

Military Pay: Biennial Appropriation

ROA urges Congress to convert the military personnel (MilPers) account to a biennial fund that would appropriate funds every two years so that servicemembers would not experience a disruption to service.

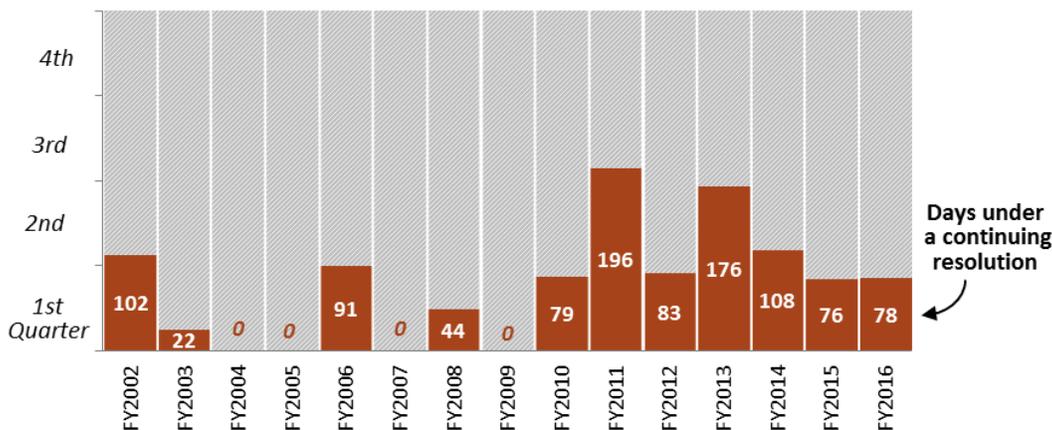
The military personnel account is funded on an annual basis, which results in several problems for the services and servicemembers. These problems become more complicated when a Continuing Appropriation passes instead of a budget appropriation – a situation that has become the new normal. Per the Congressional Research Service R44636, “DOD has started the fiscal year under a CR for 11 of the last 16 years and every year since FY2010.”

It is not uncommon for the budget to be delayed until after the fiscal year begins sometime between December to April. This immediately compresses DoD’s 12-month obligation plan into a 6- to 9-month period. When the requirement involves contracting, the ability to obligate funds can be reduced to 3 months or less. This reduced execution time frame can result in unobligated funds at the end of the year – funds which become a loss to the federal agency.

Often the military services will cancel or reschedule Unit Training Assemblies, annual training, inspections, etc. These no-notice changes can prevent a servicemember from completing a “good year” for participation. Not having a “good year” negatively impacts a member’s retirement eligibility. In some cases, failure to achieve a “good year” can result in a member being discharged.

Continuing Appropriations can force recruiting to minimize accessions subsequently causing manpower shortages, and ensuing overloads in the training systems as they try to catch-up later in the year – conditions which both further strain military readiness and operations. This is acutely felt in communities like cyber, where services are trying to increase capacity. Continuing Resolutions mean these communities do not receive the increased end strength or increased funding for additional manpower.

Days Under a Continuing Resolution: Department of Defense



Source: CRS analysis of dates of enactment of public law. [FY2017 Defense Spending Under an Interim Continuing Resolution \(CR\): In Brief, R44636](#)

By changing the Military Personnel appropriation to a biennial account, we eliminate the personnel and funding problems encountered under a continuing resolution or government shutdown. The following email exchange is a very real example of how a Continuing Appropriation affected readiness and operations.

Sent: Friday, October 07, 2016 5:53 AM

To: ROA

Subject: NO Reserve funds?

My reserve CMDR just told his unit last night there is no funding to do drilling or anything else? We just had to cancel training events, TDY, and add likely drill time in December. Are military funds that stuck right now?

From: ROA

Sent: Friday, October 7, 2016 11:48:57 AM

Subject: RE: NO Reserve funds?

The answer is yes and no.

Yes, funds are available. Congress did pass a continuing resolution until 9 Dec that gives DoD funding at the FY2016 level after reducing the accounts by 0.496%.

No, funds are not available. It takes time for the funds to pass from the Treasury to DoD to AF to NAF to units. Locally, they may literally be waiting for funds to become available in their accounts.

Sent: Monday, October 10, 2016 7:18 AM

To: ROA

Subject: Re: NO Reserve funds?

Thanks for further info. I would say the freeze was announced late and after lots of 1st drill weekends were already underway or done which was confusing. I would also ask that you emphasize this causes more than pay lost or loss of an admin weekend or reschedule drill. My unit for instance had training lined up with our active duty customer that was including TDY. The planning has been underway since the summer and it essentially disrupts a series of training events which will probably take half the year to get back on track. And this is more than training; it was getting us ready to provide operational support to active duty on our weekends and during active duty orders this year.