

DEPARTMENT OF DEFENSE

OVERSEAS CONTINGENCY OPERATIONS REQUEST FOR ADDITIONAL FISCAL YEAR (FY) 2017 APPROPRIATIONS



MILITARY PERSONNEL, ARMY

JUSTIFICATION BOOK

MARCH 2017

The estimated cost of this report for the Department of Defense is approximately \$6,979 for Fiscal Year 2017.
This includes approximately \$825 in expenses and approximately \$6,154 in DoD labor.

TABLE OF CONTENTS

MILITARY PERSONNEL OVERVIEW

INTRODUCTION	4
MAJOR BUDGET DRIVERS	4
MILITARY PAY EXECUTION AND FUNDING REQUIREMENTS	7
FY 2017 APPROPRIATION SUMMARY	7
10 U.S.C 12304B COMBATANT COMMAND SUPPORT	9
APPROPRIATION SUMMARY BY CATEGORY	10
ARMY M-1 DETAIL	11
US ARMY NATIONAL GUARD AND US ARMY RESERVE M-1 DETAIL	13

MILITARY PERSONNEL OVERVIEW

Introduction

The FY 2017 total request for Overseas Contingency Operations (OCO) Military Personnel supports Operation Freedom's Sentinel (OFS), Operation Inherent Resolve (OIR) and European Reassurance Initiative (ERI) requirements.

This amendment addresses urgent warfighting readiness shortfalls and new requirements driven by acceleration of the campaign against the Islamic State of Iraq and Syria (ISIS). Support to OFS encompasses all actions to restore stability, support counter terrorism operations against the remnants of al Qaeda in Afghanistan, the Horn of Africa, the Philippines, and detainee operations on U.S. Naval Station Guantanamo Bay, Cuba. Support to OIR focuses on the operations to eliminate ISIS. The Army's total OCO requirement is primarily based on the Army's current force structure of U.S. troops in Afghanistan, troops in other Southwest Asian countries engaged in support operations and, Soldiers remaining in Continental United States (CONUS) supporting combat operations in theater. This request incorporates increased mission requirements and augmented Reserve Component (RC) mobilization strength levels. This request funds pay, allowances, subsistence, and other personnel costs for RC Soldiers on Active Duty and incremental costs for deployed AC Soldiers.

Requirements in support of ERI are to assure NATO allies and bolster the security and capacity of partners across the following lines of effort:

- Increased U. S. military presence in Europe
- Additional bilateral and multinational exercises and training with allies and partners
- Further activities to build partner capacity for newer NATO members and other partners

Major Budget Drivers

Military Pay Appropriation Manpower Drivers

Manpower drivers include a combination of Active and Reserve Component requirements. FY 2017 total requirement displays the latest execution projections. Requirements include:

- Reserve Component on Active Duty - includes soldier deployed to Theater, as well as those remaining in CONUS supporting ongoing combat operations in Theater.
- Deployed Active Component Soldiers – funds incremental deployment pays associated with Soldiers deployed in support of OFS, OIR and ERI.

The following table reflects assumptions for mobilization:

Description	Average Strength			FY 2017 Total Requirement
	FY 2017 OCO Request	FY 2017 Nov. OCO Amendment	Mar. Request for Additional FY 2017 Appropriations	
Active Army Deployment by IDP Payment	10,021	3,689	(5,809)	7,902
Reserve Component Deployment by IDP Payment	3,145	590	(206)	3,529
Total Imminent Danger Pay (IDP)	13,166	4,279	(6,015)	11,430
Army Reserve Mobilization	8,444	119	611	9,174
Army National Guard Mobilization	8,239	521	1,620	10,380
Total RC Mobilization	16,683	640	2,231	19,554
Active Overstrength Above Enduring Force	-	-	-	
Active Army	-	-	-	

Rate Changes

The following rate assumptions were incorporated into the FY 2017 budget requests:

Pay Raise

- The FY 2017 President's Budget Request includes a 1.6% military pay raise, effective 1 January 2017 (1.53% over the fiscal year).
- The FY 2017 Total Requirement includes a 2.1% military pay raise, effective 1 January 2017 (1.90% over the fiscal year).

Basic Allowance for Subsistence

- The FY 2017 President's Budget Request includes a 3.4% subsistence rate increase, effective 1 January 2017 (2.58% over the fiscal year).
- The FY 2017 Total Requirement includes a 0.0% subsistence rate increase, effective 1 January 2017 (0.03% over the FY).

Basic Allowance for Housing

- The FY 2017 President's Budget Request includes a 2.9% housing rate increase, effective 1 January 2017 (2.50% over the fiscal year).
- The FY 2017 Total Requirement includes a 2.2% subsistence rate increase, effective 1 January 2017 (1.98% over the fiscal year).

Retired Pay Accrual

- The FY 2017 President's Budget Request includes Retired Pay Accrual as a percentage of Basic Pay is 29.5% for full-time and 23.6% for part-time Soldiers.
- The FY 2017 Total Requirement includes Retired Pay Accrual as a percentage of Basic Pay is 28.9% for full-time and 22.8% for part-time Soldiers.

Pre/Post Mobilization Training

The request includes funding for Army Reserve National Guard (ARNG) and United States Army Reserve (USAR) requirements to provide pre-mobilization training necessary to maximize Boots On the Ground (BOG) time in theater, and provides resources for the post deployment activities that include the post deployment health reassessments and the Yellow Ribbon Reintegration Program (YRRP) programs. These programs are designed to ensure that Soldiers and their families are provided the information, services, referrals and outreach programs necessary for comprehensive Soldier fitness through all phases of the deployment cycle.

Integrated Disability Evaluation Systems Impact on Readiness and Dwell

The Integrated Disability Evaluation System (IDES) is the DoD management tool used to determine the disposition of a Service member who develops a medical condition that calls into question the member's ability to continue to serve in the military. The population of Soldiers in IDES negatively impacts the readiness of the Army. The Army is aggressively working with our partners in the Department of Veterans Affairs (VA) to decrease the IDES population. Together both parties are working to meet the established processing times in order to ensure efficient handling of IDES cases.

Military Pay Execution and Funding Requirement

The FY 2017 request includes \$2,291 million for Army's military personnel costs as shown in the following summary table:

Summary by Appropriation	(\$ Thousands)					
	<u>FY 2017 OCO Request</u>	<u>FY 2017 Nov. OCO Amendment</u>	<u>Mar. Request for Additional FY 2017 Appropriations</u>	<u>FY 2017 Total Requirement</u>	<u>Less: FY 2017 Security Assistance Enacted</u>	<u>FY 2017 Remaining OCO Request</u>
Military Personnel, Army (MPA)	2,051,578	94,034	(17,610)	2,128,002	196,964	1,931,038
MERHCF*, Army	-	-	-	-	-	-
Stop-Loss Special Pay - Army	-	-	-	-	-	-
National Guard Personnel, Army (NGPA)	196,472	-	-	196,472	-	196,472
Reserve Personnel, Army (RPA)	42,506	-	-	42,506	-	42,506
Total	2,290,556	94,034	(17,610)	2,366,980	196,964	2,170,016

* Medicare Eligible Retiree Health Care Fund

FY 2017 Appropriation Summary

The FY 2017 total request of \$2,367 million for Army's military personnel costs are comprised of the following major cost categories:

National Guard & Army Reserve Mobilization (\$1,789 million)

- Basic military pay and entitlements (i.e., Basic Pay, Basic Allowance for Housing (BAH), Retired Pay Accrual (RPA), social security contributions, and incentive pays) for National Guard and Army Reserve members on active duty to provide essential military operation support or backfill for those active personnel deployed overseas in support of OFS, OIR and ERI. This includes funding for Reserve Component members mobilized to support Wounded Warrior Transition Units.
- Special Pays for Mobilized National Guard and Army Reserve Personnel, primarily includes:
 - Hostile Fire Pay (\$7.50 per day up to \$225 per month)
 - Family Separation Allowance (\$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)
 - Basic Allowance for Subsistence – for Reserve Component Soldiers in support of OFS, OIR and ERI.

Active Component Deployment Costs (\$60 million)

- Active Component Deployment Costs fund the incremental deployment pays required to support deployed Soldiers. These deployment pays include:
 - Hostile Fire Pay (\$7.50 per day up to \$225 per month)
 - Family Separation Allowance (\$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)

Other Mobilization and Deployment Costs (\$42 million)

- Additional mobilization / deployment benefits for unemployment benefits to Soldiers who are discharged or released under honorable conditions, the Reserve Income Replacement Program, and Interest on Uniformed Services Savings Deposits payments.

Subsistence-In-Kind Costs (\$200 million)

- Funds support Subsistence-in-Kind (SIK) to all US military personnel while deployed in support of OFS, OIR and ERI. SIK includes the cost of procuring subsistence for garrison dining facilities (subsistence in messes), operational rations, and augmentation rations. As the executive agent, the Army provides subsistence in mess facilities and operational rations for members of all military services.

Permanent Change of Station (\$27 million)

- The Permanent Change of Station (PCS) program pays for the travel, transportation, storage, and dislocation allowances for reassignment of military members and families traveling individually for operational or rotational moves in support of OFS, OIR and ERI.

Casualty and Disability Benefits (\$9 million)

- Provides funds to the Department of Veterans Affairs (VA) to cover the increased number of Soldiers Group Life Insurance (SGLI) / Traumatic-SGLI (T-SGLI) claims directly associated with contingency operations.
- Casualty benefits associated with the death and traumatic injury of service members (T-SGLI).
- Death Gratuity payments to survivors of members dying on active duty.
- Provides reimbursement of SGLI/T-SGLI premiums to deployed Soldiers.

Pre and Post Mobilization Training (\$239 million)

- Basic pay and allowance costs for training of members in Guard and Reserve Soldiers prior to mobilization and post deployment to re-certify skills not utilized during extended deployments.
- European Reassurance Initiative (ERI) in support of Operation Atlantic Resolve, funds additional full time equivalent (FTE) mandays for key unit personnel to assure NATO allies and bolster the security and capacity of partners.

10 U.S.C. §12304b: Selective Reserve: Order to Active Duty for Preplanned Missions in Support of the Combatant Commands - FY 2017 Requested Levels: 18,738 Man-Years; \$1,732 million

The National Defense Authorization Act (NDAA) 2012, authorizes the use of 10 U.S.C. §12304b, which provides the Secretary of the Army the authority to involuntarily activate members of the Selected Reserves for not more than 365 consecutive days. In FY 2017, the Army will utilize 12304b in support of pre-planned and OCO funded missions identified by Combatant Commanders. The Army will use authority granted in 10 U.S.C. §12301(d) for Soldiers volunteering to support these missions.

U. S. Central Command, U.S. Africa Command, U.S. Pacific Command and U.S. South Command: Peace Keeping, Theater Security and Stability Operations - Provides capability to deter hostility and threats, establish a secure environment and ensure public safety and order, support the international humanitarian effort and coordinate with and support the international civil presence to prevent any violation of established treaties and promote regional cooperation and security.

Appropriation Summary by Category

FY 2017 total requirements are displayed in the following tables:

FY 2017 Appropriations Summary By Category							
(\$ in thousands)							
FY 2017 Total Request	Active Army	Army Guard	Army Reserve	FY 2017 OCO Request	FY 2017 Nov. OCO Amendment	Mar. Request for Additional FY 2017 Appropriations	FY 2017 Total Requirement
Reserve & Guard Mobilization	1,603,496			1,603,496	63,531	122,069	1,789,096
AC Deployment Costs	73,769			73,769	23,336	(37,202)	59,903
Other Mobilization and Deployment Costs*	91,658			91,658	698	(50,093)	42,263
Active Component TESI	-			-	-		-
Active Component TEAM	-			-	-		-
Active Component Above Enduring Force	-			-	-		-
Subsistence-In-Kind (SIK)	222,742			222,742	5,548	(28,240)	200,050
Permanent Change of Station	44,656			44,656	-	(17,317)	27,339
Casualty and Disability	15,256			15,256	922	(6,828)	9,350
Pre and Post Mobilization Training	-	196,472	42,506	238,978	-		238,978
Total Military Personnel	2,051,577	196,472	42,506	2,290,555	94,034	(17,610)	2,366,979
MERHCF, Army	-	-	-	-	-		-
Total Military Personnel	2,051,577	196,472	42,506	2,290,555	94,034	(17,610)	2,366,979

* Includes Other Military Personnel Costs (Unemployment (UCX), Reserve Income Replacement Program (RIRP) and Service Savings Deposits)

Army M-1

			Army M-1					
APN	M1		FY 2017 OCO Request	FY 2017 Nov. OCO Amendment	Mar. Request for Additional FY 2017 Appropriations	FY 2017 Total Requirement	Less: FY 2017 Security Assistance Enacted	FY 2017 Remaining OCO Request
MILITARY PERSONNEL, ARMY								
BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS								
2010A	5	BASIC PAY	315,786	12,129	47,684	375,599	29,588	346,011
2010A	10	RETIRED PAY ACCRUAL	74,526	2,862	8,248	85,636	6,947	78,689
2010A	25	BASIC ALLOWANCE FOR HOUSING	133,911	5,144	(18,320)	120,735	11,066	109,669
2010A	30	BASIC ALLOWANCE FOR SUBSISTENCE	11,866	450	1,812	14,128	1,118	13,010
2010A	35	INCENTIVE PAYS	1,543	59	640	2,242	168	2,074
2010A	40	SPECIAL PAYS	15,411	4,483	1,658	21,552	5,320	16,232
2010A	45	ALLOWANCES	11,970	2,357	1,494	15,821	3,656	12,165
2010A	50	SEPARATION PAY	4,541	177	278	4,996	445	4,551
2010A	55	SOCIAL SECURITY TAX	24,158	928	3,684	28,770	2,264	26,506
		TOTAL BUDGET ACTIVITY 1	593,712	28,589	47,178	669,479	60,573	608,907
BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED								
2010A	60	BASIC PAY	506,209	19,444	58,174	583,827	46,980	536,847
2010A	65	RETIRED PAY ACCRUAL	119,465	4,594	9,054	133,113	11,037	122,076
2010A	80	BASIC ALLOWANCE FOR HOUSING	255,613	9,818	(2,452)	262,979	23,410	239,569
2010A	85	INCENTIVE PAYS	959	36	1,060	2,055	88	1,967
2010A	90	SPECIAL PAYS	47,347	13,435	(20,092)	40,690	15,428	25,262
2010A	95	ALLOWANCES	46,094	6,829	(18,016)	34,907	10,807	24,100
2010A	100	SEPARATION PAY	10,063	384	120	10,567	934	9,633
2010A	105	SOCIAL SECURITY TAX	38,725	1,487	4,450	44,662	3,593	41,069
		TOTAL BUDGET ACTIVITY 2	1,024,475	56,027	32,298	1,112,800	112,277	1,000,523
BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL								
2010A	115	BASIC ALLOWANCE FOR SUBSISTENCE	59,079	2,250	5,392	66,721	5,487	61,234
2010A	120	SUBSISTENCE-IN-KIND	222,742	5,548	(28,240)	200,050	16,399	183,651
		TOTAL BUDGET ACTIVITY 4	281,821	7,798	(22,848)	266,771	21,886	244,885

Army M-1 (Continued)

			FY 2017 OCO Request	FY 2017 Nov. OCO Amendment	Mar. Request for Additional FY 2017 Appropriations	FY 2017 Total Requirement	Less: FY 2017 Security Assistance Enacted	FY 2017 Remaining OCO Request
APN	M1	BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL						
2010A	125	ACCESSION TRAVEL	-	-	-	-	-	
2010A	130	TRAINING TRAVEL	-	-	-	-	-	
2010A	135	OPERATIONAL TRAVEL	32,597	-	(15,068)	17,529	-	17,529
2010A	140	ROTATIONAL TRAVEL	12,059	-	(2,249)	9,810	-	9,810
2010A	145	SEPARATION TRAVEL	-	-	-	-	-	
2010A	150	TRAVEL OF ORGANIZED UNITS	-	-	-	-	-	
		TOTAL BUDGET ACTIVITY 5	44,656	-	(17,317)	27,339	-	27,339
		BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS						
2010A	175	INTEREST ON SOLDIERS DEPOSITS	2,194	698	36	2,928	698	2,230
2010A	212	RESERVE INCOME REPLACEMENT PROGRAM	-	-	-	-	-	
2010A	185	UNEMPLOYMENT COMPENSATION	89,464	-	(50,829)	38,635	-	38,635
2010A	180	DEATH GRATUITIES	1,200	-	700	1,900	-	1,900
2010A	216	SGLI EXTRA HAZARD PAYMENTS	8,184	922	(956)	8,150	1,531	6,619
2010A	219	TRAUMATIC SGLI	5,872	-	(5,872)	-	-	-
		TOTAL BUDGET ACTIVITY 6	106,914	1,620	(56,921)	51,613	2,229	49,384
		SUB TOTAL - MILITARY PERSONNEL, ARMY	2,051,578	94,034	(17,610)	2,128,002	196,964	1,931,038
2010X	221	STOP-LOSS SPECIAL COMPENSATION						
1004A	300	MERHCF, ARMY						
		TOTAL MILITARY PERSONNEL, ARMY	2,051,578	94,034	(17,610)	2,128,002	196,964	1,931,038

US Army National Guard and US Army Reserve M-1

NATIONAL GUARD PERSONNEL, ARMY			FY 2017 OCO Request	FY 2017 Nov. OCO Amendment	Mar. Request for Additional FY 2017 Appropriations	FY 2017 Total Requirement	Less: FY 2017 Security Assistance Enacted	FY 2017 Remaining OCO Request
APN	M1	BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT						
2060A	10	PAY GROUP A TRAINING	33,702	-	-	-	-	33,702
2060A	80	SPECIAL TRAINING (PRE/POST MOB TRAINING)	105,939	-	-	-	-	105,939
2060A	70	SCHOOL TRAINING (PRE/POST MOB TRAINING)	47,658	-	-	-	-	47,658
2060A	90	ADMINISTRATION AND SUPPORT	9,173	-	-	-	-	9,173
2060A	90	RECRUITING AND RETENTION	-	-	-	-	-	-
		TOTAL NATIONAL GUARD PERSONNEL, ARMY	196,472	-	-	-	-	196,472
RESERVE PERSONNEL, ARMY			FY 2017 OCO Request	FY 2017 Nov. OCO Amendment	Mar. Request for Additional FY 2017 Appropriations	FY 2017 Total Requirement	Less: FY 2017 Security Assistance Enacted	FY 2017 Remaining OCO Request
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT								
2070A	10	PAY GROUP A TRAINING	2,773	-	-	-	-	2,773
2070A	80	SPECIAL TRAINING (PRE/POST MOB TRAINING)	39,733	-	-	-	-	39,733
2070A	70	SCHOOL TRAINING (PRE/POST MOB TRAINING)	-	-	-	-	-	-
2070A	90	RECRUITING AND RETENTION	-	-	-	-	-	-
		TOTAL RESERVE PERSONNEL, ARMY	42,506	-	-	-	-	42,506
GRAND TOTAL ARMY MILITARY PERSONNEL			2,290,556	94,034	(17,610)	2,128,002	196,964	2,170,016