

NDAA 2020 Update PART 2

With the full Senate set to debate its version of the annual defense authorization bill during the week of 20 JUN and the House Armed Services Committee (HASC) recently completing a record 21-hour debate on its version, MOAA's staff has been tracking the amendments, proposals, and changes that will shape military spending for the next year and beyond. While both House and Senate versions of the National Defense Authorization Act (H.R. 2500 and S. 1790, respectively) are far from finalized, MOAA has provided a chart at <https://www.moaa.org/uploadedfiles/ndaa2020-moaa-comparison-chart.pdf>

to help chapters, members, and supporters keep track of what's been proposed.

The HASC and Senate Armed Services Committee (SASC) bills included several important Storming the Hill issues, an early indication of the impact and success of MOAA's combined national and grassroots engagement with members of Congress. Two critical examples: MOAA is pleased to report the 3.1 % pay raise is included in both versions of the NDAA and recommended by the administration, and neither NDAA version includes proposals to increase TRICARE fees, or plans to alter to TRICARE for Life (TFL). Some analysis from MOAA on key issues follows:

Military Health Care:

While neither bill includes TRICARE fee hikes or TFL changes, DoD is proposing a reduction in military medical personnel by approximately 18,000 billets. The HASC bill contains a MOAA-supported provision that would prevent these reductions until the DoD conducts rigorous analyses, develops detailed plans describing the risks and how these will affect beneficiaries, and communicates the results under Congressional oversight. However, the Senate's version of the NDAA was silent on the topic. Next steps will be to influence key members of the Senate to adopt the House language when the two come together to negotiate differences during conference later this summer.

Military Housing:

Both versions included robust provisions to address the health and safety hazards in military family housing. With unique items in both versions of the bill, provisions will have to be reconciled during conference. MOAA worked directly with congressional offices to help draft legislation such as the Military Housing Oversight and Service Member Protection Act (S. 1229) and the Ensuring Safe Housing for Our Military Act (S. 703). Major provisions from these bills were incorporated into the SASC NDAA markup. MOAA will work to make sure the language is inclusive of other tenants, such as DoD civilians and veterans who live in on-base housing, and ensure the legislation covers government owned housing where appropriate.

Commissary and Exchange:

Last year's NDAA directed the secretary of defense to "conduct a study to determine the feasibility of consolidating the military resale entities into a single defense resale system." The Business Case Analysis (BCA) has been completed but not shared with the public, although Lisa Hershman, acting DoD chief management officer, recommended consolidation in a 1 MAR memo based on the BCA. The 2019 NDAA prohibited DoD from spending any money on consolidation until Oct. 1, 2019. With that date quickly approaching, the HASC and SASC versions of the FY 2020 NDAA prescribe very different futures for the Defense Resale system. The House legislation helps put the brakes on the four-way merger (Defense

Commissary Agency, Army and Air Force Exchange Service, Marine Corps Exchange, Navy Exchange). It requires a separate GAO study on the merger along with congressional approval to move forward. The Senate version green-lights a merger without further review or congressional approval. MOAA has spoken out alongside its partners in The Military Coalition in favor of additional review like the measures introduced by the House.

The Widows Tax:

During HASC markups, Rep Joe Wilson (R-S.C., sponsor of H.R. 553) offered up an amendment to repeal the Survivor Benefit Plan-Dependency and Indemnity Compensation offset, better known as the Widows Tax, but it was later withdrawn because it was offered without a corresponding offset to pay for the provision. Wilson's office continues to work diligently to focus on strategies to pay for the offset. The congressman's bill is still in motion, as it met the threshold of support in the House to be placed on the consensus calendar for a floor vote, which will likely occur in July. MOAA staff will continue to engage congress on this issue.

What's Next:

While the Senate debate continues, the House is not expected to consider its version of the bill until 9 JUL. Once both chambers have voted on their respective defense bill, a bicameral conference will commence to work out and resolve the differences. Concurrently, the House and Senate are also working the FY 2020 and 2021 defense appropriations bill. The House is backing a topline defense funding bill of \$733 billion while the Senate and President Donald Trump are pushing for \$750 billion topline. While it looks more likely to agree on a one-year spending bill, both chambers must come to a budget agreement before the new fiscal year begins on 1 OCT to prevent a government shutdown.

Meanwhile MOAA is preparing materials and activities so our chapters, members, and supporters can engage on some of these key issues of concern over the next few weeks and during the summer recess, when lawmakers leave town to go back to their states and districts. MOAA will continue to report on the NDAA process as more details emerge.

In Summary, as it stands now the bill would:

- Authorize appropriations totaling an estimated \$727,569 million for 2020, mainly for the military functions of the Department of Defense (DoD), the atomic energy defense activities of the Department of Energy, and the Maritime Administration
- Authorize an additional \$538 million for the Maritime Administration and other nondefense activities and \$24 million for DoD over the 2021-2024 period
- Prescribe personnel strengths for active-duty and selected-reserve components of the U.S. Armed Forces
- Extend DoD's authority to pay various bonuses and allowances to military personnel
- Make several changes to health benefits for both active and retired military personnel and their families
- Create a new military service to organize, train, equip, and operate space forces
- Require DoD to sell Internet Protocol version 4 (IPv4) addresses over the next 10 years
- Impose intergovernmental and private-sector mandates by increasing the authorized end strength for active-duty personnel, preempting state and local authorities, and amending certain contracts for military housing.