

LEGISLATIVE PROPOSALS

The FY 2003 budget includes funding and legislation for new authorities to enhance retention and improve quality-of-life for military and civilian members of the Department. The following tables provide a summary of the legislative proposals and the applicable funding reflected in the FY 2003 request. The proposals listed in this section have not yet been cleared by the Office of Management and Budget for submission to Congress.

	<u>(\$ in Millions)</u>
	<u>FY 2003</u>
Military Personnel, Army	+2,296.3
Military Personnel, Navy	+1,787.2
Military Personnel, Marine Corps	+833.1
Military Personnel, Air Force	+1,727.1
Reserve Personnel, Army	+414.5
Reserve Personnel, Navy	+200.4
Reserve Personnel, Marine Corps	+78.4
Reserve Personnel, Air Force	+150.7
National Guard Personnel, Army	+705.6
National Guard Personnel, Air Force	+242.1
Operation and Maintenance, Army	+619.9
Operation and Maintenance, Navy	+331.6
Operation and Maintenance, Marine Corps	+47.4
Operation and Maintenance, Air Force	+531.9
Operation and Maintenance, Defense-Wide	+346.0
Operation and Maintenance, Army Reserve	+43.2
Operation and Maintenance, Navy Reserve	+6.2
Operation and Maintenance, Air Force Reserve	+55.5
Operation and Maintenance, Army National Guard	+87.3
Operation and Maintenance, Air Force Guard	+88.5
Office of the Inspector General	+8.3
United States Court of Appeals for the Armed Forces	+0.3
Research, Development, Test and Evaluation, Army	+98.2
Research, Development, Test and Evaluation, Navy	+5.6
Research, Development, Test and Evaluation, Air-Force	+36.2
Research, Development, Test and Evaluation, Defense-Wide	+14.7
Military Construction, Army	+26.1

LEGISLATIVE PROPOSALS

	<u>(\$ in Millions)</u> <u>FY 2003</u>
Military Construction, Navy	+10.5
Working Capital Fund, Army	+109.0
Working Capital Fund, Navy	+373.2
Working Capital Fund, Air Force	+122.3
Working Capital Fund, Defense Commissary Agency	+27.6
Working Capital Fund, Defense-Wide	+206.9
Family Housing, Army	+3.3
Family Housing, Defense Logistics Agency	*
Defense Health Program	<u>-7,975.9</u>
Total	+3,659.2

* Less than \$50,000

Military Personnel Initiatives

Medical Health Care Accrual – Current law provides for the normal cost contribution for medicare-eligible healthcare accrual – currently estimated at \$8.1 billion in FY 2003 – to be paid into the Fund from within the Defense Health Program resources. However, the Department believes that the future liability for healthcare costs of active duty personnel is more appropriately charged to the Military Personnel appropriations and has submitted legislation to reflect this change. The FY 2003 budget includes \$8.1 billion in the Military Personnel appropriations to pay into the Medical-Eligible Retiree Health Care Fund.

Military Personnel, Army	+2,214.2
Military Personnel, Navy	+1,708.4
Military Personnel, Marine Corps	+801.8
Military Personnel, Air Force	+1,655.6
Reserve Personnel, Army	+402.4
Reserve Personnel, Navy	+194.1
Reserve Personnel, Marine Corps	+77.1
Reserve Personnel, Air Force	+138.8
National Guard Personnel, Army	+684.8
National Guard Personnel, Air Force	+224.9
Defense Health Program	<u>-8,102.1</u>
Total	-

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Targeted Pay Raise – The Administration has not yet decided whether to seek this legislation. The optional pay increase would provide higher rates of pay for a specified range of members

Military Personnel, Army	+72.2
Military Personnel, Navy	+74.8
Military Personnel, Marine Corps	+30.7
Military Personnel, Air Force	+56.9
Reserve Personnel, Army	+11.1
Reserve Personnel, Navy	+6.2
Reserve Personnel, Marine Corps	+1.3
Reserve Personnel, Air Force	+11.9
National Guard Personnel, Army	+18.7
National Guard Personnel, Air Force	<u>+17.2</u>
Total	+301.0

Army Reserve Officer's Training Corps (ROTC) Green to Gold Program – Authorizes Army active duty personnel to remain on active duty, receive full pay and allowances, enroll in the Army ROTC program, while completing an undergraduate degree program. Any soldier accepted into the Green to Gold (Active) Program is ineligible for an Army ROTC scholarship.

Military Personnel, Army	<u>+1.8</u>
Total	+1.8

Army College First Pilot Program – Improves the Army's ability to penetrate the college-bound market by extending the time in the Delayed Entry Program (DEP) to 2 ½ years, pay tuition expenses during participation in the DEP program up to a 75 percent cap, establishes a \$300 monthly allowance, and establishes recoupment standards.

Military Personnel, Army	<u>+1.6</u>
Total	+1.6

LEGISLATIVE PROPOSALS

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Inclusion of Loan Interest in Loan Repayment Program– Authorizes the Service Components to pay principal and interest on qualifying loans on behalf of Loan Repayment Program (LRP) participants.

Military Personnel, Army	+4.1
Military Personnel, Navy	<u>+0.1</u>
Total	+4.2

Permanent Grade Relief for USAF Majors – Authorizes permanent grade ceiling relief of 7 percent for majors.

Military Personnel, Air Force	<u>+10.3</u>
Total	+10.3

Increase Top Two Enlisted Inventory by One-Half Percent – Authorizes a one-half percent increase in the top two enlisted grades to allow parity for all services. Currently, only the Army has the additional one-half percent enlisted grade inventory.

Military Personnel, Navy	<u>+1.0</u>
Total	+1.0

Multiple Basic Allowance for Subsistence (BAS) Meal Rates – Authorizes the grandfathering of Rations-in-Kind Not Available (RIKNA) rates until they match the BAS rate and establishes a BAS II rate for single members living in government quarters without adequate food cooking or storage facilities and without access to an appropriated fund dining facility.

Military Personnel, Army	+1.7
Military Personnel, Navy	+0.8
Military Personnel, Marine Corps	+0.3
Military Personnel, Air Force	<u>+4.2</u>
Total	+7.0

LEGISLATIVE PROPOSALS

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Distribution Incentive Pay – Authorizes a flexible, market-based incentive to encourage enlisted members to volunteer for jobs in less than desirable geographic locations and difficult-to-fill jobs.

Military Personnel, Navy	+1.0
Reserve Personnel, Navy	+0.1
Operation and Maintenance, Navy	<u>+2.1</u>
Total	+3.2

Vehicle Storage in Lieu of Transportation – Authorizes the storage of privately owned vehicles (POVs) when a member is ordered to a non-foreign duty station outside the continental United States (OCONUS) and the transportation of the POV is prohibited or for members ordered to a duty station in CONUS but whose unit is specified as operating in OCONUS for 1 year or more.

Military Personnel, Army	+0.3
Military Personnel, Navy	+0.6
Military Personnel, Marine Corps	<u>+0.2</u>
Total	+1.1

Pay for Certain Service Academy Prep School Students – Authorizes a reserve enlisted member to receive their equivalent active duty pay grade status when entering a service academy prep school as a student.

Military Personnel, Army	+0.1
Military Personnel, Navy	+0.1
Military Personnel, Air Force	<u>+0.1</u>
Total	+0.3

Low Cost or No Cost Move – Authorizes members assigned to OCONUS locations to receive a housing allowance when making a low cost/no cost move. Currently, only CONUS members are allowed this payment.

Military Personnel, Army	*
Military Personnel, Navy	+0.2
Military Personnel, Air Force	<u>*</u>
Total	+0.2

* Less than \$50,000

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Shipment of Two Privately Owned Vehicles (POVs) Upon Death – Authorizes the shipment of a second POV in addition to household goods and personal effects upon the death of a member.

Military Personnel, Army	+0.2
Military Personnel, Navy	<u>+0.1</u>
Total	+0.3

Civilian Personnel Initiatives

Full Accrual Accounting of Civil Service Retirement Systems (CSRS) and Federal Employee Health Benefits (FEHB) Programs – Beginning in FY 2003, the Administration has proposed legislation to finance costs of CSRS and FEHB program for future retirees on an accrual basis in the accounts that currently pay the salaries of current employees.

Operation and Maintenance, Army	+612.4
Operation and Maintenance, Navy	+324.3
Operation and Maintenance, Marine Corps	+47.2
Operation and Maintenance, Air Force	+531.1
Operation and Maintenance, Defense-Wide	+346.0
Operation and Maintenance, Army Reserve	+43.2
Operation and Maintenance, Navy Reserve	+6.2
Operation and Maintenance, Air Force Reserve	+55.4
Operation and Maintenance, Army National Guard	+87.3
Operation and Maintenance, Air Force Guard	+88.4
Office of the Inspector General	+8.3
United States Court of Appeals for the Armed Forces	+0.3
Research, Development, Test and Evaluation, Army	+98.2
Research, Development, Test and Evaluation, Navy	+5.6
Research, Development, Test and Evaluation, Air-Force	+36.2
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Military Construction, Army	+26.1
Military Construction, Navy	+10.5

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	<u>FY 2003</u>
Working Capital Fund, Army	+109.0
Working Capital Fund, Navy	+373.2
Working Capital Fund, Air Force	+122.3
Working Capital Fund, Defense Commissary Agency	+27.6
Working Capital Fund, Defense-Wide	+206.9
Family Housing, Army	+3.3
Family Housing, Defense Logistics Agency	*
Defense Health Program	<u>+126.2</u>
Total	+3,309.9
* Less than \$50,000	

Last Move Travel and Transportation – Authorizes the payment of a last home move for civilian employees who are eligible for an annuity or are within 5 years of eligibility and relocate at government expense.

Operation and Maintenance, Army	+0.6
Operation and Maintenance, Navy	+0.5
Operation and Maintenance, Marine Corps	+0.1
Operation and Maintenance, Air Force	<u>+0.4</u>
Total	+1.6

Increase Student Loan Repayment – Authorizes an increase from \$6,000 to \$10,000 in any calendar year that may be paid on student loans in an effort to attract college graduates for the DoD civilian workforce.

Operation and Maintenance, Navy	<u>+2.0</u>
Total	+2.0

Modify the Overtime Pay Cap – Authorizes civilian employees to receive at least their hourly basic rate of pay for overtime performed. Currently, the overtime rate is capped at the GS-10, Step 1 rate.

Operation and Maintenance, Army	+6.5
Operation and Maintenance, Navy	+2.4

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	<u>FY 2003</u>
Operation and Maintenance, Marine Corps	+0.1
Operation and Maintenance, Air Force	+0.4
Operation and Maintenance, Air Force Reserve	+0.1
Operation and Maintenance, Air Force Guard	+0.1
Research, Development, Test and Evaluation, Air Force	*
Total	<u>+9.6</u>
* Less than \$50,000	

Full Permanent Change of Station (PCS) Benefits to New Employees – Authorizes a new recruiting incentive for individuals with critical skill specialties by paying their PCS costs associated with accepting a new position.

Operation and Maintenance, Army	+0.4
Operation and Maintenance, Navy	<u>+0.3</u>
Total	+0.7

Reserve Affairs Initiatives

Reserve Component Prior Service Enlistment Bonus – Authorizes an increase to the prior service enlistment bonus from a maximum of \$5,000 to \$8,000 for individuals enlisting in critically manned career fields for the Reserve Components.

Reserve Personnel, Army	+1.0
National Guard Personnel, Army	<u>+2.0</u>
Total	+3.0

Increase Retired Pay for Enlisted Reserve Component Personnel Decorated for Extraordinary Heroism – Authorizes a 10 percent retired pay increase for Reserve Component enlisted personnel decorated for extraordinary heroism.

Reserve Personnel, Army	*
National Guard Personnel, Army	<u>+0.1</u>
Total	+0.1
* Less than \$50,000	

LEGISLATIVE PROPOSALS

Health Affairs Initiative

(\$ in Millions)
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Survivor Eligibility for Dependents' Dental Plan— Authorizes service member dependents to enroll in a dependent's dental plan, regardless of their enrollment status, when a member dies while serving on active duty for a period of more than 30 days.

Military Personnel, Army	+0.1
Military Personnel, Navy	+0.1
Military Personnel, Marine Corps	+0.1
Military Personnel, Air Force	*
Total	+0.3

* Less than \$50,000