

National Guard and Reserve Equipment Account (NGREA)

ROA urges continued funding of the NGREA at FY2012-2014 levels to ensure the Guard and Reserve do not experience equipment shortages and can adequately modernize existing equipment in order to maintain the capabilities required to meet operational demands.

- Given the Selected Reserve force makes up nearly 40% of the Total Force, it is vital to adequately fund this significant portion of the force. NGREA was established to mitigate the risks to Guard and Reserve Components (RC) in Active Component budget submissions.
- The Guard and Reserve Components have transformed into an operationally focused force; therefore, interoperability is imperative in order for DoD to seamlessly deliver the best, most cost-effective force solutions for each operating environment and mission.
- Interoperability requires that Guard and Reserve Components operate with equipment that is comparable to and able to be integrated with the equipment used by their Active Component counterparts.
- NGREA funds directly impact force readiness by giving the Reserve Chiefs the ability to procure and modernize mission-critical equipment. Continued receipt of NGREA and RC-specific congressionally added funding will allow the DoD to sustain modern and compatible Reserve Components.

House and Senate Appropriation Committee NGREA Fund (FY 2016)

Service	House (\$M)	Senate (\$M)
Army National Guard	\$500	\$330
Army Reserve	\$315	\$140
Air Force National Guard	\$500	\$330
Air Force Reserve	\$ 75	\$140
Navy Reserve	\$ 70	\$ 50
Marine Reserve	\$ 40	\$ 10

LEGISLATIVE ACTION

ROA appreciates the continued funding of the NGREA and supports:

- House marks for Army National Guard, Army Reserve, Air Force National Guard, Navy Reserve and Marine Reserve.
- Senate mark for Air Force Reserve.

Survivor Benefits Plan (SBP): Inactive Duty Status

ROA urges amending title 10 of the United States Code to eliminate the unequal treatment of Reserve Component members under the Survivor Benefit Plan (SBP) based solely on duty status; and resolve the same inequity with respect to payment of an SBP annuity to a dependent child or children when there is no eligible surviving spouse.

- In accordance with Title 10, USC, Chapter 73, Subchapter II, Survivor Benefit Plan (SBP) annuity payments are calculated differently depending on the Reserve Component (RC) member’s duty status at the time of death.
- Families of members who die in the line of duty while in inactive-duty training (IDT) status receive significantly less support than when a member dies in an active status. This distinction and resulting difference in survivor pay is unfair and fails to account for the conduct of similar operations performed by those with different duty statuses.
- Guard, Reserve and Active Component members routinely serve side-by-side conducting the same operations while in different duty statuses.
- As the RC has increasingly transformed into an operational force since 9/11, more are increasingly conducting training and operations while on inactive duty.
- Senator Ted Cruz (R-Texas) introduced an amendment to the National Defense Authorization Act to address this disparity in survivor compensation but no action was taken by the Senate Armed Services Committee
- Under current law, the family of a Guard or Reserve servicemember killed in the line of duty will receive differing amounts of annuity payments depending solely on the administrative duty status (Active Duty versus Inactive Duty Training). Examples of current disparity in benefits:

<u>E-5 Monthly SBP</u>		<u>O-4 Monthly SBP</u>	
Active	\$1,155	Active	\$2,908
Reserve IDT	\$154	Reserve IDT	\$969

LEGISLATIVE ACTION

The ROA supports adding SBP-IDT to the NDAA to have the surviving beneficiaries of reserve component servicemembers to receive equal survivor benefits when they die in the line of duty regardless of budget status.

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Veteran Status for Reserve Component Members

ROA urges Congress to make a technical correction to the definition of veteran status by updating Title 38 to reflect the definition in Title 10.

- Title 38 was drafted and enacted during the strategic reserve era when reserve forces were generally called up only in dire national emergencies. National strategy has changed and the Guard and Reserve are increasingly called to operationally augment Active Component (AC) forces. However, Title 38 definition for veteran qualifications has not changed to reflect the Reserve Component's (RC) expanded role.
- Benefits are still limited to those who serve on active duty rather than recognize that "active military, naval, or air service" is conducted in both active and inactive duty statuses.
- The duty status under which Guard and Reserve members perform duty (active or inactive status) is mostly driven by which account has the most funds available – NOT the actual duty performed or the risks associated.
- Title 38 draws a distinction between servicemembers who serve in the AC versus in the RC, thereby creating a class distinction.
- RC members are frequently seen as second-class citizens. The prejudiced view is that their service is limited to "one weekend per month and two weeks in the summer" despite the fact that this has not been the case for more than twenty years – especially considering the expansion of humanitarian and military operations.
- Given that Senator Toomey submitted an amendment addressing Title 38 veteran status, the ROA considers it pertinent and timely for Congress to address this issue.

LEGISLATIVE ACTION

1. Reserve Component Qualifying as a Veteran: Update Title 38 USC 101(24) to reflect Title 10, USC 101(d)(1) and (3).
2. Qualifying as a veteran for purposes of affirmative action in employment by federal contractors: Amend Title 38 USC 4212(a)(3) by adding a new subsection (v).
3. Qualifying for veterans' preference in federal employment: Amend 5 USC. 2018, (1)(B) and (1)(D) to change "consecutive" to "cumulative" in each of the places where the word "consecutive" appears.

Military Compensation and Retirement Modernization Commission (MCRMC)

ROA urges Congress to support those provisions currently in the House and Senate bills pertaining to the Military Compensation and Retirement Modernization Commission (MCRMC) that would provide the greatest benefit to members of the armed forces while also encouraging fiscal sustainability.

- The recommendations of the Military Compensation and Retirement Modernization Commission (MCRMC) seek to balance the viability of the All-Volunteer Force with enhancements to the quality of life for members of the armed forces, thereby strengthening recruiting, retention, and career management.
- ROA supports certain provisions that best accomplish the MCRMC's goals of providing benefits to a larger sector of the armed forces while also providing sustained funding for military benefits:
 - 1.) House's provision on the defined contribution rate is 1% automatic plus up to 5% matching (max=6%) as opposed to the Senate provision, which caps matching contribution at 4% for a max defined contribution rate of 5%.
 - 2.) House's provision defined contribution rate years of service is to continue matching contribution until the end of service instead of the Senate provision that stops contribution at 20 years of service.
 - 3.) Department of Defense's recommendation for continuation pay would be at awarded at the 8-16 years of service, at the Service's discretion to meet force management needs, instead of the House and Senate provisions at 12 years without range.

LEGISLATIVE ACTION

The NDAA should include legislative language for:

1. The defined contribution rate to be set at 6% (1% and 5% matching)
2. The continued defined contribution rate to last until the end of service.
3. Continuation pay years of service to be 8-16 years at the discretion of the service.