OPERATION ENDURING FREEDOM (OEF)



ARMY MILITARY PERSONNEL

February 2007

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MILITARY PERSONNEL OVERVIEW

The FY 2007 Supplemental requests funds so that the United States may continue security stabilization efforts in Iraq and Afghanistan and continue the global fight against terrorism, including accelerated formation of two Brigade Combat Teams (BCTs). These efforts are in addition to ongoing daily military operations around the globe. Without additional funds in FY 2007, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations. In FY 2007, Army military personnel costs are averaging about \$989 million per month for Operation Iraqi Freedom (OIF) and \$110 million per month for Operation Enduring Freedom (OEF). Absorbing costs of this magnitude will seriously degrade combat operations and weaken the nation's ability to react to future threats.

This request includes **\$8,889.2 million** for Army military personnel costs as shown in the following tables:

	(\$ in Thousands)			
	FY 2006	FY 2007	FY 2007	FY 2007
	<u>Total Actual</u>	<u>Title IX</u>	<u>Supplemental</u>	<u>Total Estimate</u>
Summary by Appropriation				
Military Personnel, Army	11,900,996	4,346,710	8,305,899	12,652,609
Reserve Personnel, Army	279,325	87,756	147,244	235,000
National Guard Personnel, Army	<u>575,008</u>	<u>295,959</u>	<u>436,025</u>	<u>731,984</u>
	12,755,329	4,730,425	8,889,168	13,619,593

	(\$ in Thousands)			
	FY 2006	FY 2007	FY 2007	FY 2007
	<u>Total Actual</u>	<u>Title IX</u>	<u>Supplemental</u>	<u>Total Estimate</u>
Basic Allowance for Housing				
Memo Entry - Cost included above				
Military Personnel, Army	(1,517,266)	-	(1,463,537)	(1,463,537)
Reserve Personnel, Army	(1,166)	-	(697)	(697)
National Guard Personnel, Army	<u>(56,072)</u>	<u>-</u>	<u>(46,884)</u>	<u>(46,884)</u>
	(1,574,504)	-	(1,511,118)	(1,511,118)

	(\$ in Thousands)			<u>Total</u>
	<u>Active Army</u>	<u>Army Reserve</u>	<u>Army Guard</u>	
<u>FY 2007 Request (net request)</u>				
Reserve & Guard Mobilization/Deployment Costs	3,729,728			3,729,728
Active Overstrength Costs	1,862,004			1,862,004
Subsistence-In-Kind (SIK)	1,131,175			1,131,175
Recruiting and Retention	1,016,039	139,744	380,386	1,536,169
Permanent Change of Station	420,698			420,698
Casualty and Disability	146,256		4,400	150,656
Pre and Post Mobilization Training	-	7,500	51,239	58,739
Total Military Personnel	8,305,899	147,244	436,025	8,889,168

The following table reflects mobilization and deployment assumptions as well as active overstrength estimates. Mobilization numbers include personnel deployed to theater as well as personnel remaining in CONUS supporting OEF and OIF.

	<u>Average Strength</u>
	FY 2007
Active Army Deployment	156,365
Army Reserve Mobilization	34,212
Army National Guard Mobilization	51,403
Active Army Overstrength	29,354

In response to the terrorist attacks on the United States on September 11, 2001, the President invoked his authority (10 U.S.C 12302) to order to active duty Ready Reserve members and delegated his authority to the Secretary of Defense in Proclamation 7463 of September 14, 2001. This declaration of national emergency has been extended, thereby continuing the authority to order to active duty Ready Reserve members. In order to sustain current military operations, funding is requested to finance the incremental costs (i.e., pay, allowances, subsistence, and other personnel costs) for personnel mobilized for duty in support of OIF and OEF.

The Army's current military personnel request of **\$8,889.2 million** is comprised of the following major costs:

Reserve & Guard Mobilization/Deployment Costs (\$3,729.7 million)

- Basic military pay and entitlements (i.e., Basic Pay, Basic Allowance for Housing (BAH), retired pay accrual, social security contributions, and incentive pays) for Reserve and National Guard members on active duty to provide essential military operation support or backfill for those active personnel deployed overseas in support of OIF and OEF.
- Special Pays for Mobilized Reserve, National Guard, and Active Component Personnel:
 - Hostile Fire Pay (HFP)/Imminent Danger Pay (IDP) (\$225 per month),
 - Family Separation Allowance (FSA) (\$250 per month),
 - Hardship Duty-location Pay (\$100 per month if deployed for less than 12 months and \$300 per month if deployed for more than 12 months),
 - Combat Related Injury Rehabilitation Pay (CIP) (\$430 per month, minus HFP/IDP).
- Basic Allowance for Subsistence (BAS) for all Active and Reserve Component members in support of OIF and OEF.
- Additional Mobilization/Deployment Benefits for unemployment benefits to ex-service members who are discharged or released under honorable conditions; the Reserve Income Replacement Program (RIRP); and Interest on Uniformed Services Savings Deposits payments authorized by Section 1035 of 10 U.S.C.

IMPACT IF NOT FUNDED: The Army will be unable to adequately provide the necessary force mix to successfully meet mission requirements for both OEF and OIF. Furthermore, the Army will be unable to meet statutory obligations to provide pay and allowances to mobilized reserve component personnel. Without additional funds in FY 2007, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations.

Active Overstrength Costs (\$1,862.0 million)

- Funds personnel-related costs for an additional 29,354 Army military personnel maintained on active duty above the normal strength levels of 482,400 to sustain the readiness levels of deploying units. The Army anticipates ending FY 2007 with an average strength of 511,696. The Army anticipates ending FY 2007 with an end strength of 518,400.

IMPACT IF NOT FUNDED: The Army will be unable to adequately provide the necessary force mix to successfully meet mission requirements for both OEF and OIF. Furthermore, the Army will be unable to meet statutory obligations to provide pay and allowances to active component personnel. Without additional funds in FY 2007, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations.

Subsistence-In-Kind (SIK) Costs (\$1,131.2 million)

- Funds requested provide Subsistence-in-Kind (SIK) (food and drink) to Soldiers while deployed in support of both OEF and OIF. SIK includes the cost of procuring subsistence for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Army provides subsistence in mess facilities and operational rations for members of all military services participating in Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF).

IMPACT IF NOT FUNDED: The Army will need to reprogram funds from other appropriations to adequately feed Soldiers and other military service members deployed in support of both OEF and OIF. Without additional funds in FY 2007, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations.

Recruiting and Retention (Active Component \$1,016.0 million; Reserve Component \$520.1 million)

- The Recruiting and Retention program pays for personnel incentives, bonuses, education benefits and retention bonuses. Payments are used as accession and retention incentives to fill critical Army Military Operational Skill (MOS) positions in Active, Army Reserve and National Guard units that are mobilized in support of GWOT.

IMPACT IF NOT FUNDED: The Army will be at risk of not achieving planned accession and retention goals. Failing to fund any portion of the FY 2007 Accession Action plan, which provides an integrated view of required resources to achieve the annual officer and enlisted accession and retention missions, will negatively impact Army troop strength objectives required to meet contingency mission requirements. In addition the Army will be at risk of not achieving mandated end strength objectives in the FY 2007 National Defense Authorization Act (NDAA) and modular force structure plans.

Permanent Change of Station (\$420.7 million)

- The Permanent Change of Station (PCS) program pays for travel, transportation, storage, and dislocation allowances for reassignment of military members and their families traveling individually or as part of an organized unit in support of both OEF and OIF. Costs are for the dislocation allowance, shipment of household goods, temporary and non-temporary storage of household goods, temporary lodging expense, and member mileage and per diem.

IMPACT IF NOT FUNDED: The Army will have insufficient funds to properly distribute the force. The Army will have to involuntarily extend Soldiers stationed overseas, prevent Soldiers from attending necessary career progression training/schooling, slow reset, and reduce unit manning readiness.

Casualty and Disability Benefits (\$150.7 million)

- Casualty Benefits – **\$150.656 million** for the following benefits associated with the death and traumatic injury of service members (T-SGLI) costs.
 - Death Gratuity payments to survivors of members dying on active duty (**\$99.456 million**)
 - Funding for Service Member’s Group Life Insurance (SGLI)/ Traumatic-SGLI insurance premiums that the Department of Defense pays on behalf of service members (**\$51.2 million**).

IMPACT IF NOT FUNDED: The Army will be unable to provide compensation to Soldiers and their families in the event of a Soldier’s death or serious injury. The Army has a statutory obligation to provide this compensation to Soldiers and their families/survivors. Without additional funds in FY 2007, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations.

Pre and Post Mobilization Training (\$58.7 million)

- Basic pay and allowance costs for a surge in training of members in alerted Guard and Reserve units prior to mobilization and post deployment training to re-certify skills not utilized during extended deployments.

IMPACT IF NOT FUNDED: Army Reserve and Army National Guard organizations will not have the capability to adequately train units to deploy in support of GWOT. Unit and individual training readiness will not be validated for deployment to either OEF or OIF.

	(\$ in Thousands)			FY 2007 Total Estimate
	FY 2006 Total Actual	FY 2007 Title IX	FY 2007 Supplemental	
<u>MILITARY PERSONNEL, ARMY</u>				
BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS				
BASIC PAY	1,080,461	627,758	479,185	1,106,943
RETIRED PAY ACCRUAL	286,322	127,108	166,037	293,145
BASIC ALLOWANCE FOR HOUSING	359,173	-	375,045	375,045
BASIC ALLOWANCE FOR SUBSISTENCE	38,372	24,211	15,552	39,763
SPECIAL PAYS	163,225	51,817	404,368	456,185
SOCIAL SECURITY TAX	81,359	48,422	34,931	83,353
TOTAL BUDGET ACTIVITY 1	2,008,911	879,316	1,475,119	2,354,435
BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED				
BASIC PAY	3,081,835	1,552,089	1,297,546	2,849,635
RETIRED PAY ACCRUAL	816,691	295,739	459,397	755,136
BASIC ALLOWANCE FOR HOUSING	1,158,093	-	1,088,492	1,088,492
SPECIAL PAYS	1,867,914	238,435	1,860,843	2,099,278
SOCIAL SECURITY TAX	235,728	118,727	99,068	217,795
TOTAL BUDGET ACTIVITY 2	7,160,261	2,204,990	4,805,345	7,010,335
BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL				
BASIC ALLOWANCE FOR SUBSISTENCE	530,138	172,859	152,830	325,689
SUBSISTENCE-IN-KIND	1,152,276	838,845	1,131,175	1,970,020
TOTAL BUDGET ACTIVITY 4	1,682,413	1,011,704	1,284,005	2,295,709
BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL				
ACCESSION TRAVEL	5,128	-	19,679	19,679
OPERATIONAL TRAVEL	69,557	-	182,113	182,113
ROTATIONAL TRAVEL	36,560	-	218,906	218,906
TOTAL BUDGET ACTIVITY 5	111,245	-	420,698	420,698
BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS				
INTEREST ON SOLDIERS DEPOSITS	21,603	-	21,779	21,779
RESERVE INCOME REPLACEMENT PROGRAM	-	-	8,208	8,208
UNEMPLOYMENT COMPENSATION	148,215	-	144,489	144,489
DEATH GRATUITIES	302,139	20,175	95,056	115,231
SGLI/TSGLI INSURANCE PREMIUM	18,648	-	51,200	51,200
SGLI EXTRA HAZARD PAYMENTS	183,240	219,400	-	219,400
TRAUMATIC INJURY PROTECTION COVERAGE (T-SGLI)	264,320	11,125	-	11,125
TOTAL BUDGET ACTIVITY 6	938,165	250,700	320,732	571,432
TOTAL MILITARY PERSONNEL, ARMY	11,900,996	4,346,710	8,305,899	12,652,609

*FY 2006 MPA costs were estimated since systems do not discretely distinguish a base-funded Soldier from a supplemental-funded Soldier.

	(\$ in Thousands)			
	FY 2006	FY 2007	FY 2007	
	<u>Total Actual</u>	<u>Title IX</u>	<u>Supplemental</u>	<u>Total Estimate</u>
<u>RESERVE PERSONNEL, ARMY</u>				
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT				
SPECIAL TRAINING (PRE/POST MOB TRAINING)	9,234	40,800	1,103	41,903
SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH)	1,166	-	6,397	6,397
SCHOOL TRAINING (PRE/POST MOB TRAINING)	38,200	-	-	-
SCHOOL TRAINING (PRE/POST MOB TRAINING) (BAH)	-	-	-	-
RERUITING AND RETENTION	195,870	46,956	139,744	186,700
DISABILITY AND DEATH GRATUITY	5,355	-	-	-
OTHER PROGRAMS	29,500	-	-	-
<i>TOTAL RESERVE PERSONNEL, ARMY</i>	<u>279,325</u>	<u>87,756</u>	<u>147,244</u>	<u>235,000</u>
<u>NATIONAL GUARD PERSONNEL, ARMY</u>				
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT				
UNIT TRAINING	198,143	251,000	-	251,000
UNIT TRAINING (BAH)	12,780	-	-	-
SPECIAL TRAINING (PRE/POST MOB TRAINING)	22,980	-	24,666	24,666
SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH)	3,134	-	3,332	3,332
SCHOOL TRAINING (PRE/POST MOB TRAINING)	68,078	44,959	15,475	60,434
SCHOOL TRAINING (PRE/POST MOB TRAINING) (BAH)	9,284	-	7,766	7,766
RERUITING AND RETENTION	226,407	-	339,600	339,600
RERUITING AND RETENTION (BAH)	30,874	-	40,786	40,786
DISABILITY AND DEATH GRATUITY	3,328	-	4,400	4,400
<i>TOTAL NATIONAL GUARD PERSONNEL, ARMY</i>	<u>575,008</u>	<u>295,959</u>	<u>436,025</u>	<u>731,984</u>
GRAND TOTAL ARMY MILITARY PERSONNEL	12,755,329	4,730,425	8,889,168	13,619,593

**RESERVE & GUARD MOBILIZATION
ACTIVE DEPLOYMENT
ACTIVE OVERSTRENGTH**

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Basic Pay

FY 2007
(\$ in Thousands)
\$479,185

Part I - Purpose and Scope

Funds provide for incremental basic compensation and length of service pay increments for mobilized reserve and active military officer personnel that are above baseline strength levels.

Part II - Justification of Funds Required

Funds provide basic compensation for mobilized Reserve, Guard, and active component overstrength officer personnel. The FY 2007 military pay raise reflects a 2.2 percent across-the-board pay raise effective January 1, 2007, with selective increases for certain warrant officers effective April 1, 2007. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Reserve/Guard Mobilization	13,848	\$63,502	879,376	12,059	\$64,929	782,979
Active Component Overstrength	3,333	\$60,332	201,085	5,252	\$61,684	323,964
Total	17,181		1,080,461	17,311		1,106,943
 <u>FY 2007 Title IX</u>						
Reserve/Guard Mobilization						
Active Component Overstrength						627,758
Total						<u>627,758</u>
 <u>FY 2007 Net Request</u>						
Reserve/Guard Mobilization						155,221
Active Component Overstrength						<u>323,964</u>
Total						479,185

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Retired Pay Accrual

FY 2007
(\$ in Thousands)
\$166,037

Part I - Purpose and Scope

Funds provide for the Department of Army's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

Part II - Justification of Funds Required

The budget estimates are derived as a product of: (a) the DoD Actuary approved full-time Normal Cost Percentages (26.5 percent of basic pay for FY 2007) and (b) the total amount of basic pay expected to be paid during the fiscal year.

Funds provide the Retired Pay Accrual payments for mobilized Reserve, Guard, and active component overstrength officer personnel. Summary cost computations are provided in the following table:

	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
<u>Total</u>						
Reserve/Guard Mobilization	13,855	\$16,816	232,983	12,059	\$17,194	207,341
Active Component Overstrength	<u>3,290</u>	<u>\$16,213</u>	<u>53,339</u>	<u>5,252</u>	<u>\$16,337</u>	<u>85,804</u>
Total	17,145		286,322	17,311		293,145
 <u>FY 2007 Title IX</u>						
Reserve/Guard Mobilization						127,108
Active Component Overstrength						<u>-</u>
Total						127,108
 <u>FY 2007 Net Request</u>						
Reserve/Guard Mobilization						80,233
Active Component Overstrength						<u>85,804</u>
Total						166,037

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Basic Allowance for Housing

FY 2007
(\$ in Thousands)
\$375,045

Part I - Purpose and Scope

In the FY 1998 NDAA, Congress approved the payment of a Basic Allowance for Housing (BAH) to Soldiers. The Overseas Housing Allowance (OHA) payment, formerly located in overseas station allowances, moved into this section due to a change in Section 603 of P.L. 105-85, the NDAA for FY 1998. The continental United States, Alaska, and Hawaii is included in BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to Soldiers is authorized by 37 U.S.C. 403. The BAH inflation rate for FY 2007 is 3.9 percent.

Part II - Justification of Funds Required

This program provides a cash allowance to those Soldiers not provided with government quarters adequate for themselves and their family members. This allowance enables such personnel to obtain civilian housing as a substitute.

The funds provide the BAH allowance for mobilized Reserve, Guard, and active component overstrength officer personnel in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
<u>Total</u>						
Reserve/Guard Mobilization	13,850	\$21,195	293,551	12,059	\$22,055	265,961
Active Component Overstrength	<u>3,288</u>	<u>\$19,958</u>	<u>65,622</u>	<u>5,252</u>	<u>\$20,770</u>	<u>109,084</u>
Total	17,138		359,173	17,311		375,045
 <u>FY 2007 Title IX</u>						
Reserve/Guard Mobilization						-
Active Component Overstrength						<u>-</u>
Total						-
 <u>FY 2007 Net Request</u>						
Reserve/Guard Mobilization						265,961
Active Component Overstrength						<u>109,084</u>
Total						375,045

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Basic Allowance for Subsistence

FY 2007
(\$ in Thousands)
\$15,552

Part I - Purpose and Scope

Funds provide for a subsistence allowance authorized by 37 U.S.C. 402 and P.L. 96-343.

Part II - Justification of Funds Required

All officers, regardless of dependency status, deployment status, and pay grade, are paid a monthly Basic Allowance for Subsistence (BAS) at the same statutory rate. The BAS inflation rate is 2.8% for FY 2007.

Funds provide the BAS allowance for mobilized Reserve, Guard, and active component overstrength officer personnel in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
<u>Total</u>						
Reserve/Guard Mobilization	13,850	\$2,239	31,010	12,059	\$2,297	27,700
Active Component Overstrength	3,288	\$2,239	7,362	5,252	\$2,297	12,064
Total	17,138		38,372	17,311		39,763
<u>FY 2007 Title IX</u>						
Reserve/Guard Mobilization						24,211
Active Component Overstrength						-
Total						24,211
<u>FY 2007 Net Request</u>						
Reserve/Guard Mobilization						3,489
Active Component Overstrength						12,064
Total						15,552

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Special Pay and Allowances

FY 2007
(\$ in Thousands)
\$342,367

Part I - Purpose and Scope

Funds provide for payments to officers for the following special pays:

Family Separation Allowance: Paid at the rate of \$250 per month to members with dependents who are on duty away from home for a period of more than 30 continuous days (37 U.S.C. 427).

Hostile Fire/Imminent Danger Pay: Paid at the rate of \$225 per month to personnel subject to hostile fire or in an area in which they are in imminent danger of being exposed to hostile fire (37 U.S.C. 310).

Hardship Duty Pay: The monthly rate may *not exceed* \$300 per month. Funds provide additional payment to personnel performing duty in a location that is designated by the Secretary of Defense as hardship duty (37 U.S.C. 305).

Assignment Incentive Pay and Hardship Duty Pay: Paid at the rate of \$939.08 per month to personnel deployed to an area where “Initial Boots on the Ground” requirements apply.

Combat-Related Injury Pay (CIP): Paid at a rate of \$430 per month minus Hostile Fire/Imminent Danger Pay (HF/IDP) paid to the member for the month. CIP is payable each time a member is evacuated from the combat theater and hospitalized for treatment due to wounds, injuries or illness incurred in a combat operation or in a combat zone. CIP stops once T-SGLI is paid to the Soldier.

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 officer personnel who qualify for and maintain the required proficiency in designated foreign languages. The monthly amount may not exceed \$500.00 per month for a single language or \$1000.00 per month for any combination of more than one language. Congressional action moved FLPP from the FY 2007 Base Appropriation into the Title IX Appropriation.

Other Pays and Allowances: These funds reflect other pays and allowances for mobilized Reserve, Guard, and active component overstrength officer personnel supporting contingency operations, OEF or OIF. Other pays and allowances include, incentive pays, other special pays, clothing allowances, and separation pay.

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Special Pay and Allowances

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. Summary cost computations are provided in the following table:

Mobilized Guard & Reserve

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Family Separation Allowance	4,160	\$3,000	12,480	6,262	\$3,000	18,786
Hostile Fire Pay	5,823	\$2,700	15,722	8,762	\$2,700	23,657
Hardship Duty Pay	5,546	\$1,200	6,655	8,350	\$1,200	10,020
Assignment Incentive Pay & HDP Pay	-	\$0	-	122	\$14,296	1,744
Combat Related Injury Pay (CIP)	-	\$0	-	465	\$2,150	1,000
Incentive Pays	3,885	\$4,910	19,075	12,059	\$5,020	60,540
Other Special Pays	3,710	\$2,143	7,949	12,059	\$2,191	26,418
Convalescent Soldiers Clothing Allowance	750	\$250	188	750	\$250	188
Separation Pay	3,810	\$1,875	7,143	12,059	\$1,917	23,115
Total			69,212			165,468

FY 2007 Title IX

Family Separation Allowance	13,310
Hostile Fire Pay	16,772
Hardship Duty Pay	7,099
Total	37,181

FY 2007 Net Request

Family Separation Allowance	5,476
Hostile Fire Pay	6,885
Hardship Duty Pay	2,921
Assignment Incentive Pay & HDP Pay	1,744
Combat Related Injury Pay (CIP)	1,000
Incentive Pays	60,540
Other Special Pays	26,418
Convalescent Soldiers Clothing Allowance	188
Separation Pay	23,115
Total	128,287

Active Component Deployed

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Family Separation Allowance	9,868	\$3,000	29,604	17,064	\$3,000	51,192
Hostile Fire Pay	13,812	\$2,700	37,292	24,007	\$2,700	64,819
Hardship Duty Pay	13,157	\$1,200	15,788	22,901	\$1,200	27,481
Assignment Incentive Pay & HDP Pay	-	-	-	963	\$14,296	13,767
Foreign Language Proficiency Pay	-	-	-	7,192	\$2,035	14,636
Combat Related Injury Pay (CIP)	-	-	-	465	\$2,150	1,000
Incentive Pays	1,313	\$4,948	6,497	5,252	\$5,826	30,599
Other Special Pays	1,132	\$2,159	2,443	5,252	\$2,542	13,352
Convalescent Soldiers Clothing Allowance	750	\$250	188	750	\$250	188
Separation Pay	1,165	\$1,889	2,200	5,252	\$2,225	11,683
Total			94,013			228,717

FY 2007 Title IX

Foreign Language Proficiency Pay	14,636
Total	14,636

FY 2007 Net Request

Family Separation Allowance	51,192
Hostile Fire Pay	64,819
Hardship Duty Pay	27,481
Assignment Incentive Pay & HDP Pay	13,767
Foreign Language Proficiency Pay	0
Combat Related Injury Pay (CIP)	1,000
Incentive Pays	30,599
Other Special Pays	13,352
Convalescent Soldiers Clothing Allowance	188
Separation Pay	11,683
Total	214,081

Total Special and Incentive Pays and Allowances (Reserve Component Mobilization & Active Component Deployment) 342,368

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Recruiting and Retention

FY 2007
(\$ in Thousands)
\$62,000

Part I – Purpose and Scope

Funding will cover personnel incentives, officer bonuses, education benefits and retention bonuses. Payments are used as accession and retention incentives to fill critical Army Military Operational Skill (MOS) positions.

Warrant Officer Accession and Retention Bonus: This incentive is authorized under the provisions of 37 U.S.C 324. As an accession tool, the Army may pay a Soldier up to \$60,000 if they accept a commission or appointment in a critical skill.

Company Grade Officer Critical Skill Retention Bonus: This incentive is authorized under the provisions of 37 U.S.C 323. As a retention tool, the Army may pay a Soldier in a critical skill up to a lifetime maximum of \$200,000 for at least a one year commitment to stay on active duty.

Dentist Accession Bonus: The FY 2007 NDAA identified an additional accession bonus requirement for dentists from \$30,000 to \$200,000.

Part II – Justification of Funds Requested

To meet end strength mandated by the FY 2007 NDAA, the Army increased its officer accession and retention missions. To help mitigate the additional GWOT challenges, the Army will use officer bonuses as a recruiting and retention tool.

If funding is not received, the Army will be at risk of not achieving planned accession and retention goals. Failing to fund any portion of the FY 2007 Accession Action plan, which provides an integrated view of required resources to achieve the annual officer and enlisted accession and retention missions, will negatively impact Army troop strength objectives required to meet contingency mission requirements. In addition the Army will be at risk of not achieving mandated end strength objectives in the FY 2007 NDAA and modular force structure plans.

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Recruiting and Retention

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Warrant Officer Accession and Retention Bonus	-	-	-	194	\$49,485	9,600
Company Grade Officer Critical Skill Retention Bonus	-	-	-	2,590	\$20,000	51,800
Dentist Accession Bonus	=	-	=	3	\$200,000	600
Total	-	-	-			62,000

FY 2007 Title IX

Warrant Officer Accession and Retention Bonus	-
Company Grade Officer Critical Skill Retention Bonus	-
Dentist Accession Bonus	-
Total	-

FY 2007 Net Request

Warrant Officer Accession and Retention Bonus	9,600
Company Grade Officer Critical Skill Retention Bonus	51,800
Dentist Accession Bonus	600
Total	62,000

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Social Security Tax

FY 2007
(\$ in Thousands)
\$34,931

Part I - Purpose and Scope

Funds 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 Required

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 percent and the Hospital Insurance (HI) rate is 1.45 percent. The maximum amounts of earnings per individual on which tax is payable are:

<u>Calendar year</u>	<u>OASDI Base</u>	<u>Medicare Base</u>
2007	\$98,400	No upper limit

Funds provide the employer's Social Security Tax payment for mobilized Reserve, Guard, and active component overstrength officer personnel in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Reserve/Guard Mobilization	13,884	\$4,783	66,404	12,059	\$4,891	58,984
Active Component Overstrength	3,295	\$4,539	14,954	5,252	\$4,640	24,369
Total	17,179		81,359	17,311		83,353

FY 2007 Title IX

Reserve/Guard Mobilization	48,422
Active Component Overstrength	-
Total	48,422

FY 2007 Net Request

Reserve/Guard Mobilization	10,562
Active Component Overstrength	24,369
Total	34,931

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Basic Pay

FY 2007
(\$ in Thousands)
\$1,297,546

Part I - Purpose and Scope

Funds provide for incremental basic compensation and length of service pay increments for mobilized reserve and active military enlisted personnel that are above baseline strength levels.

Part II - Justification of Funds Required

Funds provide basic compensation for mobilized Reserve, Guard, and active component overstrength enlisted Soldiers. The FY 2007 military pay raise reflects a 2.2 percent across-the-board pay raise effective January 1, 2007, with selective increases for certain mid-grade senior enlisted personnel effective April 1, 2007. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Reserve/Guard Mobilization	95,979	\$28,735	2,757,980	73,556	\$29,381	2,161,156
Active Component Overstrength	11,592	\$27,938	323,855	24,102	\$28,565	688,478
Total	107,571		3,081,835	97,658		2,849,635
 <u>FY 2007 Title IX</u>						
Reserve/Guard Mobilization						1,552,089
Active Component Overstrength						-
Total						1,552,089
 <u>FY 2007 Net Request</u>						
Reserve/Guard Mobilization						609,067
Active Component Overstrength						688,478
Total						1,297,546

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Retired Pay Accrual

FY 2007
(\$ in Thousands)
\$459,397

Part I - Purpose and Scope

Funds provide for the Department of Army's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

Part II - Justification of Funds Required

The budget estimates are derived as a product of: (a) the DoD Actuary approved full-time Normal Cost Percentages (26.5 percent of basic pay for FY 2007) and (b) the total amount of the basic pay expected to be paid during the fiscal year.

Funds provide the Retired Pay Accrual payments for mobilized Reserve, Guard, and active component overstrength enlisted Soldiers. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Reserve/Guard Mobilization	95,981	\$7,615	730,891	73,556	\$7,786	572,703
Active Component Overstrength	11,592	\$7,402	85,801	24,102	\$7,569	182,432
Total	107,573		816,691	97,658		755,136
<u>FY 2007 Title IX</u>						
Reserve/Guard Mobilization						295,739
Active Component Overstrength						-
Total						295,739
<u>FY 2007 Net Request</u>						
Reserve/Guard Mobilization						276,964
Active Component Overstrength						182,432
Total						459,397

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Basic Allowance for Housing

FY 2007
(\$ in Thousands)
\$1,088,492

Part I - Purpose and Scope

In the FY 1998 NDAA, Congress approved the payment of a Basic Allowance for Housing (BAH) to Soldiers. The Overseas Housing Allowance (OHA) payment, formerly located in overseas station allowances, moved into this section due to a change in Section 603 of P.L. 105-85, the NDAA for FY 1998. The continental United States, Alaska, and Hawaii is included in BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to Soldiers is authorized by 37 U.S.C. 403. The BAH inflation rate for FY 2007 is 3.9 percent.

Part II - Justification of Funds Required

This program provides a cash allowance to those Soldiers not provided with government quarters adequate for themselves and their family members. This allowance enables such personnel to obtain civilian housing as a substitute.

Funds provide the BAH allowance for mobilized Reserve, Guard, and active component overstrength enlisted Soldiers in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Reserve/Guard Mobilization	95,980	\$10,808	1,037,352	73,556	\$11,247	827,262
Active Component Overstrength	11,592	\$10,416	120,741	24,102	\$10,839	261,230
Total	107,572		1,158,093	97,658		1,088,492

FY 2007 Title IX

Reserve/Guard Mobilization	-
Active Component Overstrength	-
Total	-

FY 2007 Net Request

Reserve/Guard Mobilization	827,262
Active Component Overstrength	261,230
Total	1,088,492

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Special Pays and Allowances

FY 2007
(\$ in Thousands)
\$906,804

Part I - Purpose and Scope

Funds provide for payments to enlisted Soldiers for the following special pays:

Family Separation Allowance: Paid at the rate of \$250 per month to members with dependents who are on duty away from home for a period of more than 30 continuous days (37 U.S.C. 427).

Hostile Fire/Imminent Danger Pay: Paid at the rate of \$225 per month to personnel subject to hostile fire or in an area in which they are in imminent danger of being exposed to hostile fire (37 U.S.C. 310).

Hardship Duty Pay: The monthly rate may *not exceed* \$300 per month. Funds provide additional payment to personnel performing duty in a location that is designated by the Secretary of Defense as hardship duty (37 U.S.C. 305).

Assignment Incentive Pay and Hardship Duty Pay: Paid at the rate of \$939.08 per month to personnel deployed to an area where “Initial Boots on the Ground” requirements apply.

Combat-Related Injury Pay (CIP): Paid at a rate of \$430 per month minus Hostile Fire/Imminent Danger Pay (HF/IDP) paid to the member for the month. CIP is payable each time a member is evacuated from the combat theater and hospitalized for treatment due to wounds, injuries or illness incurred in a combat operation or in a combat zone. CIP stops once T-SGLI is paid to the Soldier.

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 officer personnel who qualify for and maintain the required proficiency in designated foreign languages. The monthly amount may not exceed \$500 per month for a single language or \$1,000 per month for any combination of more than one language. Congressional action moved FLPP from the FY 2007 Base Appropriation into the Title IX Appropriation.

Other Pays and Allowances: These funds reflect other pays and allowances for mobilized Reserve, Guard, and active component overstrength enlisted Soldiers supporting contingency operations, OEF or OIF. Other pays and allowances include, incentive pays, other special pays, clothing allowances, and separation pay.

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Special Pays and Allowances

Part II - Justification of Funds Requested

The projected average number of enlisted Soldiers 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 enlisted personnel eligible for each type of payment and rate of payment. Summary cost computations are provided in the following table:

Mobilized Guard & Reserve**Total**

	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Family Separation Allowance	25,814	\$3,000	77,442	13,770	\$3,000	41,310
Hostile Fire Pay	45,175	\$2,700	121,973	24,324	\$2,700	65,675
Hardship Duty Pay	43,024	\$1,200	51,629	23,252	\$1,200	27,902
Assignment Incentive Pay & HDP Pay	-	\$0	-	1,795	\$13,500	24,233
Combat Related Injury Pay (CIP)	-	\$0	-	1,860	\$2,150	3,999
Incentive Pays	95,981	\$477	45,808	73,556	\$488	35,871
Other Special Pays	95,981	\$1,511	145,028	73,556	\$1,545	113,653
Convalescent Soldiers Clothing Allowance	3,000	\$250	750	3,000	\$250	750
Separation Pay	95,981	\$445	<u>42,712</u>	73,556	\$455	<u>33,493</u>
Total			485,341			346,886

FY 2007 Title IX**Total**

-

FY 2007 Net Request

Family Separation Allowance	41,310
Hostile Fire Pay	65,675
Hardship Duty Pay	27,902
Assignment Incentive Pay & HDP Pay	24,233
Combat Related Injury Pay (CIP)	3,999
Incentive Pays	35,871
Other Special Pays	113,653
Convalescent Soldiers Clothing Allowance	750
Separation Pay	<u>33,493</u>
Total	346,886

Active Component Deployed**Total**

	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount
Family Separation Allowance	50,204	\$3,000	150,612	61,902	\$3,000	185,706
Hostile Fire Pay	87,857	\$2,700	237,214	107,202	\$2,700	289,445
Hardship Duty Pay	83,673	\$1,200	100,408	101,862	\$1,200	122,234
Assignment Incentive Pay & HDP Pay	-	-	-	5,602	13,500	75,627
Foreign Language Proficiency Pay	-	-	-	10,748	4,309	46,313
Combat Related Injury Pay (CIP)	-	-	-	1,861	2,150	4,001
Incentive Pays	11,592	\$604	7,002	24,102	\$604	14,558
Other Special Pays	11,592	\$1,914	22,187	24,102	\$1,914	46,125
Convalescent Soldiers Clothing Allowance	3,000	\$250	750	3,000	\$250	750
Separation Pay	11,592	\$564	6,538	24,102	\$564	13,593
Total			524,710			798,353

FY 2007 Title IX

Family Separation Allowance	59,289
Hostile Fire Pay	93,314
Hardship Duty Pay	39,519
Foreign Language Proficiency Pay	46,313
Total	238,435

FY 2007 Net Request

Family Separation Allowance	126,417
Hostile Fire Pay	196,131
Hardship Duty Pay	82,715
Assignment Incentive Pay & HDP Pay	75,627
Foreign Language Proficiency Pay	0
Combat Related Injury Pay (CIP)	4,001
Incentive Pays	14,558
Other Special Pays	46,125
Convalescent Soldiers Clothing Allowance	750
Separation Pay	13,593
Total	559,918

Total Special and Incentive Pays and Allowances (Reserve Component Mobilization & Active Component Deployment)

906,804

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Recruiting and Retention

FY 2007
(\$ in Thousands)
\$954,039

Part I – Purpose and Scope

Funding will cover enlisted personnel incentives, bonuses, education benefits and retention bonuses. Payments are used as accession and retention incentives to fill critical Army Military Operational Skill (MOS) positions.

Enlistment Bonus: This incentive is authorized under the provisions of 37 U.S.C 309. As an enlistment tool, the Army may pay anyone who enlists a maximum of \$40,000 for at least a two year enlistment.

Selective Reenlistment Bonus: This incentive is authorized under the provisions of 37 U.S.C 308. As a retention tool, the Army may pay a Soldier in a critical skill up to \$90,000 for at least a three year reenlistment.

Critical Skill Retention Bonus: This incentive is authorized under the provisions of 37 U.S.C 323. As a retention tool, the Army may pay a Soldier in a critical skill up to a lifetime maximum of \$200,000 for at least a one year reenlistment. In December 2004, the Department of Defense authorized \$150,000 for a six year commitment for Special Forces.

Army College Fund: This incentive is authorized under the provisions of 38 U.S.C 3015. As an enlistment tool, the Army may augment the basic Montgomery GI Bill benefit (MGIB) for a recruit that enlists in a critical skill. The maximum augmentation is \$950 per month for 36 months when the Soldier utilizes the Basic MGIB.

Loan Repayment Program: This incentive is authorized under the provisions of 10 U.S.C 2171. The Army may repay approved loans for a Soldier who enlists in a critical skill. The loans are paid over a three year period. Army policy limits the loan to \$65,000.

Montgomery GI Bill (MGIB) Transferability: This incentive is authorized under the provisions of 38 U.S.C 3020. As a retention tool, the Army may allow a Soldier in a critical skill to transfer 18 months of their MGIB to their spouse for a minimum of a four year reenlistment.

Referral Bonus: This incentive is authorized under the provisions of PL 109-163 Section 645(a), as augmented by the FY 2007 NDAA. To assist recruiting efforts, the Army may pay up to \$2,000 to a military member who refers a person to enlist in the Army.

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Recruiting and Retention

Matching Thrift Saving Plan: This incentive is authorized under the provisions of PL 109-163 Section 606, as augmented by the FY 2007 NDAA. To assist recruiting efforts, the Army is directed to offer matching thrift saving plan funds.

Assignment Incentive Pay: This incentive is authorized under the provisions of 37 U.S.C 307a. In FY 2006, the Army offered \$450 a month for 36 months for recruits that enlisted into selected units.

Part II – Justification of Funds Requested

To meet end strength mandated by the FY 2007 NDAA, the Army increased its accession mission by 4,000 Soldiers and the retention mission by 7,000 Soldiers. Supplemental funding is required to meet the additional recruiting and retention challenges associated with the Army's acceleration of two Brigade Combat Teams (BCTs) into FY 2007 from FY 2008. This acceleration is required to meet operational demands. To help mitigate the additional GWOT challenges, the Army will use enlisted bonuses and education benefits as a recruiting and retention tool.

If funding is not received, the Army will be at risk of not achieving planned accession and retention goals. Failing to fund any portion of the FY 2007 Accession Action plan, which provides an integrated view of required resources to achieve the annual officer and enlisted accession and retention missions, will negatively impact Army troop strength objectives required to meet contingency mission requirements. In addition the Army will be at risk of not achieving mandated end strength objectives in the FY 2007 National Defense Authorization Act (NDAA) and modular force structure plans.

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Recruiting and Retention

Total	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount
Enlistment Bonus	35,898	\$11,063	397,136	38,295	\$11,063	423,664
Reenlistment Bonus	35,496	\$11,200	397,552	36,653	\$11,200	410,516
SOF Critical Skills Retention Bonus	218	\$71,000	15,478	350	\$71,000	24,850
Army College Fund	1,808	\$5,268	9,525	2,905	\$5,268	15,302
Loan Repayment	290	\$4,936	1,431	459	\$4,936	2,265
MGIB Transferability	7,481	\$3,000	22,444	12,000	\$3,000	36,004
Referral Bonus	2,066	\$2,000	4,132	3,300	\$2,000	6,600
Matching Thrift Saving Plan	2,296	\$500	1,148	3,600	\$500	1,800
Assignment Incentive Pay	3,340	\$2,700	9,018	6,071	\$5,442	33,038
Total			857,863			954,039
<u>FY 2007 Title IX</u>						
Total						-
<u>FY 2007 Net Request</u>						
Enlistment Bonus						423,664
Reenlistment Bonus						410,516
SOF Critical Skills Retention Bonus						24,850
Army College Fund						15,302
Loan Repayment						2,265
MGIB Transferability						36,004
Referral Bonus						6,600
Matching Thrift Saving Plan						1,800
Assignment Incentive Pay	-	-	-			33,038
Total						954,039

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Social Security Tax

FY 2007
(\$ in Thousands)
\$99,068

Part I - Purpose and Scope

Funds 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 Required

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 percent and the Hospital Insurance (HI) rate is 1.45 percent. The maximum amounts of earnings per individual on which tax is payable are:

<u>Calendar year</u>	<u>OASDI Base</u>	<u>Medicare Base</u>
2007	\$98,400	No upper limit

Funds provide the employer's Social Security Tax payment for mobilized Reserve, Guard, and active component overstrength officer personnel in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Reserve/Guard Mobilization	95,980	\$2,199	211,060	73,556	\$2,248	165,339
Active Component Overstrength	11,592	\$2,128	24,668	24,102	\$2,176	52,456
Total	107,572		235,728	97,658		217,795

FY 2007 Title IX

Reserve/Guard Mobilization	118,727
Active Component Overstrength	-
Total	118,727

FY 2007 Net Request

Reserve/Guard Mobilization	46,612
Active Component Overstrength	52,456
Total	99,068

Appropriation: Military Personnel, Army
Budget Activity 4: Subsistence of Enlisted Personnel
Budget Line Item: Basic Allowance for Subsistence/Subsistence-in-Kind (SIK)

FY 2007
(\$ in Thousands)
\$1,284,005

Part I - Purpose and Scope

Funds provide for the payment of authorized Basic Allowance for Subsistence (BAS) and Subsistence-in-Kind (SIK). SIK includes the cost of procuring subsistence (food and drink) for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Army provides subsistence in mess facilities and operational rations for members of all military services participating in OIF and OEF.

Basic Allowance for Subsistence is linked to the Department of Agriculture food plan indices. All enlisted members (except recruits and holdees) are entitled to BAS. Members continue to receive BAS while deployed.

Subsistence-in-Messes is the cost of bulk subsistence for dining facilities operated in support of OIF and OEF. This requirement is dependent on the number of personnel using the dining facilities and the cost of food. This is an additional cost above the BAS since members are authorized to continue receiving their BAS even though food is provided in theater.

Operational Rations are rations used for field subsistence. Operational rations include the Meal-Ready-to-Eat (MRE), Unitized Group Rations (UGR) that include “heat and serve” and A-ration varieties, and other operational rations, such as Cold Weather Rations. The SIK funds the cost of operational rations for both officers and enlisted Soldiers. The number of active duty personnel and the type of operational rations served determine costs for operational rations.

Part II - Justification of Funds Required

This budget activity includes the Basic Allowance for Subsistence (BAS) paid to the mobilized Reserve, Guard, and active component overstrength enlisted Soldier supporting OEF/OIF. BAS is paid under the following conditions: (1) when authorized to mess separately, (2) while on authorized leave, and (3) when subsistence-in-kind is not available. All mobilized and active component overstrength enlisted Soldiers are paid their full BAS entitlement.

Summary cost computations are provided in the following table:

Appropriation: Military Personnel, Army
Budget Activity 4: Subsistence of Enlisted Personnel
Budget Line Item: Basic Allowance for Subsistence/Subsistence-in-Kind (SIK)

Enlisted Basic Allowance for Subsistence (BAS)

Total	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount
Reserve/Guard Mobilization	146,207	\$3,252	475,465	73,556	\$3,335	245,309
Active Component Overstrength	16,812	\$3,252	54,673	24,102	\$3,335	80,380
Total	163,019		530,138	97,658		325,689

FY 2007 Title IX

Reserve/Guard Mobilization	172,859
Active Component Overstrength	-
Total	172,859

FY 2007 Net Request

Reserve/Guard Mobilization	72,450
Active Component Overstrength	80,380
Total	152,830

Appropriation: Military Personnel, Army
Budget Activity 4: Subsistence of Enlisted Personnel
Budget Line Item: Basic Allowance for Subsistence/Subsistence-in-Kind (SIK)

The Army is the Executive Agent for all subsistence in both OEF and OIF. Total strength numbers for SIK includes other military services personnel (e.g. Navy, Air Force, Marines).

Subsistence-In-Kind (SIK)	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Subsistence in Messes	119,277	\$8,694	1,037,049	170,771	\$10,382	1,773,019
Meals Ready to Eat (MRE)	119,276	\$483	57,614	170,771	\$577	98,501
Unitized Group Rations	119,276	\$483	57,613	170,770	\$577	98,500
Total			1,152,276			1,970,020
 <u>FY 2007 Title IX</u>						
Subsistence in Messes						743,974
Meals Ready to Eat (MRE)						48,210
Unitized Group Rations						46,661
Total						838,845
 <u>FY 2007 Net Request</u>						
Subsistence in Messes						1,029,045
Meals Ready to Eat (MRE)						50,291
Unitized Group Rations						51,839
Total						1,131,175
 Total Subsistence of Enlisted Personnel						 1,284,005

PERMANENT CHANGE OF STATION

Appropriation: Military Personnel, Army
Budget Activity 5: Permanent Change of Station (PCS)
Budget Line Item: Permanent Change of Station (PCS)

FY 2007
(\$ in Thousands)
\$420,698

Part I – Purpose and Scope

The Permanent Change of Station (PCS) program pays for travel, transportation, storage, and dislocation allowances for reassignment of military members and their families traveling individually or as part of an organized unit in support of OIF and OEF. Costs are for the dislocation allowance, shipment of household goods, temporary and non-temporary storage of household goods, temporary lodging expense, and member mileage and per diem.

Part II – Justification of Funds Requested

FY 2007 President's Budget base budget does not include funding to ensure the Army meets its increased end strength requirements and distributes the correct grade and skill mix for units deploying in support of the Global War on Terrorism. Accession moves are necessary to ensure the Army meets end strength requirements and distributes the correct grade and skill mix for units deploying in support of GWOT. There are also increased costs for moves to support transition teams and deploying units to Iraq and Afghanistan. These moves fully man deploying units to authorized strength levels and provide military advisors to the Iraqi and Afghanistan governments. Additional moves are also required to reset the forces in support of deploying units for OIF and OEF, for Soldiers retained due to over strength/stop loss, and for Soldiers separating after returning from deployment after stop loss. Summary cost computations are provided in the following table:

Appropriation: Military Personnel, Army
Budget Activity 5: Permanent Change of Station (PCS)
Budget Line Item: Permanent Change of Station (PCS)

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Accession Moves	2,385	\$2,150	5,128	8,945	\$2,200	19,679
Operational Moves	7,789	\$8,930	69,557	19,943	\$9,132	182,113
Rotational Moves	<u>4,322</u>	<u>\$8,459</u>	<u>36,560</u>	<u>25,313</u>	<u>\$8,648</u>	<u>218,906</u>
Total	14,496		111,245	54,201		420,698

FY 2007 Title IX

Accession Moves	-
Operational Moves	-
Rotational Moves	-
Total	-

FY 2007 Net Request

Accession Moves	19,679
Operational Moves	182,113
Rotational Moves	<u>218,906</u>
Total	420,698

CASUALTY AND DISABILITY BENEFITS

Appropriation: Military Personnel, Army
Budget Activity 6: Other Military Personnel Costs
Budget Line Item: Casualty and Disability Benefits

FY 2007
(\$ in Thousands)
\$146,256

Part I – Purpose and Scope

Fund benefits associated with the death and traumatic injury of service members.

- The Service Members' Group Life Insurance (SGLI) program is a low cost group life insurance for service members on active duty. These payments are required to the Department of Veterans Affairs, under section 1969(b) of title 38, United States Code, when actual mortality rates exceed peacetime mortality rates.
- The Traumatic Service Members' Group Life Insurance (T-SGLI) program is a relatively new program that provides automatic traumatic injury coverage to all service members covered under the Service Members' Group Life Insurance (SGLI) program. Every member who has SGLI, also has T-SGLI, effective December 1, 2005.
- Death gratuity payments are made to survivors of members dying on active duty. The amount payable was increased from \$12,000 to \$100,000 in Section 664 of the FY 2006 NDAA.

Part II – Justification of Funds Requested

- Funds are required to make extra hazard payment to the Department of Veterans Affairs to finance the increased number of SGLI death claims for the remaining portion of policy year 2006, which is not on a fiscal year basis (policy year based on July 1 – June 30), and a portion of policy year 2007. The average claim in policy year 2006 was \$352,822 and the estimated average claim in policy year 2007 is \$396,000.
- Funds are required to make benefit payments to military personnel who incur a traumatic injury in support of OIF and OEF.
- The amount needed for non-combat related death gratuities increased from \$12,000 to \$100,000 in Section 664 of the FY 2006 NDAA. This entitlement was authorized after the FY 2007 budget was submitted to the Congress.
- Section 606 of the FY 2007 NDAA directs the Department to pay the full premium for coverage under the SGLI program during service in Operation Iraqi Freedom (OIF) or Operation Enduring Freedom (OEF). This amount the Department pays is \$29.00 per month for each member.

Appropriation: Military Personnel, Army
Budget Activity 6: Other Military Personnel Costs
Budget Line Item: Casualty and Disability Benefits

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
SGLI			183,240			219,400
T-SGLI			264,320			11,125
SGLI/T-SGLI Insurance Premium	132,255	\$141	18,648	147,126	\$348	51,200
Death Gratuity (Combat Deaths)	755	\$100,000	75,532	772	\$100,000	77,215
Death Gratuity (Non-Combat Deaths)	2,266	\$100,000	226,607	380	\$100,000	38,016
Total			768,347			396,956

FY 2007 Title IX

SGLI						219,400
T-SGLI						11,125
SGLI/T-SGLI Insurance Premium						-
Death Gratuity (Combat Deaths)						-
Death Gratuity (Non-Combat Deaths)						20,175
Total						250,700

FY 2007 Net Request

SGLI						-
T-SGLI						-
SGLI/T-SGLI Insurance Premium						51,200
Death Gratuity (Combat Deaths)						77,215
Death Gratuity (Non-Combat Deaths)						17,841
Total						146,256

ADDITIONAL MOBILIZATION/DEPLOYMENT COSTS

Appropriation: Military Personnel, Army
Budget Activity 6: Other Military Personnel Costs
Budget Line Item: Additional Mobilization/Deployment Costs

FY 2007
(\$ in Thousands)
\$174,476

Part I – Purpose and Scope

Funds provide benefits associated with disability and other mobilization/deployment costs.

- Unemployment Benefits: Payments 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 as amended by Section 301, PL. 102-164.
- Reserve Income Replacement Program (RIRP): The Congress authorized payments in the FY 2006 NDAA to Reserve and Guard Soldiers who are involuntarily mobilized and experiencing a monthly active duty income differential as a result of extended or frequent mobilizations.
- Interest on Uniformed Services Savings Deposits: Is a program authorized by Section 1035 of 10 U.S.C. This is a savings program for overseas members participating in temporary duty contingency operations.

Part II – Justification of Funds Requested

- Eligibility for unemployment benefits is defined as active service in the armed forces where an individual was discharged under honorable conditions and had completed their first full term of active service; or was discharged before completing their first term under an early release program, because of hardship, for medical reasons, for personality disorders, or ineptitude (but only if the service was continuous for 365 days or more).
- RIRP costs are primarily the result of Reserve Component mobilization and provide the necessary compensation to qualified Reserve and Guard Soldiers serving an involuntary mobilization tour on active duty and who would otherwise be earning more income if they were serving in their normal civilian occupation. Payment for the RIRP is capped at \$3,000 per month.
- Funds are required to provide Interest on Uniformed Services Savings Deposits to fund the difference between a 10 percent annual rate of return paid under this program and average Treasury bill rates.

Appropriation: Military Personnel, Army
Budget Activity 6: Other Military Personnel Costs
Budget Line Item: Additional Mobilization/Deployment Costs

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Unemployment Benefits	11,102	\$13,350	148,215	10,823	\$13,350	144,489
Reserve Income Replacement Program (RIRP)	-	-	-	10,260	\$800	8,208
Services Savings Deposits	15,107	\$1,430	21,603	15,231	\$1,430	21,779
Total			169,818			174,476

FY 2007 Title IX

Unemployment Benefits	-
Reserve Income Replacement Program (RIRP)	-
Services Savings Deposits	-
Total	-

FY 2007 Net Request

Unemployment Benefits	144,489
Reserve Income Replacement Program (RIRP)	8,208
Services Savings Deposits	21,779
Total	174,476

PRE/POST MOBILIZATION TRAINING

Appropriation: Reserve Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Special Training

FY 2007
(\$ in Thousands)
\$7,500

Part I – Purpose and Scope

Program provides funding for pre-mobilization training to deploying units. The Army Reserve has limited mandays to accomplish the train, mobilize, deploy pattern and must therefore rely on extensive additional mandays to train and support the training of mobilizing units.

Foreign Army Training Command (FA TRAC) units train Iraqi and Afghani forces. Soldiers assigned FA TRAC units receive pre-mobilization training prior to deployment. Global War on Terrorism (GWOT) funds are needed to adequately support Foreign Area Training Command pre-mobilization training.

Strong Bonds focuses on reuniting Soldiers and their spouses, in order to ease the stress of mobilizations. During pre- and post-deployment training, Soldiers and their spouses are afforded support during deployment and during their reintegration back into their family and communities through voluntary education and marriage enrichment workshops.

Part II – Justification of Funds Requested

Funding for pre-mobilization training for part of FY 2007 is required to ensure readiness of deploying units. Pre-mobilization training is conducted prior to movement to the mobilization station. Theater specific training includes convoy training, Improvised Explosive Device (IED) training, security training, and collective training (training, either in institutions or units, that prepares cohesive teams and units to accomplish their missions). Under the train, mobilize, deploy pattern, Reserve Component forces must be completely trained prior to reaching the mobilization station. The unit cannot report to the mobilization station until the date on the mobilization order. Any training or preparation prior to date on the mobilization order must be paid with Reserve Component funding.

Foreign Army Training Command (FA TRAC), (\$4.5 million): Provides pre-mobilization training for Army Reserve (AR) units selected to train Iraq and Afghanistan forces. The AR will send approximately 500 Soldiers to participate in 30 to 40 days of pre-mobilization training at two or more locations. The funding will fund travel, per diem, and pay and allowances. Selected Soldier-instructors will be deploying to Iraq and Afghanistan to train foreign Soldiers to an adequate level of combat readiness in order to

Appropriation: Reserve Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Special Training

enable them to assume combat roles without U.S. assistance. Pre-mobilization training includes theater-specific training critical to mission success. Training includes weapons (marksmanship), tactics, land navigation, rules of land warfare, IED recognition, cultural awareness training, and other theater-specific requirements. Soldiers will also prepare to instruct these same tasks to Iraqi and Afghan Soldiers. Soldiers and units who are sent overseas to train the Iraqi and Afghani military forces must be trained in areas they normally are not trained. They are already trained and qualified in their military occupational specialties. Theater specific training prior to mobilization decreases the time units spend at designated mobilization sites, thereby enabling a faster, more efficient deployment. Failure to conduct this pre-mobilization training may increase the time spent at the mobilization site and disrupt an established deployment schedule.

Strong Bonds, (\$3 million): The Chaplain Strong Bonds program is an Army level program focused on reuniting Soldiers and their spouses, in order to ease the stress of mobilizations. During post-deployment training, Soldiers and their spouses are afforded support during their reintegration back into their family and communities through voluntary education and marriage enrichment workshops. Research indicates training, such as Strong Bonds, helps families stay intact by reducing the risk of abuse and divorce. Similar programs contributed to a 23 percent decline in divorce rates among participants. Single Soldier Strong Bonds events focus on the needs of singles and include topics covering personal finances, dating, selecting a marriage partner, single parenting, and returning to work after deployment. Program funding supports Chaplain-instructor pay and allowances for planning and conducting training and the pay of Army Reserve Soldiers who attend. If funding is not received, the Army Reserve will not be able offer this important quality of life program to its Soldiers and families, potentially impacting retention and unit readiness.

Appropriation: Reserve Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Special Training

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Officer	14,400	\$377	5,429	61,580	\$388	23,893
Enlisted	<u>22,908</u>	<u>\$217</u>	<u>4,971</u>	<u>109,269</u>	<u>\$223</u>	<u>24,407</u>
Total	37,308		10,400	170,849		48,300

FY 2007 Title IX

Officer			20,638
Enlisted			<u>20,162</u>
Total			40,800

FY 2007 Net Request

Officer			3,255
Enlisted			<u>4,245</u>
Total			7,500

RECRUITING AND RETENTION

Appropriation: Reserve Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Recruiting and Retention

FY 2007
(\$ in Thousands)
\$139,744

Part I – Purpose and Scope

Funds are required for recruiting and retention bonuses to mitigate recruiting and retention challenges generated by the Global War on Terrorism (GWOT). These bonuses will help the Army Reserve meet accession and retention goals to fill critical Army Military Operational Skill (MOS), basic branch, and Areas of Consideration (AOC) positions.

Part II – Justification of Funds Requested

Selective Reserve Incentive Program: The funding requested will provide recruiting and retention incentives to enlist and retain sufficient Soldiers to man Army Reserve units with the correct grades and military occupational specialties. In addition, these enhanced incentives are critical to access and retain trained and ready Soldiers and to achieve end strength objectives. The current challenging recruiting and retention environment has increased the incentive cost per accession.

Non-Prior Service (NPS), Prior Service (PS) Enlistment Bonus and Enlisted Affiliation Bonus: This incentive is authorized under the provisions of 10 USC. As an enlistment tool, the Army can pay anyone who enlists a maximum of \$20,000 for a six year enlistment.

Officer Affiliation and Accession Bonus: These incentives are authorized in the FY 2005 and FY 2006 NDAA. As an officer strength management tool, the Army can pay a \$10,000 bonus to officers accepting Army Reserve commissions.

Referral Bonus: This incentive is authorized under the provisions of P.L. 109-163, Section 645(a) by the FY 2007 NDAA. To assist recruiting efforts, the Army can pay up to \$2,000 to a military member who refers a person to enlist in the Army.

Selective Reenlistment Bonus: This incentive is authorized under the provisions of 10 USC. As a retention tool, the Army can pay a Soldier in a critical skill up to \$20,000 for at least a six year reenlistment.

Critical Skill Retention Bonus: This incentive is authorized under provisions of the FY 2006 NDAA. As a retention tool, the Army can pay a Soldier in a critical skill \$10,000 for a three year commitment.

MOS Conversion Bonus: This incentive provides a lump sum payment of \$2,000 to Soldiers who voluntarily elect to reclassify from an overage MOS to a shortage MOS. The payment is made once the Soldier receives their MOS award letter.

Total	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount
Enlistment Bonus	1,492	\$7,050	10,519	6,876	\$7,200	49,506
Prior Service Bonus	1,641	\$5,500	9,026	3,057	\$5,800	17,731
Officer Accession	82	\$10,000	820	360	\$10,000	3,600
Recruitment Referral Bonus	-	\$0	-	1,500	\$2,000	3,000
Enlisted Affiliation	1,073	\$7,050	7,565	2,833	\$7,200	20,398
Officer Affiliation	208	\$10,000	2,080	240	\$10,000	2,400
Reenlistment Bonus	13,939	\$8,000	111,512	7,551	\$6,545	49,421
AGR Reenlistment Bonus	1,024	\$10,000	10,240	744	\$10,000	7,440
Critical Skills Assignment Retention	8,817	\$5,000	44,085	6,154	\$5,000	30,770
AGR Recruiter CSRB	-	\$0	-	65	\$37,077	2,410
MOS Conversion	12	\$2,000	24	12	\$2,000	24
Total	28,288		195,870	29,392		186,700

FY 2007 Title IX

Enlistment Bonus	20,056
Reenlistment Bonus	21,900
AGR Reenlistment Bonus	5,000
Total	46,956

FY 2007 Net Request

Enlistment Bonus	29,450
Prior Service Bonus	17,731
Officer Accession	3,600
Recruitment Referral Bonus	3,000
Enlisted Affiliation	20,398
Officer Affiliation	2,400
Reenlistment Bonus	27,521
AGR Reenlistment Bonus	2,440
Critical Skills Assignment Retention	30,770
AGR Recruiter CSRB	2,410
MOS Conversion	24
Total	139,744

PRE/POST MOBILIZATION TRAINING

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Pre and Post Mobilization Training
Budget Line Item: Special Training

FY 2007
(\$ in Thousands)
\$34,497

Part I – Purpose and Scope

Army National Guard Soldiers must be trained to current Army standards when deployed in support of contingency operations. Army National Guard units are relying on trained personnel to fill critical skills prior to deployment. Distinct training is necessary for Army National Guard Soldiers and units to upgrade their skills on improvised explosive device (IED) training, convoy operations, and functional training, prior to deployment in support of both OEF/OIF. Based on the extension of deployments experienced by National Guard units in FY 2006 and beyond, States are responding to the ever-increasing demand caused by additional training requirements. To meet readiness requirements, the Chief, National Guard Bureau, in concert with the State Adjutants General, prioritized the increase of specialized preparation. The Army National Guard has developed training models that predict increasing resources and training events to coincide with increased readiness leading up to unit availability for deployment.

Part II – Justification of Funds Requested

The Army National Guard (ARNG) will not be able to deploy Soldiers to fulfill its key role in the National Military Strategy without adequate training of Soldiers and units prior to deploying in support of contingency operations. The Army National Guard has a critical need to train approximately 3,500 Soldier's in support of OIF/OEF deployments in FY 2007. Expanded and upgraded special training opportunities will have a positive impact on recruiting and retention, through improved professionalism, expanded opportunities, and enhanced special training assets. Combat lessons learned in both the OEF/OIF theater of operations underscores the vital role of training personnel prior to deploying into theater. The performance of collective training for mobilized units increased significantly at mobilization stations, ensuring units are trained to accomplish their missions.

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Pre and Post Mobilization Training
Budget Line Item: Special Training

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Officer	19,672	\$265	5,222	23,235	\$241	5,599
Enlisted	144,611	\$144	20,892	135,064	\$166	22,399
Total	164,284		26,114	158,299		27,998

FY 2007 Title IX

Officer	-
Enlisted	-
Total	-

FY 2007 Net Request

Officer	5,599
Enlisted	22,399
Total	27,998

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: School Training for Soldiers scheduled for GWOT Deployment

FY 2007
(\$ in Thousands)
16,742

Part I – Purpose and Scope

The funding requested for School training will cover National Guard Pay and Allowance (NGPA) incremental costs due to FY 2007 deployments that are above the base School Training budget. This funding is required to support a training capability gap generated as a direct result of deployments for the Global War on Terror (GWOT).

The requested NGPA School funding will provide for basic pay, travel and per diem, retired pay accrual, special pays (flight pay, Special Operations Forces (SOF) pay and foreign language pay), Basic Allowance for Subsistence (BAS), Basic Allowance for Housing (BAH), and government's share of Federal Insurance Contribution Act (FICA). Included in this amount is the Family Separation Allowance (FSA) for attendance in courses over 30 days, and Permanent Change of Station (PCS) costs for school.

The FY 2007 incremental NGPA request is divided into the following: Initial Skills Acquisition, Refresher and Proficiency, and Career Development training.

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: School Training for Soldiers scheduled for GWOT Deployment

Part II – Justification of Funds Requested

Initial Skill Acquisition Training: These funds support the incremental training costs for Soldiers being deployed in support of OIF/OEF to attend schools for initial skills acquisition courses to support requirements in country for Coalition Forces Land Component Command (CFLCC). These schools are in addition to Basic Training or Initial Entry Training.

Initial Skills training will be provided to prior service Soldiers that are being assigned to a unit different than what they have been previously trained for. A unit that will be completely reclassified for a different military mission such as an artillery unit that is changing to a military police unit is an example.

Funding will also be used for additional Initial Entry Rotary Wing Aviation training seats and for sending pilots and aviation personnel to Survival, Evasion, Resistance, and Escape (SERE) training. During FY 2007, the implementation and fitting of modern aircraft with new airframes has caused an un-programmed transformational training requirement for aviation units deploying in support of OEF/OIF (e.g., AH-64D Longbow).

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Officer	47,711	\$333	15,888	39,936	\$346	13,818
Enlisted	134,592	\$201	27,053	117,856	\$208	24,514
Total	182,303		42,941	157,792		38,332

FY 2007 Title IX

Officer	6,512
Enlisted	24,510
Total	31,022

FY 2007 Net Request

Officer	7,306
Enlisted	4.00
Total	7,310

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: School Training for Soldiers scheduled for GWOT Deployment

Refresher and Proficiency Training: These funds support the incremental training costs for Soldiers being deployed for OIF/OEF in FY 2007 and early FY 2008 to achieve and maintain proficiency in specific military occupational specialties. They also provide doctrinal updates in concert with force modernization efforts of new techniques, weapon systems, changing missions, refresher pilot training, and new equipment training. Required personnel will attend additional skills or special qualification training with this funding. Training includes Combat Life Saver, Medical Proficiency training, and sustainment (Combat Medic, Sniper, Ranger, Pathfinder, Duty Military Occupational Skill Qualification (DMOSQ), counter IED training, Infantry Mortar Leader Course, Bradley Gunner Proficiency Training, and Convoy Live Fire Training) to support requirements in country for Coalition Forces Land Component Command (CFLCC).

Total	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount
Officer	1,924	\$333	641	12,979	\$346	4,491
Enlisted	4,786	\$201	962	33,553	\$208	6,979
Total	6,710		1,603	46,532		11,470

FY 2007 Title IX

Officer	1,114
Enlisted	6,979
Total	8,093

FY 2007 Net Request

Officer	3,377
Enlisted	-
Total	3,377

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: School Training for Soldiers scheduled for GWOT Deployment

Career Development Training: These funds support formal professional education programs of varying lengths for positions of greater responsibility for Soldiers being deployed for OIF/OEF in FY 2007 and early FY 2008.

This funding supports the level of education recognized under the military education system which enhances a member's value to the ARNG. Courses are to include the Captains Career Course (CCC), Officer/Warrant Officer Advance Courses, Reserve Component Non-Commission Officer Education School (RCNCOES) and the Sergeant Major Academy.

ARNG members completing these courses will lead the ARNG to be better balanced and to successfully complete its GWOT missions.

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Officer	35,538	\$333	11,834	15,200	\$346	5,259
Enlisted	104,403	\$201	20,985	63,170	\$208	13,139
Total	139,941		32,819	78,370		18,398
<u>FY 2007 Title IX</u>			77,362			
Officer						468
Enlisted						5,376
Total						5,844
<u>FY 2007 Net Request</u>						
Officer						4,791
Enlisted						7,763
Total						12,554
Total School Training						
<u>FY 2007 Net Request</u>						
Officer			28,362			15,474
Enlisted			49,000			7,767
Total			77,362			23,241

RECRUITING AND RETENTION

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Recruiting and Retention

FY 2007
(\$ in Thousands)
\$380,386

Part I – Purpose and Scope

The requirements will fund Recruiting and Retention enablers such as Enlistment Bonuses, Retention Bonuses, Military Operational Skill (MOS) Conversion Bonuses, Recruiter Incentive Program (RIP), and Recruiter Mandays (Active Duty Special Work – ADSW). Funding these requirements will facilitate the Army National Guard’s (ARNG) Recruiting and Retention efforts and achieve readiness goals.

Part II – Justification of Funds Requested

Enlistment, reenlistment and MOS bonuses are vital incentives to achieved accessions and retentions to fill critical Army National Guard MOS’s. Enlistment and reenlistment bonuses are key factors in retaining Soldiers and attracting new Soldiers to the ARNG.

The purpose of the Recruiter Incentive Program (RIP) is to increase volume and quality of enlistments and officer accessions into the Army National Guard by sustained overproduction of the recruiting force. The Army National Guard has developed, in conjunction with Active Army, a pilot program which will enhance recruiting by encouraging recruiters to overproduce against monthly mission.

The ADSW Recruiter Mandays requirements will fund additional officer and non-commissioned officer recruiting and retention personnel, to augment existing State and Territory Recruiting and Retention efforts. These additional personnel will enable the ARNG to meet its full end strength by the end of FY 2007. Additional ADSW recruiters are a critical component of the overall ARNG recruiting and retention strategy to achieve and maintain our congressionally mandated end strength of 350,000, in order to ensure full readiness for and support of essential National Security missions, including the Global War on Terror and homeland defense/disaster response contingencies.

Funding these requirements will facilitate the Army National Guard’s (ARNG) recruiting and retention efforts and achieve unit readiness goals to support the Global War on Terrorism.

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Recruiting and Retention

<u>Total</u>	<u>FY 2006 Actual</u>			<u>FY 2007 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Enlistment Bonus	6,023	\$8,000	48,181	13,687	\$8,000	109,496
Reenlistment Bonus	9,144	\$8,000	73,149	19,223	\$8,000	153,780
MOS Conversion	45	\$2,000	90	200	\$2,000	400
Recruitment Referral Bonus	778	\$198	154	26,047	\$296	7,710
Recruiter Mandays (ADSW)	2,618	\$51,840	135,707	1,824	\$59,760	109,000
Total			257,281			380,386
 <u>FY 2007 Title IX</u>						
Enlistment Bonus						-
Reenlistment Bonus						-
MOS Conversion						-
Recruitment Referral Bonus						-
Recruiter Mandays (ADSW)						-
Total						-
 <u>FY 2007 Net Request</u>						
Enlistment Bonus						109,496
Reenlistment Bonus						153,780
MOS Conversion						400
Recruitment Referral Bonus						7,710
Recruiter Mandays (ADSW)						109,000
						380,386

CASUALTY AND DISABILITIES

Appropriation: National Guard Personnel, Army
Budget Activity 1: Casualty and Disability Benefits
Budget Line Item: Death Gratuities

FY 2007
(\$ in Thousands)
\$4,400

Part I – Purpose and Scope

The death gratuity is a one-time non-taxable payment to help surviving family members deal with the financial hardships that accompany the loss of a service member. The amount payable was increased from \$12,000 to \$100,000 in Section 664 of the FY 2006 NDAA. The military death gratuity is a lump sum gratuitous payment made by the military to eligible beneficiaries of a member who dies on Active Duty (AD), Active Duty for Training (ADT), or Initial Duty Training (IDT), or full-time Army National Guard duty. The increase from \$12,000 to \$100,000 was not submitted in the FY 2007 President’s Budget request.

Part II – Justification of Funds Requested

The purpose of the death gratuity payment is to help the survivors in their readjustment and to aid them in meeting immediate expenses incurred. For those whose death is as a result of hostile actions and occurred in a designated combat operation or combat zone or while training for combat or performing hazardous duty, the payment is \$100,000. The \$88,000 rate per individual is based on the increase from \$12,000 per death to \$100,000 per death.

<u>Total</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Death Gratuity (Non-Combat Deaths)	38	\$88,000	3,328	50	\$88,000	4,400
Total	38		3,328	50		4,400

FY 2007 Title IX

Death Gratuity (Non-Combat Deaths)	-
Total	-

FY 2007 Net Request

Death Gratuity (Non-Combat Deaths)	4,400
Total	4,400