

DEPARTMENT OF THE AIR FORCE

FY 2000/2001 BIENNIAL BUDGET ESTIMATES
SUBMITTED TO CONGRESS FEBRUARY 1999



MILITARY PERSONNEL APPROPRIATION

MILITARY PERSONNEL, AIR FORCE

TABLE OF CONTENTS

	Page No.
SECTION 1 - Summary of Requirements by Budget Program	1
SECTION 2 - Introductory Statement	3
SECTION 3 - Summary Tables	7
1. Summary of Military Personnel Strength	8
2. Military Personnel by End Strength by Grade	9
3. Military Average Strength by Grade	10
4. Military Personnel Active Duty Strengths by Month	11
5. Gains and Losses by Source and Type	12
6. Summary of Entitlements by Subactivity	15
7. Appropriation Changes and Supplemental Requirements	18
8. Schedule of Increases and Decreases	22
SECTION 4 - Detail of Military Personnel Entitlements	30
1. Pay and Allowances of Officers	31
2. Pay and Allowances of Enlisted	66
3. Pay and Allowances of Cadets	109
4. Subsistence of Enlisted Personnel	113
5. Permanent Change of Station Travel	120
6. Other Military Personnel Costs	140
SECTION 5 - Special Analysis	152
1. Schedule of Military Assigned Outside DoD	153
2. Reimbursable Programs	155
3. Combating Terrorism Funding Summary	156

SECTION 1

SUMMARY OF REQUIREMENTS BY BUDGET PROGRAMS

SECTION 1
SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM
(In Thousands of Dollars)

	<u>FY 1998</u> <u>Actual</u>	<u>FY 1999</u> <u>Estimate</u>	<u>FY 2000</u> <u>Estimate</u>	<u>FY 2001</u> <u>Estimate</u>
<u>Direct Program</u>				
Pay and Allowances of Officers	5,723,991	5,806,758	5,949,906	6,200,501
Pay and Allowances of Enlisted	9,486,173	9,672,288	10,177,430	10,457,253
Pay and Allowances of Cadets	35,662	37,625	38,269	38,460
Subsistence of Enlisted Personnel	752,653	776,981	770,609	761,110
Permanent Change of Station Travel	870,891	876,482	909,145	878,147
Other Military Personnel Programs	53,939	50,753	54,326	54,804
 TOTAL DIRECT PROGRAM	 16,923,309	 17,220,887	 17,899,685	 18,390,275
 <u>Reimbursable Program</u>				
Pay and Allowances of Officers	97,502	86,752	96,196	91,574
Pay and Allowances of Enlisted	103,081	91,074	89,022	70,990
Subsistence of Enlisted Personnel	34,785	26,050	26,032	26,032
Permanent Change of Station Travel	1,370	1,288	1,253	1,319
 TOTAL REIMBURSABLE PROGRAM	 236,738	 205,164	 212,503	 189,915
 <u>Total Program</u>				
Pay and Allowances of Officers	5,821,493	5,893,510	6,046,102	6,292,075
Pay and Allowances of Enlisted	9,589,254	9,763,362	10,266,452	10,528,243
Pay and Allowances of Cadets	35,662	37,625	38,269	38,460
Subsistence of Enlisted Personnel	787,438	803,031	796,641	787,142
Permanent Change of Station Travel	872,261	877,770	910,398	879,466
Other Military Personnel Programs	53,939	50,753	54,326	54,804
 TOTAL PROGRAM	 17,160,047	 17,426,051	 18,112,188	 18,580,190

SECTION 2

INTRODUCTORY STATEMENT

SECTION 2 INTRODUCTORY STATEMENT

The Military Personnel Appropriation, Air Force, provides financial resources to compensate the active military personnel required to support the approved force structure. The tables in Sections 1 through 5 contain budget data for Pay and Allowances of Officers, Enlisted and Cadets; Subsistence of Enlisted Personnel; Permanent Change of Station (PCS) Travel; and Other Military Personnel costs. Retired pay accrual is contained in Pay and Allowances of Officers and Enlisted personnel, as appropriate. Unemployment compensation, social security benefits to surviving family members excluded under previous eligibility rules, and miscellaneous entitlements are under Other Military Personnel Costs. The budget activity structure and detailed justification demonstrate how the military personnel program is managed and controlled. It displays the inventory of officers, enlisted personnel and cadets with the associated work years. This overview encompasses a wide range of programming actions that affect requirements dealing with grade structure, promotions, gains and losses, flight status, subsistence, PCS travel and other related resource allocation issues.

The appropriation covers entitlements approved by Congress in the FY 1999 National Defense Authorization Act (NDAA) and enacted into public law. The NDAA provided increases or new entitlements for: Hazardous Duty Incentive Pay (HDIP); Aviation Career Incentive Pay (ACIP) and Cadet Pay. Proposed legislation for FY 2000 includes Career Enlisted Flyer Incentive Pay (CEFIP), Temporary Lodging Expense entitlement for first-term enlisted members, and Foreign Language Proficiency Pay restructuring.

The Air Force has programmed a reduction of 13,104 end strength during FY 1999, FY 2000, and FY2001. Most of the reduction is attributable to force structure drawdown, Congressionally approved base closures, reduced infrastructure and overhead, management improvements, outsourcing privatization initiatives and retention. Subsequently, this budget submission displays the Air Force's estimation that the end strength for FY99 will fall 5,000 (1,200 officer and 3,800 enlisted) short of the FY99 end strength floor of 370,882 contained in the FY99 NDAA. The Air Force continues to strive to meet its end strength goals, but has been hampered by continuing adverse trends in recruiting and retention. We ended FY98 approximately 4,000 under our authorized end strength due to lower retention for both officers and enlisted personnel. We increased accessions by raising recruiting goals in both FY98 and FY99, but our bank of recruits in the Delayed Enlistment Program continues to decrease and the propensity to enlist in the military remains at a low level, making it more difficult to recruit new accessions into the Air Force. Enlisted retention rates continue to be lower than the established goals of 55 percent for first term; 75 percent for second term and 95 percent for career reenlistments. For FY98 first term airmen reenlisted at 54 percent; second term at 69 percent and career at 93 percent; that trend has continued into FY99. Overall, officer retention was down in FY98. Pilot retention dropped significantly from 71 percent in FY97 to 46 percent in FY98; other officer categories were down to a lesser extent. We expect this decline to continue into FY99. We are working hard to reverse these trends. To support recruiting and to encourage more individuals to join the Air Force, we have increased authorizations for the recruiting career field, increased manning of recruiter billets, and augmented advertising budgets. We have expanded and enhanced the enlistment bonus program. More skills are targeted for six-year enlistments with maximum enlistment bonuses up to \$9,000. We now offer \$1,000 bonuses for hard-to-fill skills for four-year enlistments. We have also expanded prior service program skills to help recapture some of the lost experience and allow more prior AF personnel to return. To increase overall retention, the Air Force is focusing on reducing tempo, improving compensation and retirement, quality of life programs, care for families and personnel programs. To keep highly trained and experienced enlisted personnel, we expanded the Selective Reenlistment Bonus (SRB) program. Adjustments include increasing the number of skills eligible to 117, increasing multiples for 51 skills in Zone A

and 43 skills in Zone B, and reintroducing Zone C SRBs (10-14 YOS group), not used since 1988, for 24 skills. We have increased Aviator Continuation Pay and Aviation Career Incentive Pay to help retain pilots. We have also increased Family Separation Allowance for all members. Even with all of our funding increases and enhancements to recruitment and retention programs, we still have not reversed adverse trends. While these initiatives and anticipated compensation and retirement legislation should improve retention, we don't expect to see enough improvement in FY99 to preclude ending the year at least 5,000 understrength. By FY 2000, our military end strength will have declined a total of 33 percent since 1990. The Air Force will increase the use of Enlistment Bonuses (EB) and Selective Reenlistment Bonuses (SRB), as well as continue the use of the Aviator Continuation Pay to correct the current retention difficulties and reduce critical manning shortfalls.

As a result of the retention and recruitment declines, we do not anticipate any requirements for the Voluntary Separation Incentive (VSI) and Special Separation Benefit (SSB) programs for FY 1999-2000. The Temporary Early Retirement Authority (TERA) program is contained in the budget request, but focused on the medical corps to preclude involuntary separations and continue shaping the force while managing force reductions. TERA requires the specific portion of retired pay that falls between the fifteenth year and the twentieth year to be obligated in the fiscal year of retirement. For VSI, specific amounts are identified for contribution to the VSI Trust Fund each year.

FISCAL YEAR 1998

Program Levels. The FY 1998 end strength is 367,470 with 375,512 work years. New programs include Basic Allowance for Housing as a combination of Basic Allowance for Quarters and Variable Housing Allowance and entitlements approved by Congress in the FY 1998 NDAA. The program also provided personnel support for Southwest Asia and Bosnia contingency operations.

Funding Levels (in thousands). FY 1998 actual obligations total \$17,160,040. This includes \$236,738 in anticipated reimbursements from the WCF and non-Air Force activities where Air Force personnel are assigned. Reimbursements remained relatively stable with a minor decrease reflecting end strength reductions in reimbursable activities.

Baseline Budget Rates. The Retired Pay Accrual normal cost percentage is 30.5 percent of basic pay. The pay raise is 2.8 percent; inflation is 0.7 percent; and housing allowances increased an average of 2.5 percent.

FISCAL YEARS 1999, 2000, AND 2001

Program Levels. The FY 1999 end strength is projected to be 365,882 with 369,773 work years. The FY 2000 end strength is projected to be 360,877 with 368,251 work years. The FY 2001 end strength is projected to be 354,366 with 362,738 work years. Work year estimates reflect monthly gain and loss patterns and also include mandays for Air Force Guard and Reserve support to active peacetime and contingency missions. Proposed FY 1999 and FY 2000 legislative initiatives have been added as indicated above. Support is also provided for Southwest Asia contingency operations and Bosnia contingency operations through 30 September 2001.

Funding Levels (in thousands). The FY 1999 budget estimate is \$17,426,051 to include \$205,164 in anticipated reimbursements. The FY 2000 budget estimate is \$18,112,188 to include \$212,503 in anticipated reimbursements. The FY 2001 budget estimate is \$18,580,190 to include \$189,915 in anticipated reimbursements. Reimbursement decreases reflect the draw down of strength in several defense wide activities. The

FY 2000 budget request includes obligation authority for pay raises, pay table reform and retirement restoration.

Baseline Budget Rates. The Retired Pay Accrual normal cost percentages for FY 1999, FY 2000, and FY 2001 are 30.2, 29.8, and 29.5 percent of basic pay, respectively. The pay raise adjustments for FY 1999, FY 2000, and FY 2001 are 3.6 percent, 4.4 percent, and 3.9 percent, respectively. The economic assumptions for inflation for FY 1999, FY 2000, and FY 2001 are 0.8, 1.5, and 1.6 percent, respectively. Basic Allowance for Subsistence (BAS) increases are capped at 1.0 percent per year beginning in FY 1998 in accordance with the BAS reform initiative. The FY 1999, FY2000, and FY 2001 amounts for BAH include a 3.0 percent annual increase.

The following legislative proposals are included in the submission:

LEGISLATIVE PROPOSALS
(Dollars in Millions)

<u>PROPOSAL</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>	<u>Total</u>
Career Enlisted Flyer Incentive Pay (MPP-3)	11.8	11.7	11.8	11.8	11.7	11.7	70.2
Remove Limit on Payments of HDIP for Members Receiving Diving Duty Pay (MPP-14)	0.0	0.6	0.6	0.6	0.6	0.6	3.0
Transportation of POV Overland by Carrier (MPP-17)	0.1	0.1	0.1	0.1	0.1	0.1	0.3
Restoration of Tax-Exempt Status of Death Gratuity Payment (MPP-19)	0.1	0.1	0.1	0.1	0.1	0.1	0.3
Temporary Lodging Expense for First-Term Enlisted Members (MPP-28)	2.1	2.1	2.1	2.1	2.1	2.1	12.3
Foreign Language Proficiency Pay (MPP-33)	1.2	1.5	1.9	2.2	2.2	2.2	11.2
Authority to Order Reserve Member to AD to Complete a Medical Evaluation (RA-1)	0.9	0.9	0.9	0.9	1.0	1.0	5.6
Pay Table Reform	47.0	196.0	203.0	210.0	219.0	227.0	1,102.0
Repeal Military Retirement Reform Act	214.7	237.2	262.9	280.3	288.4	309.7	1,593.2
Eliminate Wage Credits	-94.4	-93.3	-93.3	-93.3	-93.3	-93.3	-560.7
GRAND TOTAL	183.3	356.7	389.9	414.6	431.7	461.0	2,237.4

SECTION 3

SUMMARY TABLES

**SECTION 3
SUMMARY OF MILITARY PERSONNEL STRENGTH**

	<u>FY 1998 Actual</u>		<u>FY 1999 Estimate</u>		<u>FY 2000 Estimate</u>		<u>FY 2001 Estimate</u>	
	<u>Work Years</u>	<u>End Strengths</u>	<u>Work Years</u>	<u>End Strengths</u>	<u>Work Years</u>	<u>End Strengths</u>	<u>Work Years</u>	<u>End Strengths</u>
<u>Direct Program</u>								
Officers	72,156	70,394	71,211	70,029	70,718	69,268	70,575	68,879
Enlisted	294,812	288,572	290,419	287,706	289,454	283,598	284,692	278,051
Cadets	3,924	3,988	3,948	4,000	3,948	4,000	3,952	4,000
Total Direct Program	370,892	362,954	365,578	361,735	364,120	356,866	359,219	350,930
<u>Reimbursable Program</u>								
Officers	1,535	1,498	1,410	1,387	1,384	1,348	1,303	1,273
Enlisted	3,085	3,018	2,785	2,760	2,747	2,663	2,216	2,163
Cadets	0	0	0	0	0	0	0	0
Total Reimbursable Program	4,620	4,516	4,195	4,147	4,131	4,011	3,519	3,436
<u>Total Program</u>								
Officers	73,691	71,892	72,621	71,416	72,102	70,616	71,878	70,152
Enlisted	297,897	291,590	293,204	290,466	292,201	286,261	286,908	280,214
Cadets	3,924	3,988	3,948	4,000	3,948	4,000	3,952	4,000
TOTAL PROGRAM	375,512	367,470	369,773	365,882	368,251	360,877	362,738	354,366

MILITARY PERSONNEL, AIR FORCE
END STRENGTH BY GRADE
(TOTAL PROGRAM)

	<u>FY 1998</u>		<u>FY 1999</u>		<u>FY 2000</u>		<u>FY 2001</u>	
	<u>Total</u>	<u>Reimb Included</u>	<u>Total</u>	<u>Reimb Included</u>	<u>Total</u>	<u>Reimb Included</u>	<u>Total</u>	<u>Reimb Included</u>
<u>Commissioned Officers</u>								
O-10 General	10	0	12	0	11	0	11	0
O-9 Lieutenant General	39	1	38	1	38	1	37	1
O-8 Major General	86	2	85	2	86	2	87	2
O-7 Brigadier General	139	3	139	3	139	3	139	3
O-6 Colonel	3,815	79	3,890	74	3,806	72	3,768	68
O-5 Lieutenant Colonel	10,418	217	10,525	202	10,417	199	10,410	189
O-4 Major	15,612	325	16,204	309	15,959	303	15,976	288
O-3 Captain	27,523	574	25,699	510	24,484	466	22,754	421
O-2 1st Lieutenant	7,414	155	7,287	142	7,498	145	8,248	151
O-1 2nd Lieutenant	6,836	142	7,537	144	8,178	157	8,722	150
Total	71,892	1,498	71,416	1,387	70,616	1,348	70,152	1,273
<u>Enlisted Personnel</u>								
E-9 Chief Master Sergeant	2,947	30	2,943	28	2,863	27	2,802	22
E-8 Senior Master Sergeant	5,896	61	5,885	55	5,725	53	5,604	43
E-7 Master Sergeant	29,606	306	27,638	263	27,195	242	28,021	195
E-6 Technical Sergeant	38,280	396	40,000	375	42,223	386	42,733	320
E-5 Staff Sergeant	73,461	765	71,400	670	71,565	639	72,155	503
E-4 Senior Airman	67,709	702	69,500	651	65,840	612	61,647	497
E-3 Airman First Class	44,600	463	43,598	439	41,022	429	37,803	343
E-2 Airman	17,698	181	17,903	168	18,164	170	18,144	153
E-1 Airman Basic	11,393	114	11,599	111	11,664	105	11,305	87
Total	291,590	3,018	290,466	2,760	286,261	2,663	280,214	2,163
<u>Cadets</u>	3,988	0	4,000	0	4,000	0	4,000	0
Total End Strength	367,470	4,516	365,882	4,147	360,877	4,011	354,366	3,436

MILITARY PERSONNEL, AIR FORCE
AVERAGE STRENGTH BY GRADE
(TOTAL PROGRAM)

	<u>FY 1998</u>		<u>FY 1999</u>		<u>FY 2000</u>		<u>FY 2001</u>	
	<u>Total</u>	<u>Reimb Included</u>	<u>Total</u>	<u>Reimb Included</u>	<u>Total</u>	<u>Reimb Included</u>	<u>Total</u>	<u>Reimb Included</u>
<u>Commissioned Officers</u>								
O-10 General	12	0	11	0	11	0	11	0
O-9 Lieutenant General	38	1	39	1	38	1	38	1
O-8 Major General	83	2	86	2	88	2	89	2
O-7 Brigadier General	146	3	139	3	142	3	142	3
O-6 Colonel	3,895	81	4,033	78	3,997	76	3,951	72
O-5 Lieutenant Colonel	10,539	219	10,744	208	10,734	205	10,688	196
O-4 Major	16,101	335	16,359	319	16,599	314	16,454	294
O-3 Captain	28,507	595	26,929	517	25,570	495	24,495	447
O-2 1st Lieutenant	7,770	162	7,252	141	7,280	142	7,916	145
O-1 2nd Lieutenant	6,600	137	7,029	141	7,643	146	8,094	143
Total	73,691	1,535	72,621	1,410	72,102	1,384	71,878	1,303
<u>Enlisted Personnel</u>								
E-9 Chief Master Sergeant	3,073	31	3,016	29	2,975	28	2,903	23
E-8 Senior Master Sergeant	6,103	63	6,061	56	5,979	56	5,835	45
E-7 Master Sergeant	30,772	318	29,325	277	28,102	259	28,298	206
E-6 Technical Sergeant	38,058	394	39,872	374	41,934	388	43,328	327
E-5 Staff Sergeant	76,402	795	73,470	691	72,519	664	72,902	540
E-4 Senior Airman	70,543	722	69,507	652	68,563	640	64,585	509
E-3 Airman First Class	44,333	456	43,253	439	42,949	440	39,903	343
E-2 Airman	17,735	185	17,507	163	17,853	167	17,972	138
E-1 Airman Basic	10,878	121	11,193	104	11,327	105	11,182	85
Total	297,897	3,085	293,204	2,785	292,201	2,747	286,908	2,216
<u>Cadets</u>	3,924	0	3,948	0	3,948	0	3,952	0
Total Workyears	375,512	4,620	369,773	4,195	368,251	4,131	362,738	3,519

MILITARY PERSONNEL, AIR FORCE
ACTIVE DUTY STRENGTHS BY MONTHS
(IN THOUSANDS)

	FY 1998				FY 1999				FY 2000				FY 2001			
	Off	Enl	Cadets	Total												
September	74.0	299.4	4.0	377.4	71.9	291.6	4.0	367.5	71.4	290.5	4.0	365.9	70.6	286.3	4.0	360.9
October	73.6	298.5	4.0	376.1	71.1	290.5	4.0	365.6	71.1	290.4	4.0	365.5	70.3	285.9	4.0	360.2
November	73.3	297.7	4.0	375.0	71.0	289.5	4.0	364.5	71.0	290.3	4.0	365.3	70.3	285.7	4.0	360.0
December	73.2	297.1	4.0	374.3	70.7	289.2	3.9	363.8	70.4	290.1	3.9	364.4	70.1	285.4	4.0	359.5
January	72.9	296.6	3.9	373.4	70.9	289.9	3.9	364.7	70.4	289.8	3.9	364.1	70.2	284.9	3.9	359.0
February	72.9	295.9	3.9	372.7	71.0	290.3	3.9	365.2	70.6	289.6	3.9	364.1	70.5	284.4	3.9	358.8
March	72.4	295.3	3.9	371.6	70.8	291.4	3.9	366.1	70.4	289.3	3.9	363.6	70.3	284.1	3.9	358.3
April	72.0	294.8	3.9	370.7	70.8	290.9	3.9	365.6	70.3	288.9	3.9	363.1	70.3	283.6	3.9	357.8
May	72.7	294.2	2.9	369.8	72.2	290.4	2.9	365.5	71.4	288.6	2.9	362.9	71.4	283.1	3.0	357.5
June	72.9	293.4	4.1	370.4	72.9	291.0	4.1	368.0	71.8	288.1	4.1	364.0	71.7	282.4	4.1	358.2
July	72.9	292.9	4.1	369.9	73.3	290.5	4.1	367.9	71.7	287.7	4.1	363.5	71.6	281.6	4.1	357.3
August	72.7	292.1	4.0	368.8	72.4	290.6	4.0	367.0	71.2	287.1	4.0	362.3	71.1	281.1	4.0	356.2
September	71.9	291.6	4.0	367.5	71.4	290.5	4.0	365.9	70.6	286.3	4.0	360.9	70.2	280.2	4.0	354.4
Workyears	73.7	297.9	3.9	375.5	72.6	293.2	3.9	369.7	72.1	292.2	3.9	368.2	71.9	286.9	4.0	362.8

MPA MAN-DAY PROGRAM

Workyears	0.9	2.5	3.4	1.0	3.0	4.0	1.0	3.0	4.0	1.0	3.0	4.0
\$	71.7	95.4	167.1	80.0	118.4	198.4	83.6	118.4	202.0	86.8	123.6	210.4

MILITARY PERSONNEL
GAINS AND LOSSES BY SOURCE AND TYPE

OFFICERS

	FY 1998 <u>Actual</u>	FY 1999 <u>Estimate</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>
Beginning Strength	73,983	71,892	71,416	70,616
Gains (By Source):				
Service Academies	910	939	910	836
ROTC	2,022	2,134	2,148	2,085
Health Professions Scholarships	480	402	466	437
Officer Training School	489	974	1,174	1,789
Other	911	839	737	762
Gain Adjustment	0	0	0	0
Total Gains	4,812	5,288	5,435	5,909
Losses (By Type):				
Voluntary Separation	3,018	2,104	2,495	2,903
Retirement	2,611	2,653	2,486	2,429
Involuntary	461	493	461	440
With Pay	432	474	449	429
Without Pay	29	19	12	11
VSI/SSB	0	0	0	0
15 Year Retirement (TERA)	497	200	500	300
Reduction in Force	0	0	0	0
Other	281	314	293	301
Loss Adjustment	35	0	0	0
Total Losses	6,903	5,764	6,235	6,373
TOTAL	71,892	71,416	70,616	70,152

MILITARY PERSONNEL
GAINS AND LOSSES BY SOURCE AND TYPE

ENLISTED

	FY 1998 <u>Actual</u>	FY 1999 <u>Estimate</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>
Beginning Strength	299,373	291,590	290,466	286,261
Gains (By Source):				
Non Prior Service Enlistments	31,491	35,800	32,400	31,400
Male	23,239	25,901	23,328	22,608
Female	8,252	9,899	9,072	8,792
Prior Service Enlistments	221	386	350	350
Reenlistments	41,715	42,538	44,341	43,645
Reserves	38	304	50	50
Officer Candidate Programs	359	871	969	1,476
Other	184	200	180	180
Gain Adjustments	775	601	300	300
Total Gains	74,783	80,700	78,590	77,401
Losses (By Type):				
ETS	14,430	12,924	11,657	11,962
Programmed Early Release	0	0	0	0
VSI/SSB	0	0	0	0
15 Year Retirement (TERA)	0	0	0	0
To Commissioned Officer	568	974	1,174	1,789
Reenlistments	41,715	42,538	44,341	43,645
Retirement	10,602	10,484	11,079	11,778
Attrition	15,150	14,904	14,544	14,274
Other	0	0	0	0
Loss Adjustments	101	0	0	0
Total Losses	82,566	81,824	82,795	83,448
TOTAL	291,590	290,466	286,261	280,214

MILITARY PERSONNEL
GAINS AND LOSSES BY SOURCE AND TYPE

CADETS

	FY 1998 <u>Actual</u>	FY 1999 <u>Estimate</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>
Beginning Strength	4029	3,988	4,000	4,000
Gains:	1239	1,303	1,255	1,175
Losses:	1,280	1,291	1,255	1,175
Graduates	943	956	925	850
Attrition	337	335	330	325
TOTAL	3,988	4,000	4,000	4,000

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(In Thousands of Dollars)

	FY 1998			FY 1999			FY 2000			FY 2001		
	Officer	Enlisted	Total									
1. Basic Pay	3,287,216	5,713,295	9,000,511	3,336,187	5,781,141	9,117,328	3,407,110	6,024,073	9,431,183	3,589,968	6,246,893	9,836,861
2. Retired Pay Accrual	1,002,601	1,742,555	2,745,156	1,007,528	1,745,905	2,753,433	1,015,319	1,795,174	2,810,493	1,059,041	1,842,833	2,901,874
3. Basic Allowance for Quarters	114,803	202,633	317,436	0	0	0	0	0	0	0	0	0
a. With Dependents	85,030	150,203	235,233	0	0	0	0	0	0	0	0	0
b. Without Dependents	29,695	51,039	80,734	0	0	0	0	0	0	0	0	0
c. Partial	71	1,326	1,397	0	0	0	0	0	0	0	0	0
d. Inadequate Family Housing	7	65	72	0	0	0	0	0	0	0	0	0
4. Variable Housing Allowance	27,604	49,843	77,447	0	0	0	0	0	0	0	0	0
4.1 Basic Allowance for Housing	430,857	816,771	1,247,628	607,244	1,095,982	1,703,226	618,694	1,157,649	1,776,343	635,734	1,156,629	1,792,363
a. With Dependents	334,367	593,125	927,492	453,006	812,193	1,265,199	458,807	841,215	1,300,022	468,241	867,815	1,336,056
b. Without Dependents	96,349	219,621	315,970	153,944	278,270	432,214	159,583	311,316	470,899	167,170	283,517	450,687
c. Partial	120	3,976	4,096	294	5,366	5,660	304	5,042	5,346	323	5,220	5,543
d. Inadequate Family Housing	21	49	70	0	153	153	0	76	76	0	77	77
5. Subsistence	137,198	787,438	924,636	136,220	803,031	939,251	136,599	796,641	933,240	137,536	787,142	924,678
a. Basic Allowance for Subsistence	137,198	676,707	813,905	136,220	688,539	824,759	136,599	687,956	824,555	137,536	679,155	816,691
1. Authorized to Mess Separately	137,198	533,565	670,763	136,220	534,445	670,665	136,599	531,058	667,657	137,536	523,472	661,008
2. Leave Rations		67,173	67,173		69,500	69,500		67,204	67,204		65,811	65,811
3. Rations-In-Kind Not Available		59,832	59,832		60,090	60,090		59,863	59,863		58,423	58,423
4. Augmentation for Separate Meals		12,060	12,060		13,370	13,370		12,068	12,068		11,124	11,124
5. Partial		4,077	4,077		11,134	11,134		17,763	17,763		20,325	20,325
b. Subsistence-In-Kind	0	110,731	110,731	0	114,492	114,492	0	108,685	108,685	0	107,987	107,987
1. Subsistence in Messes		85,691	85,691		84,964	84,964		86,030	86,030		85,802	85,802
2. Special Rations		8,583	8,583		8,511	8,511		8,601	8,601		8,589	8,589
3. Operational Rations		11,813	11,813		16,408	16,408		9,467	9,467		9,107	9,107
4. Augmentation Rations		4,644	4,644		4,609	4,609		4,587	4,587		4,489	4,489
6. Incentive, Hazardous Duty, and Aviation Career Pay	178,077	22,473	200,550	192,995	23,261	216,256	178,002	38,135	216,137	170,654	38,135	208,789
a. Flying Duty Pay	174,322	15,841	190,163	191,149	16,556	207,705	175,938	2,861	178,799	168,588	2,861	171,449
1. Aviation Career, Officers	138,822		138,822	154,795		154,795	147,064		147,064	140,924		140,924
2. Crew Members, Enlisted		15,530	15,530		16,196	16,196		2,501	2,501		2,501	2,501
3. Noncrew Member	50	311	361	54	360	414	54	360	414	54	360	414
4. Aviator Continuation Pay	35,450		35,450	36,300		36,300	28,820		28,820	27,610		27,610
b. Parachute Jumping Pay	296	2,134	2,430	305	2,124	2,429	305	2,124	2,429	305	2,124	2,429
c. Demolition Pay	59	1,825	1,884	40	1,800	1,840	40	1,800	1,840	40	1,800	1,840
d. Other Pays	3,400	2,673	6,073	1,501	2,781	4,282	1,719	31,350	33,069	1,721	31,350	33,071

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(In Thousands of Dollars)

	FY 1998			FY 1999			FY 2000			FY 2001		
	Officer	Enlisted	Total									
7. Special Pays	188,110	109,436	297,546	190,221	195,880	386,101	186,448	241,882	428,330	184,461	214,709	399,170
a. Physicians Pay	146,107		146,107	143,574		143,574	140,928		140,928	140,055		140,055
b. Dental Pay	25,814		25,814	29,467		29,467	28,906		28,906	27,994		27,994
c. Optometrists Pay	198		198	190		190	186		186	182		182
d. Veterinarians Pay	2		2	1		1	1		1	1		1
e. Nurses Pay	6,986		6,986	7,575		7,575	6,895		6,895	6,712		6,712
f. Biomedical Science	756		756	792		792	774		774	759		759
g. Sea and Foreign Duty, Total	0	5,337	5,337	0	5,771	5,771	0	5,722	5,722	0	5,579	5,579
1. Sea Duty		1	1		1	1		1	1		1	1
2. Duty at Certain Places		4,933	4,933		4,944	4,944		4,897	4,897		4,768	4,768
3. Overseas Extension Pay		403	403		826	826		824	824		810	810
h. Diving Duty Pay	101	1,211	1,312	101	1,191	1,292	101	1,187	1,288	101	1,166	1,267
i. Foreign Language Proficiency Pay	1,868	3,231	5,099	2,149	3,414	5,563	2,285	6,025	8,310	2,285	6,219	8,504
j. Reenlistment Bonus	0	36,431	36,431	0	52,860	52,860	0	91,991	91,991	0	72,712	72,712
1. Selective		36,431	36,431		52,860	52,860		91,991	91,991		72,712	72,712
k. Special Duty Assignment Pay	0	17,649	17,649	0	18,910	18,910	0	19,067	19,067	0	19,176	19,176
l. Enlistment Bonus	0	16,966	16,966	0	85,017	85,017	0	89,450	89,450	0	82,177	82,177
m. Hostile Fire	6,278	28,611	34,889	6,372	28,717	35,089	6,372	28,440	34,812	6,372	27,680	34,052
n. Other Special Pay	0	0	0	0	0	0	0	0	0	0	0	0
8. Allowances	54,125	356,124	410,249	44,315	346,646	390,961	48,713	341,848	390,561	49,065	335,082	384,147
a. Uniform or Clothing Allowances	1,652	113,660	115,312	1,778	116,718	118,496	1,825	113,337	115,162	1,967	112,824	114,791
1. Initial Issue	1,171	34,498	35,669	1,249	37,068	38,317	1,281	34,338	35,619	1,376	34,213	35,589
a. Military	962	32,839	33,801	1058	35,546	36,604	1087	32,798	33,885	1,182	32,677	33,859
b. Civilian	209	1,659	1,868	191	1,522	1,713	194	1,540	1,734	194	1,536	1,730
2. Additional	481		481	529		529	544		544	591		591
3. Basic Maintenance		12,777	12,777		16,973	16,973		15,598	15,598		15,363	15,363
4. Standard Maintenance		64,996	64,996		61,299	61,299		62,007	62,007		61,857	61,857
5. Supplemental		1,389	1,389		1,378	1,378		1,394	1,394		1,391	1,391
b. Station Allowance Overseas	48,784	223,849	272,633	38,827	211,477	250,304	43,145	210,020	253,165	43,317	203,935	247,252
1. Cost-of-Living	31,255	166,153	197,408	28,241	172,932	201,173	32,453	171,381	203,834	32,387	165,521	197,908
2. Housing	7,118	19,822	26,940	0	0	0	0	0	0	0	0	0
3. Moving-In Housing	1,600	5,874	7,474	1,628	6,097	7,725	1,649	6,291	7,940	1,686	6,370	8,056
4. Temporary Lodging	8,811	32,000	40,811	8,958	32,448	41,406	9,043	32,348	41,391	9,244	32,044	41,288

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(In Thousands of Dollars)

	FY 1998			FY 1999			FY 2000			FY 2001		
	Officer	Enlisted	Total									
c. Family Separation Allowance	3,221	18,156	21,377	3,238	17,996	21,234	3,258	18,032	21,290	3,279	17,865	21,144
1. On PCS, No Government Quarters	624	2,886	3,510	641	2,967	3,608	661	3,054	3,715	682	3,158	3,840
2. On PCS, Dependents Not Authorized	763	6,774	7,537	763	6,667	7,430	763	6,644	7,407	763	6,524	7,287
3. On TDY	1,834	8,496	10,330	1,834	8,362	10,196	1,834	8,334	10,168	1,834	8,183	10,017
d. Personal Money Allowance, General Officers	49		49	48		48	47		47	47		47
e. CONUS Cost of Living Allowance	419	459	878	424	455	879	438	459	897	455	458	913
9. Separation Payments	114,557	75,667	190,224	90,140	71,701	161,841	118,845	70,251	189,096	104,968	67,875	172,843
a. Terminal Leave Pay	21,832	25,153	46,985	19,311	25,356	44,667	20,438	26,868	47,306	21,674	28,035	49,709
b. Severance Pay, Disability	1,216	11,183	12,399	1,190	11,586	12,776	1,226	12,096	13,322	1,263	12,567	13,830
c. Severance Pay, Non-Promotion	23,801		23,801	26,434		26,434	25,700		25,700	25,214		25,214
d. Severance Pay, Involuntary Half (5%)	397	5,886	6,283	66	6,398	6,464	68	6,681	6,749	70	6,942	7,012
e. Severance Pay, Involuntary Full (10%)	384	21,324	21,708	1,560	19,440	21,000	1,607	13,285	14,892	1,655	9,010	10,665
f. VSI Trust Fund	32,579	12,121	44,700	27,379	8,921	36,300	32,579	11,321	43,900	32,579	11,321	43,900
g. VSI/SSB/TERA	34,348	0	34,348	14,200	0	14,200	37,227	0	37,227	22,513	0	22,513
10. Social Security Tax Payment	286,347	500,455	786,802	288,660	502,846	791,506	258,272	460,840	719,112	271,648	477,887	749,535
11. Permanent Change of Station Travel	295,216	577,044	872,261	295,737	582,033	877,770	310,337	600,062	910,398	305,988	573,478	879,466
12. Other Military Personnel Costs	2,000	51,939	53,939	1,867	48,886	50,753	1,994	52,332	54,326	2,004	52,800	54,804
a. Apprehension of Deserters		100	100		100	100		100	100		100	100
b. Interest on Uniformed Services Savings Deposits	201	374	575	201	374	575	208	387	595	208	387	595
c. Death Gratuities	414	1,056	1,470	414	1,056	1,470	424	1,082	1,506	424	1,082	1,506
d. Unemployment Compensation		40,511	40,511		38,776	38,776		42,474	42,474		43,096	43,096
e. Survivor Benefits		4,740	4,740		4,442	4,442		3,613	3,613		3,390	3,390
f. Education Benefits	618	4,575	5,193	485	3,555	4,040	553	4,093	4,646	562	4,163	4,725
g. Adoption Reimbursement	499	301	800	499	301	800	499	301	800	499	301	800
h. Surviving Dependents Quarters Allowance	219	281	500	219	281	500	261	281	542	261	281	542
i. Civilian Community Corps	50	0	50	50	0	50	50	0	50	50	0	50
j. Advance Pay Obligations												
13. Cadets	35,662		35,662	37,625		37,625	38,269		38,269	38,460		38,460
Military Personnel Appropriation Total	6,154,374	11,005,673	17,160,047	6,228,740	11,197,312	17,426,051	6,318,602	11,578,886	17,897,488	6,549,527	11,793,463	18,342,990
14. Less Reimbursables:	98,393	138,345	236,738	87,589	117,575	205,164	97,010	115,493	212,503	92,431	97,484	189,915
Retired Pay Accrual	16,356	18,549	34,905	14,410	16,227	30,637	15,767	15,652	31,419	14,858	12,356	27,214
Other	82,037	119,796	201,833	73,179	101,348	174,527	81,243	99,841	181,084	77,573	85,128	162,701
Military Personnel Appropriation Total, Direct	6,055,981	10,867,328	16,923,309	6,141,151	11,079,737	17,220,887	6,221,592	11,463,393	17,684,985	6,457,096	11,695,979	18,153,075

ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
MILITARY PERSONNEL, AIR FORCE
FY 1999
(In Thousands of Dollars)

	FY 1999 AMENDED PRESIDENT'S BUDGET	CONGRESSIONAL ACTIONS	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1999 COLUMN FY2000/2001 REQUEST
PAY AND ALLOWANCES OF OFFICERS							
Basic Pay	3,346,985	(45,000)	3,301,985	34,202	3,336,187		3,336,187
Retired Pay Accrual	1,010,789	(10,000)	1,000,789	6,739	1,007,528		1,007,528
Incentive Pay	208,497		208,497	(15,502)	192,995		192,995
Special Pay	188,623		188,623	1,646	190,269		190,269
Basic Allowance for Housing	579,333		579,333	27,911	607,244		607,244
Basic Allowance for Subsistence	136,285		136,285	(65)	136,220		136,220
Station Allowances Overseas	87,492	(8,100)	79,392	(40,565)	38,827		38,827
CONUS COLA	608		608	(184)	424		424
Uniform Allowances	1,862		1,862	(84)	1,778		1,778
Family Separation Allowances	2,773		2,773	465	3,238		3,238
Separation Payments	108,876		108,876	(18,736)	90,140		90,140
Social Security Tax - Employer's Contribution	289,575	(5,088)	284,487	4,173	288,660		288,660
Total Obligations	5,961,698	(68,188)	5,893,510	0	5,893,510	0	5,893,510
Less Reimbursements	86,752		86,752	0	86,752		86,752
Total Direct Obligations	5,874,946	(68,188)	5,806,758	0	5,806,758	0	5,806,758

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
MILITARY PERSONNEL, AIR FORCE
FY 1999
(In Thousands of Dollars)**

	FY 1999 AMENDED PRESIDENT'S BUDGET	CONGRESSIONAL ACTIONS	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1999 COLUMN FY2000/2001 REQUEST
<u>PAY AND ALLOWANCES OF ENLISTED</u>							
Basic Pay	5,851,982	25,000	5,876,982	(95,841)	5,781,141		5,781,141
Retired Pay Accrual	1,767,299	10,000	1,777,299	(31,394)	1,745,905		1,745,905
Incentive Pay	25,744		25,744	(2,483)	23,261		23,261
Special Pay	29,690		29,690	9,403	39,093		39,093
Special Duty Assignment Pay	16,521		16,521	2,389	18,910		18,910
Reenlistment Bonus	32,317		32,317	20,543	52,860		52,860
Enlistment Bonus	2,000		2,000	83,017	85,017		85,017
Basic Allowance for Housing	1,008,454		1,008,454	87,528	1,095,982		1,095,982
Station Allowances Overseas	278,127		278,127	(66,650)	211,477		211,477
CONUS COLA	483		483	(28)	455		455
Clothing Allowances	121,663		121,663	(4,945)	116,718		116,718
Family Separation Allowances	15,562		15,562	2,434	17,996		17,996
Separation Payments	66,262		66,262	5,439	71,701		71,701
Social Security Tax - Employer's Contribution	508,263	3,995	512,258	(9,412)	502,846		502,846
Total Obligations	9,724,367	38,995	9,763,362	0	9,763,362	0	9,763,362
Less Reimbursements	91,074		91,074	0	91,074		91,074
Total Direct Obligations	9,633,293	38,995	9,672,288	0	9,672,288	0	9,672,288
<u>PAY AND ALLOWANCES OF CADETS</u>							
Academy Cadets	36,021	1,604	37,625	0	37,625		37,625
Total Direct Obligations	36,021	1,604	37,625	0	37,625	0	37,625

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
MILITARY PERSONNEL, AIR FORCE
FY 1999
(In Thousands of Dollars)**

	FY 1999 AMENDED PRESIDENT'S BUDGET	CONGRESSIONAL ACTIONS	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1999 COLUMN FY2000/2001 REQUEST
<u>SUBSISTENCE OF ENLISTED PERSONNEL</u>							
Basic Allowance for Subsistence	683,107	7,969	691,076	(2,537)	688,539		688,539
Subsistence-In-Kind	111,955		111,955	2,537	114,492		114,492
Total Obligations	795,062	7,969	803,031	0	803,031	0	803,031
Less Reimbursements	26,050		26,050	0	26,050		26,050
Total Direct Obligations	769,012	7,969	776,981	0	776,981	0	776,981
 <u>PERMANENT CHANGE OF STATION TRAVEL</u>							
Accession Travel	54,193		54,193	3,330	57,523		57,523
Training Travel	56,225		56,225	92	56,317		56,317
Operational Travel	149,492		149,492	(6,616)	142,876		142,876
Rotational Travel	443,963	(10,000)	433,963	(293)	433,670		433,670
Separation Travel	96,955		96,955	6,753	103,708		103,708
Organized Units Travel	27,455	(4,176)	23,279	(1,571)	21,708		21,708
Nontemporary Storage	22,714		22,714	(269)	22,445		22,445
Temporary Lodging Expense	38,417		38,417	(19)	38,398		38,398
VSI/SSB/15 Year Retirement	2,532		2,532	(1,407)	1,125		1,125
Total Obligations	891,946	(14,176)	877,770	0	877,770	0	877,770
Less Reimbursements	1,288		1,288	0	1,288		1,288
Total Direct Obligations	890,658	(14,176)	876,482	0	876,482	0	876,482

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
MILITARY PERSONNEL, AIR FORCE
FY 1999
(In Thousands of Dollars)**

	FY 1999 AMENDED PRESIDENT'S BUDGET	CONGRESSIONAL ACTIONS	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1999 COLUMN FY2000/2001 REQUEST
<u>OTHER MILITARY PERSONNEL COSTS</u>							
Apprehension of Military Deserters,	100		100	0	100		100
Absentees and Escaped Military Prisoners			0	0	0		0
Interest on Uniformed Service Savings De	575		575	0	575		575
Death Gratuities	1,470		1,470	0	1,470		1,470
Unemployment Benefits	41,623	(4,000)	37,623	1,153	38,776		38,776
Survivor Benefits	4,442		4,442	0	4,442		4,442
Adoption Reimbursement Program	800		800	0	800		800
Education Assistance Program	5,193		5,193	(1,153)	4,040		4,040
Allow for Quarters to Surviving Dependent	500		500	0	500		500
Civilian Community Corps	50		50	0	50		50
Advance Military Pay	53,000	(53,000)	0	0	0		0
Total Direct Obligations	107,753	(57,000)	50,753	0	50,753	0	50,753
Total Direct Obligations	17,311,683	(90,796)	17,220,887	0	17,220,887	0	17,220,887

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

FY 1999 Direct Program

\$17,220,887

Increases:

Basic Pay

314,352

- 1 Jan 00 4.4 percent pay raise 301,369
- Annualization of 1 Jan 99 3.6 percent pay raise 81,459
- Military Pay Table Reform, effective 1 Jul 00 39,882
- Annualization of Cadet Pay Raise 497
- Decrease in workyears/longevity -108,855

Retired Pay Accrual

271,760

- Repeal of Military Retirement Reform Act 214,700
- 1 Jan 00 4.4 percent pay raise 92,190
- Annualization of 1 Jan 99 3.6 percent pay raise 24,919
- Decrease in RPA rate to 29.8 percent, down 0.4 percent -23,125
- Decrease in workyears/longevity -36,924

Basic Allowance for Housing (BAH)

73,117

- Increase in rates 71,798
- Change in BAH Overseas Rates 7,988
- Decrease in workyears -6,669

Selective Reenlistment Bonus (SRB)

39,131

- Increase in payments 35,580
- Increase in rates 3,551

Permanent Change of Station		32,663
- Increase in number of operational, rotational and unit moves	21,700	
- Inflation adjustment	13,147	
- Temporary Lodging Expense for first-term enlisted members (ULB)	1,577	
- Reimbursement adjustments	35	
- Decrease in number of accession and separation moves	-3,796	
Separations		27,255
- 15 year Retirement	25,962	
- 1 Jan 00 4.4 percent pay raise	4,863	
- Changes in VSI Trust Fund	2,400	
- Annualization of 1 Jan 99 3.6 percent pay raise	1,253	
- Increase in lump sum leave	501	
- Decrease in LSTL payments	-4	
- Decrease in involuntary separation payments	-7,720	
Enlistment Bonus		4,433
- Increase in payments	4,433	
Unemployment Compensation		3,698
- Dept of Labor expanded list of acceptable separation reasons	3,698	
Overseas Station Allowance		2,861
- Increase in rates	6,343	
- Decrease in workyears	-3,482	
Montgomery GI Bill		606
- Increase in monthly education payments	606	
Special Duty Assignment Pay		157
- Increase in workyears/rates	157	

Family Separation Allowance		56
- 1 Jan 00 3.0 percent average housing allowance increase	87	
- Annualization of 1 Jan 99 3.0 percent average housing allowance increase	22	
- Decrease in workyears	-53	
Surviving Dependents Quarters Allowance		42
- Increase due to non-pay inflation factor	42	
Death Gratuities		36
- Increase due to non-pay inflation factor	36	
Interest on Uniformed Services Savings Deposits		20
-Increase due to non-pay inflation factor	20	
CONUS COLA		18
- Increase in rates	20	
- Decrease in workyears	-2	
Total Increases		770,205
<u>Decreases:</u>		
Basic Allowance for Subsistence (BAS)		-60
- Increase in Partial BAS rate	6,629	
- 1 Jan 00 1.0% BAS raise	4,989	
- Annualization of 1 Jan 99 1.0% BAS raise	1,659	
- Increase in rates	1,335	
- Rate increase for cadets (\$5.25 to \$5.35 per day)	144	
- Decrease in workyears	-14,816	
Incentive Pay		-119
- Career Enlisted Flyer Incentive Pay	14,874	
- Changes in Pay Rate	399	
- Decrease in workyears	-15,392	

Survivors Benefits		-829
- Reduction based on revised estimates from the Board of Actuaries	-829	
Special Pay		-1,493
- Changes in Pay Rates	2,293	
- Decrease in workyears	-3,786	
Clothing Allowance		-3,334
- Increase in rates	1,721	
- Decrease in payments	-5,055	
Subsistence-In-Kind (SIK)		-5,789
- Increase for Inflation	1,158	
- Increase in meals served	128	
- Decrease in operational rations	-7,075	
Reimbursements		-7,392
- Change in reimbursements	-7,392	
Social Security (FICA)		-72,391
- 1 Jan 00 4.4 percent pay raise	23,655	
- Annualization of 1 Jan 99 3.6 percent pay raise	6,211	
- Decrease in workyears	-6,387	
- Elimination of Social Security Military Wage Credit	-95,870	
Total Decreases		-91,407
FY 2000 Direct Program		\$17,899,685

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

FY 2000 Direct Program

\$17,899,685

Increases:

Basic Pay

405,706

- 1 Jan 01 3.9 percent pay raise 297,219
- Military Pay Table Reform 143,761
- Annualization of 1 Jan 00 4.4 percent pay raise 110,560
- Decrease in workyears -145,834

Retired Pay Accrual

113,881

- 1 Jan 01 3.9 percent pay raise 97,207
- Annualization of 1 Jan 00 4.4 percent pay raise 31,705
- Repeal of Military Retirement Reform Act 22,500
- Decrease in RPA rate to 29.5 percent, down 0.3 percent -18,072
- Decrease in workyears -19,459

Social Security (FICA)

30,433

- 1 Jan 01 3.9 percent pay raise 24,111
- Annualization of 1 Jan 00 4.4 percent pay raise 8,415
- Decrease in workyears -2,093

Reimbursements

22,654

- Change in reimbursement program 22,654

Basic Allowance for Housing (BAH)		16,020
- 1 Jan 01 3.0 percent average rate increase	42,240	
- Annualization of 1 Jan 00 3.0 percent average rate increase	7,980	
- Change in BAH Overseas Rates	-470	
- Decrease in workyears	-33,730	
Unemployment Compensation		622
- Increase in benefit rates paid	622	
Special Duty Assignment Pay		109
- Increase in workyears/rates	109	
Montgomery GI Bill		79
- Increase based on non-pay inflation factor	79	
CONUS COLA		16
- Increase in rates	24	
- Decrease in workyears	-8	
Total Increases		589,520
<u>Decreases:</u>		
Family Separation Allowance		-146
- 1 Jan 01 3.0 percent average housing allowance rate increase	90	
- Annualization of 1 Jan 00 3.0 percent average housing allowance rate increase	23	
- Decrease in workyears	-259	
Survivors Benefits		-223
- Reflects decreases in estimate from the Board of Actuaries	-223	
Clothing Allowance		-371
- Increase in rates	1,812	
- Decrease in payments	-2,183	

Subsistence-In-Kind (SIK)		-698
- Increase for Inflation	1,277	
- Decrease in Operational Rations	-442	
- Decrease in meals served	-1,533	
Special Pay		-2,717
- Change in Pay Rates	20	
- Decrease in workyears	-2,737	
Overseas Station Allowance		-5,913
- Increase in rates	371	
- Decrease in workyears	-6,284	
Enlistment Bonus		-7,273
- Decrease in workyears/rates	-7,273	
Incentive Pay		-7,348
- Decrease in workyears	-7,348	
Basic Allowance for Subsistence (BAS)		-7,711
- 1 Jan 01 1.0 percent BAS raise	6,259	
- Increase in partial rate (realignment between BAs 1 and 4)	2,562	
- Annualization of 1 Jan 00 1.0 percent pay raise	1,631	
- Rate increase for cadets (\$5.35 to \$5.45 per day)	153	
- Decrease in workyears	-18,316	
Separations		-16,253
- 1 Jan 01 3.9 percent pay raise	3,665	
- Annualization of 1 Jan 00 4.4 percent pay raise	1,363	
- Increase in LSTL payments	1,037	
- Effect of changes in grade and longevity	-914	
- Decrease in involuntary separation	-6,513	
- Decrease in 15 year retirement (TERA)	-14,891	

Selective Reenlistment Bonus (SRB)		-19,279
- Decrease in payments	-19,279	
Permanent Change of Station		-30,998
- Inflation adjustment	14,546	
- Increase in number of separation moves	3,329	
- Reimbursement adjustments	-66	
- Global POV Savings	-13,701	
- Decrease in number of TERA, rotational and unit moves	-35,106	
Total Decreases		-98,930
FY 2001 Direct Program		\$18,390,275

SECTION 4

DETAIL OF MILITARY PERSONNEL ENTITLEMENTS

PAY AND ALLOWANCES OF OFFICERS

MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

1. Pay and Allowances of Officers

FY 1999 Direct Program -----\$5,806,758

Increases:

Basic Pay -----70,923

- 1 Jan 00 4.4 percent pay raise 108,925
- Annualization of 1 Jan 99 3.6 percent pay raise 29,442
- Pay Table Reform 8,882
- Decrease in workyears -76,326

Retired Pay Accrual -----85,891

- Repeal of Redux 78,100
- 1 Jan 00 4.4 percent pay raise 34,842
- Annualization of 1 Jan 99 3.6 percent pay raise 9,418
- Pay Table Reform 2,841
- Decrease in workyears -39,310

Separation Pay -----28,705

- 15 year retirement 25,962
- 1 Jan 00 4.4 percent pay raise 2,756
- Annualization of 1 Jan 99 3.6 percent pay raise 744
- Increase in lump sum terminal leave payments 501
- Pay Table Reform 224
- Involuntary Separations and Disability -1,482

Basic Allowance for Housing -----11,450

- Increase in rates 18,119
- Decrease in workyears -6,669

Overseas Station Allowances -----4,318

- Increase in Rates 5,542
- Decrease in Workyears -1,224

Basic Allowance for Subsistence		379
- Increase in Rates	1,335	
- Decrease in Workyears	-956	
Clothing Allowance		47
- Increase in payments	47	
Family Separation Allowance		20
CONUS COLA		14
Total Increases		201,747

Decreases:

Social Security (FICA)		-30,388
- 1 Jan 00 4.4 percent pay raise	8,257	
- Annualization of 1 Jan 99 3.6 percent pay raise	2,232	
- Pay Table Reform	673	
- Decreases in workyears	-6,268	
- Elimination of Wage Credit	-35,282	
Incentive Pay		-14,993
- Decrease in workyears	-14,993	
Reimbursements		-9,444
- Decrease in reimbursement workyears causes increases in direct program	-9,444	
Special Pay		-3,774
- Decrease in workyears	-3,774	
Total Decreases		-58,599
FY 2000 Direct Program		\$5,949,906

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

1. Pay and Allowances of Officers

FY 2000 Direct Program --\$5,949,906

Increases:

Basic Pay		182,858
- 1 Jan 00 3.9 percent pay raise	119,690	
- Annualization of 1 Jan 99 4.4 percent pay raise	44,523	
- Pay Table Reform	43,761	
- Decrease in workyears	-25,116	
Retired Pay Accrual		54,622
- 1 Jan 00 3.9 percent pay raise	32,745	
- Annualization of 1 Jan 99 4.4 percent pay raise	12,180	
- Pay Table Reform	11,972	
- Repeal of Redux	10,900	
- Decrease in workyears	-13,175	
Basic Allowance for Housing		17,040
- Increase in rates	18,119	
- Decrease in workyears	-1,079	
Social Security (FICA).....		13,376
- 1 Jan 00 3.9 percent pay raise	7,711	
- Annualization of 1 Jan 99 4.4 percent pay raise	3,363	
- Pay Table Reform	2,819	
- Decreases in workyears	-517	
Reimbursements		4,622
- Decrease in reimbursement workyears causes increases in direct program	4,622	

Basic Allowance for Subsistence		937
- Increase in Rates	1,355	
- Decrease in Workyears	-418	
Overseas Station Allowances		172
- Increase in Rates	915	
- Decrease in Workyears	-743	
Clothing Allowance		142
- Increase in payments	142	
Family Separation Allowance		21
CONUS COLA		17
Total Increases		273,807
 <u>Decreases:</u>		
Special Pay		-1,987
- Decrease in workyears	-1,987	
Incentive Pay		-7,348
- Decrease in workyears	-7,348	
Separation Pay		-13,877
- 1 Jan 00 3.9 percent pay raise	2,058	
- Annualization of 1 Jan 99 4.4 percent pay raise	765	
- Increase in lump sum terminal leave payments	326	
- Effect of changes in grade and longevity	-914	
- Involuntary Separations and Disability	-1,221	
- 15 year retirement	-14,891	
Total Decreases		-23,212
FY 2001 Direct Program		-\$6,200,501

(Amount in Thousands)

PROJECT: BASIC PAY - OFFICERS

FY 1998 Actual	\$3,287,216
FY 1999 Estimate	\$3,336,187
FY 2000 Estimate	\$3,407,110
FY 2001 Estimate	\$3,589,968

PART I - PURPOSE AND SCOPE

Funds provide basic compensation for officers on active duty according to grade and length of service under provisions of 37 U.S.C. 201, 203, 204, 205, and 1009.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The Air Force officer personnel program reflected in this budget submission includes losses through the Temporary Early Retirement Authority (TERA).

Officer accessions for FY 1998 through FY 2001 are programmed at the minimum level necessary to ensure an adequate number of entries into the officer ranks to sustain desired future experience levels.

Funding requirements include annualized pay raises of 2.8 percent in FY 1998, 3.6 percent in FY 1999, 4.4 percent in FY 2000, and 3.9 percent in FY 2001. The budget also includes amounts for Pay Table Reform (one quarter in FY 2000 and full year in FY 2001).

(Amount in Thousands)

BASIC PAY - OFFICERS

<u>Grade</u>	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General	12	110,700	1,328	11	114,685	1,262	11	119,731	1,317	11	124,401	1,368
Lt General	38	109,621	4,166	39	113,352	4,421	38	118,433	4,500	38	122,868	4,669
Maj General	83	99,323	8,244	86	102,705	8,833	88	107,310	9,443	89	111,332	9,909
Brig General	146	87,657	12,798	139	90,641	12,599	142	94,704	13,448	142	98,252	13,952
Colonel	3,895	74,480	290,100	4,033	76,897	310,126	3,997	78,459	313,601	3,951	83,008	327,965
Lt Colonel	10,539	60,180	634,237	10,744	62,000	666,128	10,734	63,553	682,178	10,688	67,452	720,927
Major	16,101	49,101	790,575	16,359	50,707	829,516	16,599	52,219	866,783	16,454	55,726	916,916
Captain	28,507	40,494	1,154,362	26,929	41,600	1,120,246	25,570	42,676	1,091,225	24,495	45,577	1,116,409
1st Lieutenant	7,770	31,053	241,282	7,252	30,622	222,071	7,280	32,699	238,049	7,916	34,603	273,917
2nd Lieutenant	6,600	22,746	150,124	7,029	22,903	160,985	7,643	24,410	186,566	8,094	25,196	203,936
Total Basic Pay	73,691		\$3,287,216	72,621		\$3,336,187	72,102		\$3,407,110	71,878		\$3,589,968

(Amount in Thousands)

PROJECT: RETIRED PAY ACCRUAL - OFFICERS

FY 1998 Actual	\$1,002,601
FY 1999 Estimate	\$1,007,528
FY 2000 Estimate	\$1,093,419
FY 2001 Estimate	\$1,148,041

PART I - PURPOSE AND SCOPE

Funds provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with P.L. 98-94, Section 925(a)(1), Title 10 U.S.C. 1466, as amended.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The budgetary estimates are derived as a product of:

- (a) An accrual percentage of 30.5 percent for FY 1998, 30.2 percent for FY 1999, 29.8 percent for FY 2000, and 29.5 percent in FY 2001.
- (b) The total amount of basic pay expected to be paid during the fiscal year to officer members of the armed forces.
- (c) The repeal of the Redux retirement.

The computation of fund requirements is shown in the following table:

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
RPA	73,691	13,605.47	\$1,002,601	72,621	13,873.78	\$1,007,528	72,102	14,081.70	\$1,015,319	71,878	14,733.87	\$1,059,041
REDUX									\$78,100			\$89,000
Total	73,691	13,605.47	\$1,002,601	72,621	13,873.78	\$1,007,528	72,102	15,164.89	\$1,093,419	71,878	15,972.08	\$1,148,041

(Amount in Thousands)

PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - OFFICERS

FY 1998 Actual	\$178,077
FY 1999 Estimate	\$192,995
FY 2000 Estimate	\$178,002
FY 2001 Estimate	\$170,654

PART I - PURPOSE AND SCOPE

The purpose of Incentive Pay for Hazardous Duty is to help the Air Force attract and retain officer volunteers in duties requiring more than normal exposure to hazardous duties in peacetime.

Funds provide payment to officers under provisions of 37 U.S.C. 301 as follows:

- (1) Aviation Career Incentive Pay (ACIP) - Paid to regular and reserve officers who hold or are in training leading to an aeronautical rating or designation and who engage and remain in aviation service on a career basis. It is paid in fixed monthly amounts ranging from \$125 to \$840. The FY1998 National Defense Authorization Act (NDAA), modified in (Sec. 615), increased monthly rates for aviators with more than 14 years of service. The year groups as well as compensation were changed as a means to assist the Service in the retention of aviators. The FY1999 NDAA accelerated the rate increase from \$650 to \$850 for officers with more than 14 years but less than 22 years of aviation service.
- (2) Aviation Continuation Pay (ACP) - The ACP program is a financial incentive to complement non-monetary initiatives to improve pilot retention. The FY 1998 National Defense Authorization Act (NDAA), modified in (Sec. 616), allows bonus adjustment from \$12,000 to \$25,000 as an incentive to Aviation career officers who agree to remain on active duty through 14 years of active service. However, the Air Force is paying \$22,000 and allowed FY97 eligibles to re-negotiate contracts in compliance with the law. The FY1999 NDAA allows payments to aviators through 14 years of commissioned service rather than aviation service.
- (3) Non-Crew Member - Involves frequent and regular participation in aerial flights. Paid as an incentive for the performance of hazardous duty required by orders. It is paid to non-rated crew members and non-crew members (e.g., gunnery instructors, aerial photo personnel, flight nurse) only when performing such duties in fixed monthly amounts of \$150. This amount was increased from \$110 to \$150 in the FY 1998 NDAA.
- (4) Air Weapons Controller - It has been difficult in recent years to retain members in Airborne Warning and Control System (AWACS) duties. As a result, the rates for this duty have been increased and range from \$150 to \$350 per month. Beginning in FY 1999, AWACS personnel will be included under Aviation Continuation Pay.
- (5) Parachute Jumping - Duties involve parachute jumping from an aircraft in aerial flight and performing the specified minimum jumps, payable at \$150 per month. Members who perform duty involving parachute jumping at a high altitude with a low opening (HALO) as an essential part of duty, are entitled to pay at the monthly rate of \$225.
- (6) Experimental Stress - An unusually high level of physiological or other stress; specifically (a) duty inside a high (hyperbaric) or low pressure (altitude) chamber, (b) duty as a human acceleration/deceleration test subject, and (c) duty as a human test subject in thermal stress experiments. It is paid under specified conditions in a monthly amount of \$150.
- (7) Demolition - Explosive demolition as a primary duty including training for such duty. It is paid under specified conditions at a monthly rate of \$150.
- (8) Toxic Fuel Handlers - Duties in which personnel may be exposed to toxic fuels and propellants. This pay was initiated as a result of a number of casualties among personnel who work with hypergolic fuel, specifically hydrazine and nitrogen tetroxide. It is paid at a monthly rate of \$150.
- (9) Live/Hazardous Biological Organisms - Duty involving laboratory work utilizing live dangerous viruses or bacteria. Paid at a monthly rate of \$150.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Incentive pay is computed on the basis of the average number of officers in each category or aviation service/commission service who are eligible for payment. Other incentive duty pay is computed at the statutory rate per workyear.

INCENTIVE PAY FOR HAZARDOUS DUTY - OFFICERS

Aviation Career Incentive Pay

Yrs Svc Grade	Monthly Rate	FY 1998 Actual			Yrs Svc Grade	Monthly Rate	FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate				
		Workyears	Statutory Rate	Amount			Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount		
2	125.00	2,010	1,500	3,015	Less than 2	125.00	2,542	1,500	3,813	2,689	1,500	4,034	2,694	1,500	4,041		
2-3	156.00	989	1,872	1,851	2-3	156.00	1,470	1,872	2,752	1,625	1,872	3,042	1,690	1,872	3,164		
3-4	188.00	516	2,256	1,164	3-4	188.00	1,109	2,256	2,502	1,307	2,256	2,949	1,439	2,256	3,246		
4-6	206.00	1,197	2,472	2,959	4-6	206.00	1,264	2,472	3,125	1,693	2,472	4,185	2,349	2,472	5,807		
6-18	650.00	13,142	7,800	102,508	6-14	650.00	8,140	7,800	63,492	6,936	7,800	54,101	5,750	7,800	44,850		
18-20	585.00	1,648	7,020	11,569	14-22	840.00	6,917	10,080	69,723	6,929	10,080	69,844	7,044	10,080	71,004		
20-22	495.00	1,465	5,940	8,702	22-23	585.00	635	7,020	4,458	581	7,020	4,079	596	7,020	4,184		
22-24	385.00	731	4,620	3,377	23-24	495.00	474	5,940	2,816	454	5,940	2,697	434	5,940	2,578		
24-25	385.00	502	4,620	2,319	24-25	385.00	378	4,620	1,746	399	4,620	1,843	383	4,620	1,769		
25 & over	250.00	443	3,000	1,329	Above 25	250.00	113	3,000	339	87	3,000	261	84	3,000	252		
B/G under 25	200.00	12	2,400	29	B/G under 25	200.00	12	2,400	29	12	2,400	29	12	2,400	29		
Subtotal Flying Duty Crew		22,655		\$138,822	Subtotal Flying Duty Crew		23,054		\$154,795	22,712		\$147,064	22,475		\$140,924		
Aviation Continuation Pay				\$35,450					\$36,300					\$28,820			\$27,610
Subtotal Flying Duty Pay				\$174,272					\$191,095					\$175,884			\$168,534

(Amount in Thousands)

INCENTIVE PAY FOR HAZARDOUS DUTY - OFFICERS

Other Incentive Duty Pay

	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	Statutory			Statutory			Statutory			Statutory		
	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>
Flying Duty Non-Crew	28	1,800	50	30	1,800	54	30	1,800	54	30	1,800	54
Flying Duty Non-Rated	476	2,220	1057	470	2,220	1043	470	2,700	1269	470	2,700	1269
AWACS Wpns Contr	486	3,900	1895	0	0	0	0	0	0	0	0	0
Parachute Jumping	136	1,800	245	138	1,800	248	138	1,800	248	138	1,800	248
Parachute HALO	19	2,700	51	21	2,700	57	21	2,700	57	21	2,700	57
Demolition Duty	33	1,800	59	22	1,800	40	22	1,800	40	22	1,800	40
Press Chmbr Observer	192	1,800	346	200	1,800	360	195	1,800	351	195	1,800	351
Accel/Decel Subject	23	1,800	41	27	1,800	49	28	1,800	50	29	1,800	52
Thermal Stress Subject	4	1,800	7	1	1,800	2	1	1,800	2	1	1,800	2
Toxic Fuel Handlers	29	1,800	52	25	1,800	45	25	1,800	45	25	1,800	45
L/Hazard Bio Org	1	1,800	2	1	1,800	2	1	1,800	2	1	1,800	2
Subtotal Other Incentive Duty Pay			\$3,805			\$1,900			\$2,118			\$2,120
TOTAL INCENTIVE PAY			\$178,077			\$192,995			\$178,002			\$170,654

(Amount in Thousands)

PROJECT: SPECIAL PAY - OFFICERS

FY 1998 Actual	\$188,159
FY 1999 Estimate	\$190,269
FY 2000 Estimate	\$186,495
FY 2001 Estimate	\$184,508

PART I - PURPOSE AND SCOPE

Funds provide for:

- (1) Special pay for Health Professionals on active duty as physicians, dentists, veterinarians, and optometrists under provisions of 37 U.S.C. 302, 302a, 302b, and 303; the FY 1991 National Defense Authorization Act (P.L. 101-510); the Office of the Assistant Secretary of Defense (OASD), FY 1993 Multi-Year Special Pay (MSP) and Incentive Special Pay (ISP) - Action Memorandum, dated 1 Sep 92; DoD Directive 1340.13, "Special Pay for Medical Corps Officers" and DoD Directive 6000.2, "Minimum Terms of Service and Active Duty Obligations for Health Services Officers."
 - a) Medical Variable Special - A monthly pay authorized for all physicians based on years of creditable service. The total annual pay ranges from \$5,000 to \$12,000 except for O-7s and above who receive \$7,000 per year and interns who receive \$1,200 per year.
 - b) Medical Board Certified - A monthly payment which varies with length of creditable service paid to physicians who become certified or recertified as having successfully met specified post-graduate education, training and experience requirements. The total annual pay ranges from \$2,500 to \$6,000 depending on years of service.
 - c) Medical Additional Special - A lump sum annual payment for physicians not in internship or initial residency training who execute an agreement to remain on active duty for at least one year. Officers receive \$15,000 per year.
 - d) Medical Incentive Special - Paid to qualified physicians in critical specialties who execute an agreement to remain on active duty for at least one year. Amount of pay is based on most critically-short wartime specialties and years of experience. ISP under this program was recently revised by the above mentioned OASD Guidance.
 - e) Multi-Year Special Pay - A program authorized in FY 1991 by P.L. 101-510 (as amended by the above mentioned 1 Sep 92 OASD memorandum) to be used in conjunction with existing ISP authority to enhance physician force management. MSP program replaced the Medical Officer Retention Bonus.
 - f) Dental Variable Special - A monthly pay authorized for all dentists based on years of creditable service. A total annual pay ranges from \$3,000 to \$7,000 except for O-7s and above who receive \$1,000 per year.
 - g) Dental Board Certified - A monthly payment which varies with length of creditable service paid to dentists who become certified or the equivalency as having successfully met specified post-graduate education, training, and experience requirements. The total annual pay ranges from \$2,500 - \$6,000 depending upon years of service.
 - h) Dental Additional Special - A lump sum annual payment for dentists not in internship or residency training who execute an agreement to remain on active duty for at least one year. The FY 1998 NDAA increased payments from to \$6,000 to \$15,000 depending on years of service.
 - i) Dental Accession Bonus - This is a subcategory of Dental Special Pay which was authorized in the FY 1997 National Defense Authorization Act which allows for a new payment category of \$30,000. This is a one time payment on the members entry.
 - j) Dental Multi-year Special Pay (MSP) - The FY 1998 NDAA authorized payments from \$3,000 to \$14,000 per year for dentists with more than eight years in service who accept long-term contracts to remain on active duty.
 - k) Nurse Anesthetist Incentive Pay - P.L. 103-337, Section 612, the FY 1995 Authorization Act authorizes an ISP up to \$15,000 to all Certified Registered Nurse Anesthetists.

- l) Nurse Accession Bonus - An accession bonus of up to \$5,000 has been authorized by the FY 1990 Authorization Act.
 - m) Nurse Board Certification Pay - The FY 1996 Authorization Act amends section 302C(D(1)) of Title 37 U.S.C. and authorizes payments ranging from \$2,000 to \$5,000 for Board Certified Pay for Non-Physician Health Care Providers.
 - n) Optometrists and Veterinarians - A special pay amount of \$100 per month has been authorized by 37 U.S.C., Sec. 302a and 303 respectively.
 - o) Biomedical Sciences Corps (BSC) officers - Authorized by P.L. 101-510 Title 37, annual payments are: under 10 years, \$2,000; 10-12 years, \$2,500; 12-14 years, \$3,000; 14-18 years, \$4,000; and over 18 years, \$5,000 for Non-Physician Health Care Providers.
- (2) Personal money allowances for certain general officers under provisions of 37 U.S.C. 414(a). The allowance is payable while an officer is serving in the grade of O-9 or above at annual rates of \$500 and \$2,200 for O-9s and O-10s respectively. Entitlement may also be based upon specific duty assignments as follows: (1) Chairman of the Joint Chiefs of Staff and Chief of Staff of the Air Force payable at \$4,000 per year in place of any other personal money allowance authorized and (2) Senior member of the Military Staff Committee of the United Nations payable at \$2,700 per year in addition to the other personal money allowance authorized.
 - (3) Pararescue Diving Duty. The purpose of the special pay is to alleviate a critical manning shortage. The duty involves underwater rescue missions, recovery of space vehicles, detection and treatment of decompression sickness, and infiltration/exfiltration for land rescue in a combat environment. It is paid at the rate of \$150 per month.
 - (4) Hostile Fire Duty. Paid to members who serve in designated areas subject to specific dangers. Paid at the rate of \$150 per month.
 - (5) Foreign Language Proficiency Pay (Linguist). 37 U.S.C. 316 authorizes this special pay to all officers who are proficient in a second language and DoD has critical need for that language.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Variable Special Pay is based on cost factors derived from statutory rates and the average number of physicians and dentists programmed per years of credible service. Board Certified Pay and Incentive Special Pay (ISP) are based on the estimated number of physicians and dentists who qualify to receive these special pays multiplied by the statutory rates. The ISP and Multi-Year Special Pay (MSP) rates are based on the projected specialties needed. Added Special pay is estimated from the expected number of physicians who will agree to remain on active duty for at least one additional year, times the applicable rate. Beginning in FY 1991, IAW The Defense Authorization Act, MSP was instituted as a force management tool. Eligible officers who signed up for MSP, which replaced Medical Officer Retention Bonus, are paid over a multi-year period. Special pay for dentists is based on longevity of programmed dentists times the applicable rates. Special pay for veterinarians and optometrists is computed by multiplying statutory rates by the number of people programmed in each specialty.

Details of the computation are shown in the following tables:

(Amount in Thousands)

SPECIAL PAY - OFFICERS

Medical Pay

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Number Payments	Average Rate	Amount									
Physicians Pay												
Variable Special	4,048	8,000	32,384	4,009	8,000	32,072	3,936	8,000	31,488	3,908	8,000	31,264
Board Certified Pay	2,435	3,190	7,768	2,405	3,190	7,672	2,362	3,190	7,535	2,345	3,190	7,481
Additional Special Pay	3,161	15,000	47,415	3,104	15,000	46,560	3,046	15,000	45,690	3,033	15,000	45,495
Incentive Special Pay	2,857	17,240	49,255	2,606	17,240	44,927	2,558	17,240	44,100	2,540	17,240	43,790
Multi-Year Special Pay	935	9,930	9,285	1,243	9,930	12,343	1,220	9,930	12,115	1,211	9,930	12,025
Subtotal Physicians Pay			\$146,107			\$143,574			\$140,928			\$140,055

Nurses Bonus

Nurses Accession Bonus	212	5,000	1,060	384	5,000	1,920	281	5,000	1,405	281	5,000	1,405
Incentive Special Pay	241	15,000	3,615	225	15,000	3,375	215	15,000	3,225	205	15,000	3,075
Nurse Board Certification	770	3,000	2,311	760	3,000	2,280	755	3,000	2,265	744	3,000	2,232
Subtotal Nurses Bonus			\$6,986			\$7,575			\$6,895			\$6,712

Dentist Pay

Dental Additional	1,173	11,480	13,466	1,106	11,480	12,697	1,078	11,480	12,375	1,045	11,480	11,997
Dental Variable Pay	1,129	7,780	8,784	1,148	7,780	8,931	1,120	7,780	8,714	1,087	7,780	8,457
Board Certified Pay	316	4,240	1,340	344	4,240	1,459	336	4,240	1,425	326	4,240	1,382
Dental Accession Bonus	61	30,000	1,830	64	30,000	1,920	64	30,000	1,920	64	30,000	1,920
Multi-Year Special Pay	32	12,320	394	362	12,320	4,460	363	12,320	4,472	344	12,320	4,238
Subtotal Dentist Pay			\$25,814			\$29,467			\$28,906			\$27,994

(Amount in Thousands)

SPECIAL PAY - OFFICERS

Medical Pay (Continued)

	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Number Payments</u>	<u>Average Rate</u>	<u>Amount</u>									
<u>Optometrists</u>	165	1,200	198	158	1,200	190	155	1,200	186	152	1,200	182
<u>Veterinarians</u>	2	1,200	2	1	1,200	1	1	1,200	1	1	1,200	1
<u>Biomedical Science</u>	252	3,000	756	264	3,000	792	258	3,000	774	253	3,000	759
Subtotal Medical Pay			956			983			961			942
<u>Personal Allowance - General Officer</u>												
Chief of Staff	1	4,000	4	1	4,000	4	1	4,000	4	1	4,000	4
Senior Member of Staff Committee - United Nations	0	2,700	0	0	2,700	0	0	2,700	0	0	2,700	0
General	12	2,200	26	11	2,200	24	11	2,200	24	11	2,200	24
Lt General	38	500	19	39	500	20	38	500	19	38	500	19
Subtotal Personal Allowance*			49			48			47			47
<u>Hostile Fire</u>	3,488	1,800	6,278	3,540	1,800	6,372	3,540	1,800	6,372	3,540	1,800	6,372
<u>Diving Duty</u>	56	1,800	101	56	1,800	101	56	1,800	101	56	1,800	101
<u>Linguist</u>	1,730	1,080	1,868	1,990	1,080	2,149	2,240	1,020	2,285	2,240	1,020	2,285
TOTAL SPECIAL PAY			\$188,159			\$190,269			\$186,495			\$184,508

*Special Pay Total Includes General Officer Allowances.

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR QUARTERS - OFFICERS

FY 1998 Actual	\$114,803
FY 1999 Estimate	\$0
FY 2000 Estimate	\$0
FY 2001 Estimate	\$0

PART I - PURPOSE AND SCOPE

Funds provide payment of basic allowance for quarters authorized under provisions of 37 U.S.C. 403, to officers with or without dependents, partial payments to bachelors in government quarters and to officers occupying inadequate quarters under provisions of 10 U.S.C. 2830.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Basic allowance for quarters (BAQ) is determined by multiplying the number of eligible personnel by the statutory rates, by pay grade. The total requirement considers the projected number of sponsor workyears and the projected number of these workyears that will reside in government housing. For inadequate housing, the rate payable is the with-dependent rate less the current experienced average rate charge for the fair rental value of the housing unit.

As of 1 January 1998, VHA and BAQ are combined for the new Basic Allowance for Housing (BAH) entitlement in accordance with the FY 1998 National Defense Authorization Act. FY1998 includes actuals for the first fiscal quarter only.

The computation of fund requirements is provided by the following tables:

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - OFFICERS

With Dependents

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
General	60	3,109.18	187		0.00	0		0.00	0		0.00	0
Colonel	2,331	2,799.07	6,525		0.00	0		0.00	0		0.00	0
Lt Colonel	7,395	2,698.08	19,952		0.00	0		0.00	0		0.00	0
Major	10,393	2,378.14	24,716		0.00	0		0.00	0		0.00	0
Captain	14,004	1,985.85	27,810		0.00	0		0.00	0		0.00	0
1st Lieutenant	2,139	1,736.09	3,713		0.00	0		0.00	0		0.00	0
2nd Lieutenant	1,355	1,569.90	2,127		0.00	0		0.00	0		0.00	0
Subtotal with Dependents	37,677		\$85,030	0		\$0	0		\$0	0		\$0

Without Dependents - Full Allowance

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
General	5	2,525.60	13		0.00	0		0.00	0		0.00	0
Colonel	218	2,317.36	505		0.00	0		0.00	0		0.00	0
Lt Colonel	1,113	2,231.57	2,484		0.00	0		0.00	0		0.00	0
Major	2,304	2,068.02	4,765		0.00	0		0.00	0		0.00	0
Captain	7,907	1,663.97	13,157		0.00	0		0.00	0		0.00	0
1st Lieutenant	3,536	1,327.13	4,693		0.00	0		0.00	0		0.00	0
2nd Lieutenant	3,650	1,117.32	4,078		0.00	0		0.00	0		0.00	0
Subtotal without Dependents (Full)	18,733		\$29,695	0		\$0	0		\$0	0		\$0

(Amount in Thousands)

PROJECT: VARIABLE HOUSING ALLOWANCE - OFFICERS

FY 1998 Actual	\$27,604
FY 1999 Estimate	\$0
FY 2000 Estimate	\$0
FY 2001 Estimate	\$0

PART I - PURPOSE AND SCOPE

Funds provide for payment of variable housing allowance (VHA) authorized under provisions of 37 U.S.C. Section 403a. VHA is based on pay grade, whether member has dependents, and duty assignment in high cost housing areas in the Continental United States (CONUS), Alaska, and Hawaii. A member with dependents who is assigned to an unaccompanied tour of duty outside the U.S. is entitled to a VHA while serving such a tour of duty for any period during which the member's dependents reside in an area of the U.S. which would qualify the member to receive a VHA if assigned to duty in that area.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The Joint Federal Travel Regulation (JFTR), 1 January 1987, authorizes VHA to partially offset high cost housing in designated areas. VHA is authorized to assist members entitled to a basic allowance for quarters (BAQ) to defray housing costs when: (a) Government quarters are not assigned or occupied jointly by the member and dependent(s), and (b) the member is assigned to permanent duty station in a high cost housing area in the United States. For VHA purposes, high cost housing areas are those locations where the median monthly cost of housing for members in the same grade exceeds 80 percent of the median monthly cost of housing for members in same grade throughout the CONUS, Alaska, and Hawaii.

As of 1 January 1998, VHA and BAQ are combined for the new Basic Allowance for Housing (BAH) entitlement in accordance with the FY 1998 National Defense Authorization Act. FY1998 includes actuals for the first fiscal quarter only.

The computation of requirements is provided in the following table:

(Amount in Thousands)

VARIABLE HOUSING ALLOWANCE - OFFICERS

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
General	65	854.83	56		0.00	0		0.00	0		0.00	0
Colonel	2,472	719.19	1,778		0.00	0		0.00	0		0.00	0
Lt Colonel	8,156	654.72	5,340		0.00	0		0.00	0		0.00	0
Major	11,952	614.37	7,343		0.00	0		0.00	0		0.00	0
Captain	20,203	486.06	9,820		0.00	0		0.00	0		0.00	0
1st Lieutenant	5,463	332.19	1,815		0.00	0		0.00	0		0.00	0
2nd Lieutenant	5,046	287.85	1,452		0.00	0		0.00	0		0.00	0
TOTAL VARIABLE HOUSING ALLOWANCE	53,357		\$27,604	0		\$0	0		\$0	0		\$0

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING - OFFICERS

FY 1998 Actual	\$430,857
FY 1999 Estimate	\$607,244
FY 2000 Estimate	\$618,694
FY 2001 Estimate	\$635,734

PART I - PURPOSE AND SCOPE

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and Variable Housing Allowance (VHA). Payment to service members is authorized by revisions to 37 USC 403.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1998 amount for BAH reflects the 1 January 1998 start date for BAH and includes a 2.5 percent increase which is the composite of the 2.8 percent rate applicable to BAQ and the 1.4 percent applicable to VHA. The FY 1999 amount reflects a full year's cost and includes a 3.0 percent average increase. This increase is the estimated housing rate increase that will result from the contractor generated surveys of actual housing costs projected to be completed during 1999. The FY 1999, FY 2000, and FY 2001 amounts reflect a full year's cost and include a 3.0 percent increase. This increase is the estimated housing rate increase that will result from the contractor generated surveys of actual housing costs which will be completed each year. Also, Overseas Housing Allowance (OHA), which was linked to BAH on 1 Jan 98, is now displayed in the BAH exhibit. OHA has been renamed BAH Overseas.

The computation of requirements is provided in the following tables:

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - OFFICERS

DOMESTIC

With Dependents

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
General	60	11,979.34	719	59	16,331.41	964	60	16,729.51	1,004	60	17,246.85	1035
Colonel	2,331	10,574.81	24,650	2,414	14,416.50	34,801	2,392	14,762.91	35,313	2,365	15,205.14	35960
Lt Colonel	7,395	10,046.40	74,293	7,539	13,696.53	103,258	7,532	14,029.91	105,673	7,500	14,450.71	108380
Major	10,393	8,943.64	92,951	10,559	12,193.29	128,749	10,965	12,432.22	136,319	10,869	12,805.24	139180
Captain	14,004	7,430.62	104,058	13,529	10,086.41	136,459	12,829	10,348.43	132,760	12,417	10,641.70	132138
1st Lieutenant	2,139	6,435.30	13,765	2,284	8,487.09	19,385	2,143	8,860.71	18,988	2,355	9,093.93	21416
2nd Lieutenant	1,355	5,987.04	8,112	1,570	7,895.37	12,396	1,537	8,282.90	12,731	1,736	8,405.72	14592
Subtotal with Dependents	37,677		\$318,548	37,954		\$436,012	37,458		\$442,788	37,302		\$452,701

Without Dependents - Full Allowance

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
General	5	7,630.20	38	8	12,366.46	99	8	13,064.40	105	8	13,468.34	108
Colonel	218	7,001.10	1,526	229	11,922.13	2,730	227	12,652.63	2,872	224	13,037.23	2,920
Lt Colonel	1,113	6,741.90	7,504	1,008	11,895.41	11,991	1,008	12,329.32	12,428	1,002	12,704.15	12,730
Major	2,304	6,247.80	14,395	2,285	10,740.36	24,542	2,318	11,137.69	25,817	2,298	11,471.56	26,362
Captain	7,907	5,027.10	39,749	7,639	8,126.66	62,080	7,260	8,581.08	62,299	6,956	9,045.98	62,924
1st Lieutenant	3,536	4,009.45	14,177	3,587	6,344.56	22,758	3,608	6,609.90	23,849	3,921	6,971.67	27,336
2nd Lieutenant	3,650	3,374.26	12,316	4,183	5,406.23	22,614	4,554	5,598.56	25,496	4,818	5,868.10	28,272
Subtotal without Dependents (Full)	18,733		\$89,705	18,939		\$146,814	18,983		\$152,866	19,227		\$160,652

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - OFFICERS

DOMESTIC

Without Dependents - Partial Allowance

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
General	0	456.30	0	0	622.09	0	0	640.75	0	0	0.00	0
Colonel	6	356.40	2	6	485.89	3	6	500.47	3	6	515.48	3
Lt Colonel	24	297.00	7	24	404.91	10	24	417.06	10	24	429.57	10
Major	57	240.30	14	58	327.61	19	59	337.44	20	58	347.56	20
Captain	365	102.43	37	345	272.39	94	322	280.57	90	307	288.98	89
1st Lieutenant	244	81.66	20	236	217.18	51	229	223.69	51	252	230.41	58
2nd Lieutenant	662	60.40	40	724	161.96	117	782	166.82	130	832	171.83	143
Subtotal without Dependents (Partial)	1,358		\$120	1,393		\$294	1,422		\$304	1,479		\$323

Inadequate Family Housing

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Lt Colonel	1	2,041.38	2	0	2,149.93	0	0	2,866.57	0	0	2,952.57	0
Major	1	1,863.54	2	0	1,962.63	0	0	2,616.84	0	0	2,695.35	0
Captain	7	1,913.13	13	0	1,851.26	0	0	2,468.35	0	0	2,767.08	0
1st Lieutenant	2	1,403.46	3	0	1,478.09	0	0	1,970.79	0	0	1,884.77	0
2nd Lieutenant	1	1,178.64	1	0	620.66	0	0	827.54	0	0	1,704.74	0
Subtotal Inadequate Family Housing	12		\$21	0		\$0	0		\$0	0		\$0

TOTAL BASIC ALLOWANCE FOR HOUSING - DOMESTIC \$408,394 \$583,120 \$595,958 \$613,676

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - OFFICERS

OVERSEAS

With Dependents

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
General	1	12,862.53	13	1	14,058.15	14	1	13,674.56	14	1	13,503.31	14
Colonel	144	8,370.46	1,207	144	9,148.52	1,317	140	8,898.89	1,246	138	8,787.46	1,213
Lt Colonel	484	6,039.21	2,924	492	6,600.57	3,247	477	6,420.47	3,063	468	6,340.07	2,967
Major	853	4,994.65	4,261	833	5,458.92	4,547	807	5,309.97	4,285	793	5,243.48	4,158
Captain	1,325	5,033.04	6,671	1,282	5,500.88	7,052	1,241	5,350.78	6,640	1,219	5,283.78	6,441
1st Lieutenant	128	4,719.34	606	129	5,158.02	665	125	5,017.28	627	123	4,954.45	609
2nd Lieutenant	35	3,862.97	137	36	4,222.04	152	35	4,106.84	144	34	4,055.41	138
Subtotal With Dependents	2,972		\$15,819	2,917		\$16,994	2,826		\$16,019	2,776		\$15,540

Without Dependents

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
General	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Colonel	8	6,721.29	54	8	7,346.06	59	8	7,145.61	57	8	7,056.13	56
Lt Colonel	82	4,058.10	334	84	4,435.31	373	81	4,314.29	349	80	4,260.27	341
Major	244	3,789.54	925	238	4,141.79	986	231	4,028.78	931	227	3,978.33	903
Captain	918	4,108.77	3,771	888	4,490.69	3,988	860	4,368.16	3,757	844	4,313.46	3,641
1st Lieutenant	278	4,089.06	1,138	281	4,469.15	1,256	272	4,347.21	1,182	267	4,292.77	1,146
2nd Lieutenant	97	4,370.22	422	98	4,776.45	468	95	4,646.12	441	94	4,587.93	431
Subtotal With Dependents	1,627		\$6,644	1,597		\$7,130	1,547		\$6,717	1,520		\$6,518
TOTAL BASIC ALLOWANCE FOR HOUSING - OVERSEAS			\$22,463			\$24,124			\$22,736			\$22,058
TOTAL BASIC ALLOWANCE FOR HOUSING			\$430,857			\$607,244			\$618,694			\$635,734

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE - OFFICERS

FY 1998 Actual	\$137,198
FY 1999 Estimate	\$136,220
FY 2000 Estimate	\$136,599
FY 2001 Estimate	\$137,536

PART I - PURPOSE AND SCOPE

Funds provide monthly subsistence allowance as authorized by 37 U.S.C. 402.

PART II - JUSTIFICATION OF FUNDS RECEIVED

Basic allowance for subsistence costs are computed by multiplying the statutory rate by the programmed officer workyears. The FY 1999 rate increase is a direct result of the annualization of the pay raise. BAS reform was implemented 1 Jan 1998 as a cost neutral effort to provide all eligible personnel with a BAS payment. This reform limits the growth of BAS to 1 percent per year in order to allow the department to make partial BAS payments with the remaining pay raise resources going to members receiving subsistence -in-kind (SIK) payments. Projected increases in cost growth will allow the U.S. Department of Agriculture (USDA) food index to catch up with the BAS payment in approximately four years at which time all enlisted personnel will be entitled to a BAS payment.

Details of the computation are provided in the following table:

FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
Statutory			Statutory			Statutory			Statutory		
<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>									
73,691	1,861.80	\$137,198	72,621	1,875.76	\$136,220	72,102	1,894.52	\$136,599	71,878	1,913.47	\$137,536

(Amount in Thousands)

PROJECT: STATION ALLOWANCE, OVERSEAS - OFFICERS	FY 1998 Actual	\$48,784
	FY 1999 Estimate	\$38,827
	FY 2000 Estimate	\$43,145
	FY 2001 Estimate	\$43,317

PART I - PURPOSE AND SCOPE

Funds provide payment of a per diem allowance to officers on duty outside the Continental United States. The station allowance considers all elements of the cost of living, including quarters, subsistence and other necessary incidental expenses as prescribed by Joint Travel Regulation and authorized under the provisions of 37 U.S.C. 405.

PART II - JUSTIFICATION OF FUNDS REQUESTED

This allowance is authorized for the purpose of defraying the average excess costs experienced by service members. The Overseas Housing Allowance (OHA) consists of the difference between the Basic Allowance for Housing and the applicable housing costs in the overseas area where members are stationed. The FY 1998 NDAA merged all housing allowances, including OHA, into BAH effective 1 Jan 98. Therefore, overseas housing allowances are reflected under OHA for the first quarter of FY1998. The remaining overseas housing allowances are reflected in the BAH Overseas section. The Moving-In Housing Allowance is intended to offset initial costs such as rent deposits, electrical current transformers and other overseas unique initial housing costs. The Temporary Lodging Allowance covers the off-base housing (hotel) costs for military members permanently relocating in or out of an overseas location. The number of personnel entitled to an overseas station allowance are based, as directed in guidance, on historical data adjusted for known changes of each type of allowance.

The workyears for Cost of Living, Housing, Moving-In and Temporary Lodging allowances are based on authorized overseas strengths for each fiscal year. Beginning in FY 1997 the Military Personnel Appropriation rejoined the Foreign Currency Fluctuation Defense Account.

(Amount in Thousands)

STATION ALLOWANCES, OVERSEAS - OFFICERS

Cost of Living

<u>Grade</u>	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General	40	6,217.10	249	37	5,559.09	204	35	6,596.23	230	38	6,703.52	251
Colonel	484	6,187.08	2,995	485	5,751.15	2,788	469	6,824.60	3,203	462	6,928.18	3,200
Lt Colonel	1,156	5,634.12	6,513	1,176	5,160.57	6,067	1,139	6,123.78	6,973	1,118	6,216.72	6,952
Major	1,781	4,869.84	8,673	1,740	4,513.02	7,851	1,685	5,355.37	9,023	1,655	5,436.65	8,999
Captain	2,646	4,300.92	11,380	2,559	3,921.85	10,036	2,478	4,653.85	11,534	2,434	4,724.49	11,498
1st Lieutenant	365	3,334.32	1,217	368	2,978.03	1,096	357	3,533.87	1,261	351	3,587.50	1,258
2nd Lieutenant	81	2,810.16	228	82	2,418.62	199	80	2,870.05	229	78	2,913.61	229
Subtotal Cost of Living	6,553		\$31,255	6,446		\$28,241	6,243		\$32,453	6,136		\$32,387

(Amount in Thousands)

STATION ALLOWANCES, OVERSEAS - OFFICERS

Housing Allowance

<u>Grade</u>	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General	1	3,076.38	3		0.00	0		0.00	0		0.00	0
Colonel	152	2,421.93	369		0.00	0		0.00	0		0.00	0
Lt Colonel	566	1,783.50	1,010		0.00	0		0.00	0		0.00	0
Major	1,097	1,475.04	1,619		0.00	0		0.00	0		0.00	0
Captain	2,243	1,480.59	3,321		0.00	0		0.00	0		0.00	0
1st Lieutenant	407	1,433.88	583		0.00	0		0.00	0		0.00	0
2nd Lieutenant	132	1,617.69	213		0.00	0		0.00	0		0.00	0
Subtotal Housing Allowance	4,599		\$7,118	0		\$0	0		\$0	0		\$0
		<u>Average Rate</u>	<u>Amount</u>		<u>Average Rate</u>	<u>Amount</u>		<u>Average Rate</u>	<u>Amount</u>		<u>Average Rate</u>	<u>Amount</u>
<u>Moving-In Housing Allowance</u>	2,383	671.47	\$1,600	2,345	694.30	\$1,628	2,279	723.46	\$1,649	2,240	752.58	\$1,686
<u>Temporary Lodging Allowance</u>	18,086	487.18	\$8,811	17,783	503.74	\$8,958	17,228	524.90	\$9,043	16,930	546.03	\$9,244
TOTAL STATION ALLOWANCES, OVERSEAS			\$48,784			\$38,827			\$43,145			\$43,317

(Amount in Thousands)

PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA) - OFFICERS

FY 1998 Actual	\$419
FY 1999 Estimate	\$424
FY 2000 Estimate	\$438
FY 2001 Estimate	\$455

PART I - PURPOSE AND SCOPE

Congress approved in the FY 1995 Defense Authorization Act the payment of a COLA to servicemembers assigned to high cost areas in the CONUS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

As part of the DoD Quality of Life Initiatives, high cost areas are grouped as Military Housing Areas (MHA) where the cost of goods and services exceeds 108 percent of the national cost of living average. Implementation of the entitlement was 1 July 1995. Computation of program cost is the product of military member by grade and dependency status, the number of members assigned to a designated high-cost area of CONUS, and the percent by which an area's cost of non-housing goods and services exceeds 108 percent of the national cost of living average.

Details of the computations are shown below:

FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
Average			Average			Average			Average		
<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>									
1,607	260.52	\$419	1,584	267.55	\$424	1,572	278.81	\$438	1,567	290.02	\$455

(Amount in Thousands)

PROJECT: UNIFORM ALLOWANCES - OFFICERS

FY 1998 Actual	\$1,652
FY 1999 Estimate	\$1,778
FY 2000 Estimate	\$1,825
FY 2001 Estimate	\$1,967

PART I - PURPOSE AND SCOPE

Funds provide an initial clothing allowance to officers upon commissioning and an additional allowance for purchase of required uniforms. Authorization for this allowance is under the provisions of 37 U.S.C. 415 and 416. Congress, in the FY 1988-1989 Defense Authorization Act, approved the payment of Civilian Clothing Allowance for Air Force Officers. Officers assigned at locations outside the United States who are required to wear civilian clothing in the performance of their duties and/or a TDY mission are entitled to receive this allowance.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Uniform allowances are determined by applying statutory rates to the programmed number of eligible officers. Starting 1 January 1985, the initial clothing allowance paid to all personnel commissioned or appointed as officers in the Regular or Reserve component is \$200 regardless of source of commission or previous enlisted status. Officers are also entitled to an additional active duty uniform allowance of \$100 to pay for additional uniforms required while they are on active duty for training. The number of payments for the Initial and Additional Allowances are based on the number of accessions programmed.

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Payments	Statutory Rate	Amount	Payments	Statutory Rate	Amount	Payments	Statutory Rate	Amount	Payments	Statutory Rate	Amount
Initial Allowances	4,812	200.00	962	5,288	200.00	1,058	5,435	200.00	1,087	5,909	200.00	1,182
Additional Allowances	4,812	100.00	481	5,288	100.00	529	5,435	100.00	544	5,909	100.00	591
Civilian Clothing	267	782.09	209	264	723.87	191	264	735.45	194	259	747.95	194
TOTAL UNIFORM ALLOWANCES			\$1,652			\$1,778			\$1,825			\$1,967

(Amount in Thousands)

PROJECT: FAMILY SEPARATION ALLOWANCES - OFFICER

FY 1998 Actual	\$3,221
FY 1999 Estimate	\$3,238
FY 2000 Estimate	\$3,258
FY 2001 Estimate	\$3,279

PART I - PURPOSE AND SCOPE

Funds provide two types of family separation allowance (FSA I & II) payments, under the provisions of 37 U.S.C. 427, to officers with dependents to compensate for added expenses incurred because of forced separation from dependents:

- (1) Members are entitled to FSA I when travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for his family and one overseas.
- (2) FSA II is payable when a member with dependents makes a permanent change of station, or member is on temporary duty away from permanent duty station for 30 consecutive days or more either in CONUS or overseas, and the travel of dependents to member's duty station is not authorized, and dependents do not reside at or near the duty station. The FY 1998 National Defense Authorization Act increased the FSA payment from \$75 to \$100 for those members in TDY and PCS status.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Allowances for family separation payments are determined by multiplying the number of personnel eligible for each type of family separation allowance by the applicable statutory rate.

Details of the cost computation are provided in the following tables:

(Amount in Thousands)

FAMILY SEPARATION ALLOWANCES - OFFICER

PCS Overseas with Dependents not Authorized and Maintain Two Homes

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Colonel	6	9,271.24	56	6	9,544.83	57	6	9,831.18	59	6	10,126.11	61
Lt Colonel	13	8,927.99	116	13	9,191.46	119	13	9,467.20	123	13	9,751.22	127
Major	28	8,273.68	232	28	8,517.83	238	28	8,773.37	246	28	9,036.57	253
Captain	28	6,632.53	186	28	6,828.26	191	28	7,033.10	197	28	7,244.10	203
1st Lieutenant	4	5,259.54	21	4	5,414.75	22	4	5,577.19	22	4	5,744.51	23
2nd Lieutenant	3	4,430.03	13	3	4,560.76	14	3	4,697.58	14	3	4,838.51	15
Subtotal	82		\$624	82		\$641	82		\$661	82		\$682
<u>PCS CONUS or Overseas with dependents not authorized</u>	636	1,200.00	\$763	636	1,200.00	\$763	636	1,200.00	\$763	636	1,200.00	\$763
<u>TDY CONUS or Overseas for more than 30 days with dependents not residing near TDY station</u>	1,528	1,200.00	\$1,834	1,528	1,200.00	\$1,834	1,528	1,200.00	\$1,834	1,528	1,200.00	\$1,834
TOTAL FAMILY SEPARATION ALLOWANCE			\$3,221			\$3,238			\$3,258			\$3,279

(Amount in Thousands)

PROJECT: SEPARATION PAYMENTS - OFFICERS

FY 1998 Actual	\$114,557
FY 1999 Estimate	\$90,140
FY 2000 Estimate	\$118,845
FY 2001 Estimate	\$104,968

PART I - PURPOSE AND SCOPE

Funds provide:

- (1) Lump sum terminal leave payments to officers for unused accrued leave at time of discharge (under honorable conditions), retirement or death under provisions of 10 U.S.C. 701, and 37 U.S.C. 501.
- (2) Severance pay to officers who are involuntarily discharged or released from active duty, including severance pay to officers not eligible for retirement under any provision of law on the date of elimination by promotion list passover under provisions of 10 U.S.C. 637(a); disability severance pay paid to a member separated from the service for a physical disability under provisions of 10 U.S.C. 1212; and severance pay paid to certain members who voluntarily separate under the Voluntary Separation Incentive (VSI)/Special Separation Benefit (SSB) programs under the provisions of U.S.C. 1775 and 1174a, and certain members who retire under the Temporary Early Retirement Authority (TERA) under the provisions of 10 U.S.C. 8911, 8914 as amended.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Lump sum terminal leave payments are determined by multiplying the projected number of eligibles for each applicable separation payment at rates based on past experience and adjusted for pay raises. For leave accumulated prior to 1 September 1976 and retained throughout the career, payments include basic pay, basic allowance for subsistence and basic allowance for quarters. For leave accumulated after 1 September 1976, to include the lowering to the 1 September 1976 leave balance, the rate payable is basic pay only. Leave payments will not exceed the career total of 60 days.

Severance pays are determined by multiplying a member's basic pay rate for a specified number of months times years of service times a specific percent based on the separation criteria.

The FY 1992 Defense Authorization Act approved two voluntary separation programs to employ during the force drawdown. The programs apply to officer and enlisted members who have more than 6 and less than 20 years of service. The first is the VSI Program and the second is the SSB Program. VSI is calculated as follows: annual basic pay X 2.5 percent X years of service with annuity payments for twice the years of service. SSB payments are calculated as follows: annual basic pay X 15 percent X years of service. These programs will be used to reduce involuntary separations and will be offered to members in overage specialties to facilitate force shaping requirements during the drawdown. Currently, we do not anticipate any requirements for VSI and SSB through FYs 1998 - 2001.

The FY 1993 Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program is necessary to shape the 15-20 year segment of the force. It will assist the services in achieving their drawdown goals of maintaining readiness and treating people fairly. The criteria for early retirement will include such factors as grade, years of service, and skill, with a focus on the population where the inventory exceeds requirements. Members approved for early retirement will receive the same benefits as individuals with 20 or more years of service. However, their retired pay will be reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent X years of service X basic pay (adjusted for COLA) X reduction factor. For members who leave under the early retirement program, the Air Force is required to establish a subaccount within the Military Personnel Appropriation to fund up front all early retirement payments including cost of living adjustments which will cover the entire initial period. This period is defined as that period equal to the difference between 20 years and the number of years completed by the member.

(Amount in Thousands)

SEPARATION PAYMENTS - OFFICERS

Lump Sum Terminal Leave Payments

Grade	FY 1998 Actual				FY 1999 Estimate				FY 2000 Estimate				FY 2001 Estimate			
	Payments	Days	Average Rate	Amount	Payments	Days	Average Rate	Amount	Payments	Days	Average Rate	Amount	Payments	Days	Average Rate	Amount
General	34	63.7	15,360.64	522	45	62.9	16,462.18	741	43	62.3	15,981.46	687	46	62.5	17,488.05	804
Colonel	707	36.8	7,508.74	5,309	637	36.4	7,666.43	4,885	574	36.9	7,927.40	4,550	579	36.3	8,260.77	4,780
Lt Colonel	1,139	26.6	4,384.50	4,994	1,093	26.4	4,476.57	4,894	999	26.6	4,628.96	4,625	1,024	26.1	4,823.62	4,941
Major	1,652	17.7	2,383.40	3,937	1,498	17.5	2,433.45	3,646	1,523	17.6	2,516.29	3,831	1,301	17.2	2,622.11	3,411
Captain	3,026	19.8	2,200.27	6,658	2,102	19.7	2,246.47	4,721	2,713	19.9	2,322.95	6,303	3,011	19.4	2,420.63	7,289
1st Lieutenant	264	16.1	1,368.48	361	277	16.7	1,397.22	387	281	16.1	1,444.79	406	272	15.9	1,505.54	410
2nd Lieutenant	57	14.3	888.85	51	40	14.5	907.51	37	38	14.0	938.41	36	40	14.2	977.87	39
Subtotal Lump Sum Terminal Leave			\$21,832				\$19,311				\$20,438				\$21,674	

Separation Pay

Fail Promotion/Unfit	436		54,589.00	23,801	446		59,268.00	26,434	421		61,046.00	25,700	401		62,877.00	25,214
Disability	32		38,000.00	1,216	25		47,613.00	1,190	25		49,041.00	1,226	25		50,513.00	1,263
Severance Pay, Non Disability																
Invol-Half Pay 5%	16		24,813.00	397	3		21,853.00	66	3		22,509.00	68	3		23,184.00	70
Invol-Half Pay 10%	10		38,400.00	384	25		62,392.00	1,560	25		64,264.00	1,607	25		66,192.00	1,655
SSB	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
VSI	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
VSI Trust Fund*				32,579				27,379				32,579				32,579
15 Year Retirement	497		69,111.00	34,348	200		71,000.00	14,200	500		74,454.00	37,227	300		75,043.00	22,513
Subtotal Separation Pay			\$92,725				\$70,829				\$98,407				\$83,294	
TOTAL SEPARATION PAYMENTS			\$114,557				\$90,140				\$118,845				\$104,968	

*Payments to the VSI Trust Fund are sufficient to fully fund VSI recipients in the budget.

(Amount in Thousands)

PROJECT: SOCIAL SECURITY TAX (EMPLOYER'S CONTRIBUTION) - OFFICERS

FY 1998 Actual	\$286,347
FY 1999 Estimate	\$288,660
FY 2000 Estimate	\$258,272
FY 2001 Estimate	\$271,648

PART I - PURPOSE AND SCOPE

Funds represent the Air Force contribution (as an employer) as required by the Federal Insurance Contribution Act (FICA) under provisions of 26 U.S.C. 3101 and 3111.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Social security costs are based on the percentage rate set by law on a member's salary for a calendar year. P.L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983, established the tax rate while the maximum taxable income is determined by the Social Security Administration. The Old Age, Survivor and Disability Insurance (OASDI) rate is 6.2 percent and the Hospital Insurance (HI) is 1.45 percent. There is no wage cap on the 1.45 percent medical contribution. The Government's contribution is based on the percentage rate set by law on member's salary for a calendar year. Taxable income ceilings for OASDI are as follows:

- Calendar Year 1998 - 7.65% on First \$68,400
- Calendar Year 1999 - 7.65% on First \$72,600
- Calendar Year 2000 - 7.65% on First \$73,800
- Calendar Year 2001 - 7.65% on First \$76,200

Funding for FY 1998 and FY 1999 includes employer's contribution to Social Security for which military members receive wage credit but no social security tax (i.e., quarters and subsistence allowances). DoD makes direct payments to the Social Security Trust Funds based on Health and Human Services (HHS) estimates to cover the cost of these additional credits. To recognize service members full Social Security eligibility, service members' reported wages were increased and the "taxes" related to this increase were paid into the Social Security Trust Fund by DoD. However, the realized benefit of the wage credit is minimal. Since only the highest 35 years of earnings are counted in determining SS benefits, service members, who do not continue until retirement (83 percent of members), would generally have 35 years of earnings without considering military service. Any military earnings that do count in the 35 year period would be modest compared to more recent earnings and would have almost no influence on SS benefits. Therefore, the Department has proposed to eliminate the military wage credit to allow these funds to be reapplied to other high priority initiatives with minimal impact on a former service member's future overall retirement benefit.

Details of the computations are shown below:

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>									
Officers	73,691	3,375.79	248,765	72,621	3,478.03	252,578	72,102	3,582.04	258,272	71,878	3,779.29	271,648
Wage Credit			37,582			36,082			0			0
TOTAL SOCIAL SECURITY TAX			\$286,347			\$288,660			\$258,272			\$271,648

PAY AND ALLOWANCES OF ENLISTED

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

2. Pay and Allowances of Enlisted

FY 1999 Direct Program ----- 9,672,288

Increases:

Basic Pay -----		242,932
- 1 Jan 00 4.4 percent pay raise	192,444	
- Annualization of 1 Jan 99 3.6 percent pay raise	52,017	
- Pay Table Reform, effective 1 Jul 00	31,000	
- Decrease in workyears/longevity	-32,529	
 Retired Pay Accrual -----		 185,869
- Increase due to "Redux"	136,600	
- 1 Jan 00 4.4 percent pay raise	57,348	
- Annualization of 1 Jan 99 3.6 percent pay raise	15,501	
- Decrease in workyears/longevity	-455	
- Decrease in RPA rate to 29.8 percent	-23,125	
 Housing Allowances -----		 61,667
- 1 Jan 00 3.0 percent average rate increase	24,096	
- Increase in workyears	21,611	
- Change in BAH Overseas Rates	7,988	
- Annualization of 1 Jan 99 3.0 percent average rate increase	7,972	

Selective Reenlistment Bonus -----		39,131
- Increase in payments	35,580	
- Increase in rates	3,551	
Incentive Pay -----		14,874
- Career Enlisted Flyer Incentive Pay	14,874	
- Changes in Pay Rate	399	
- Decrease in workyears	-399	
Enlistment Bonus -----		4,433
- Increase in payments	4,433	
Special Pay -----		2,281
- Changes in Pay Rates	2,293	
- Decrease in workyears	-12	
Reimbursements -----		2,052
- Change in reimbursements	2,052	
Special Duty Assignment Pay -----		157
- Increase in workyears	157	
Family Separation Allowance -----		36
- 1 Jan 00 3.0 percent average housing allowance increase	67	
- Annualization of 1 Jan 99 3.0 percent average housing allowance increase	22	
- Decrease in workyears	-53	
CONUS COLA -----		4
- Increase in rates	6	
- Decrease in workyears	-2	

Decreases:

Overseas Station Allowances		-1,457
- Increase in rates	801	
- Decrease in workyears	-2,258	
Separations		-1,450
- Changes in VSI Trust Fund	2,400	
- 1 Jan 00 4.4 percent pay raise	1,883	
- Annualization of 1 Jan 99 3.6 percent pay raise	509	
- Decrease in LSTL payments	-4	
- Decrease in involuntary separation payments	-6,238	
Clothing Allowance		-3,381
- Increase in rates	1,674	
- Decrease in payments	-5,055	
Social Security (FICA)		-42,006
- 1 Jan 00 4.4 percent pay raise	14,722	
- Annualization of 1 Jan 99 3.6 percent pay raise	3,979	
- Decrease in workyears	-119	
- Elimination of Social Security Military Wage Credit	-60,588	
Total Decreases		-48,294
FY 2000 Direct Program		10,177,430

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

2. Pay and Allowances of Enlisted

FY 2000 Direct Program		10,177,430
<u>Increases:</u>		
Basic Pay		222,820
- 1 Jan 01 3.9 percent pay raise	177,529	
- Pay Table Reform, effective 1 Jul 00	100,000	
- Annualization of 1 Jan 00 4.4 percent pay raise	66,037	
- Decrease in workyears/longevity	-120,746	
Retired Pay Accrual		59,259
- 1 Jan 01 3.9 percent pay raise	52,490	
- Annualization of 1 Jan 00 4.4 percent pay raise	19,525	
- Increase due to Repeal Military Retirement & Reform Act	11,600	
- Decrease in workyears/longevity	-6,284	
- Decrease in RPA rate to 29.5 percent	-18,072	
Reimbursements		18,032
- Increase in reimbursement program	18,032	
Social Security (FICA)		17,047
- 1 Jan 01 3.9 percent pay raise	13,581	
- Annualization of 1 Jan 00 4.4 percent pay raise	5,052	
- Decrease in workyears	-1,586	
Special Duty Assignment Pay		109
- Increase in workyears	109	
Total Increases		317,267

Decreases:

CONUS COLA -----		-1
- Increase in rates	7	
- Decrease in workyears	-8	
Family Separation Allowance -----		-167
- 1 Jan 01 3.9 percent pay raise	69	
- Annualization of 1 Jan 00 4.4 percent pay raise	23	
- Decrease in workyears	-259	
Clothing Allowance -----		-513
- Increase in rates	1,812	
- Decrease in payments	-2,325	
Special Pay -----		-730
- Changes in Pay Rates	20	
- Decrease in workyears	-750	
Housing Allowances -----		-1,020
- 1 Jan 01 3.0 percent average rate increase	24,121	
- Annualization of 1 Jan 00 3.0 percent average rate increase	7,980	
- Change in BAH Overseas Rates	-470	
- Decrease in workyears	-32,651	
Separations -----		-2,376
- 1 Jan 01 3.9 percent pay raise	1,607	
- Increase in LSTL payments	711	
- Annualization of 1 Jan 00 4.4 percent pay raise	598	
- Decrease in involuntary separation payments	-5,292	
Overseas Station Allowances -----		-6,085
- Decrease in rates	-544	
- Decrease in workyears	-5,541	

Enlistment Bonus		-7,273
- Decrease in payments	-7,273	
Selective Reenlistment Bonus		-19,279
- Decrease in payments	-19,279	
Total Decreases		-37,444
FY 2001 Direct Program		10,457,253

(Amount in Thousands)

PROJECT: BASIC PAY - ENLISTED

FY 1998 Actual	\$5,713,295
FY 1999 Estimate	\$5,781,141
FY 2000 Estimate	\$6,024,073
FY 2001 Estimate	\$6,246,893

PART I - PURPOSE AND SCOPE

Funds provide basic compensation of enlisted personnel on active duty, including length of service increments, under provision of 37 United States Codes 201, 203, and 205.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FY 1998 beginning strength was 299,373 with an actual ending strength of 291,590 resulting in the utilization of 297,897 workyears.

FY 1999 beginning strength was 291,590 and ending with 290,466 using 293,204 workyears.

FY 2000 beginning strength will be 290,466 and ending with 286,261 using 292,201 workyears.

FY2001 beginning strength will be 286,261 and ending with 280,214 using 286,908 workyears.

Funding requirements include annualized pay raises of 2.8 percent in FY 1998, and 3.6 percent in FY 1999, 4.4 percent in FY 2000, and 3.9 percent in FY2001. As part of the Military Pay Table Reform, this budget includes the restructured military pay table effective 1 Jul 2000.

(Amount in Thousands)

BASIC PAY - ENLISTED

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	3,073	40,381	124,091	3,016	41,795	126,054	2,975	43,857	130,475	2,903	46,185	134,075
Senior Master Sergeant	6,103	33,293	203,187	6,061	34,221	207,413	5,979	36,070	215,663	5,835	38,092	222,267
Master Sergeant	30,772	28,260	869,617	29,325	28,853	846,114	28,102	30,273	850,732	28,298	31,958	904,347
Technical Sergeant	38,058	24,170	919,862	39,872	25,192	1,004,455	41,934	26,075	1,093,429	43,328	26,952	1,167,776
Staff Sergeant	76,402	20,145	1,539,118	73,470	20,622	1,515,098	72,519	21,580	1,564,960	72,902	22,601	1,647,658
Sergeant	70,543	16,181	1,141,456	69,507	16,556	1,150,758	68,563	17,372	1,191,076	64,585	18,494	1,194,435
Airman First Class	44,333	13,192	584,841	43,253	13,610	588,673	42,949	14,289	613,698	39,903	15,004	598,705
Airman	17,735	12,375	219,471	17,507	12,796	224,020	17,853	13,370	238,695	17,972	13,870	249,272
Airman Basic	10,878	10,264	111,652	11,193	10,592	118,556	11,327	11,066	125,345	11,182	11,479	128,358
Total Basic Pay	297,897		\$5,713,295	293,204		\$5,781,141	292,201		\$6,024,073	286,908		\$6,246,893

(Amount in Thousands)

PROJECT: RETIRED PAY ACCRUAL - ENLISTED

FY 1998 Actual	\$1,742,555
FY 1999 Estimate	\$1,745,905
FY 2000 Estimate	\$1,931,774
FY 2001 Estimate	\$1,991,033

PART I - PURPOSE AND SCOPE

Funds provide for the Department of Defense's contribution to the Military Retirement Fund, under provisions of 10 United States Code 1466. Retired pay accrual amounts are approved rates based on the latest economic assumptions, i.e., interest, salary and cost-of-living adjustments.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The budgetary estimates are derived using accrual percentages of 30.5 for FY 1998, and 30.2 for FY 1999, 29.8 for FY 2000, and 29.5 for FY2001 based on the total amount of basic pay expected to be paid during each fiscal year to enlisted members of the Air Force. Funding has been included to repeal the Military Retirement Act (MRA) restoring the 50% retirement standard for all military members.

The computation of fund requirements is shown in the following table:

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
RPA	297,897	5,849.52	\$1,742,555	293,204	5,954.57	\$1,745,905	292,201	6,143.63	\$1,795,174	286,908	6,423.08	\$1,842,833
REDUX									\$ 136,600			\$ 148,200
Total	297,897	5,849.52	\$1,742,555	293,204	5,954.57	\$1,745,905	292,201	6,611.11	\$1,931,774	286,908	6,939.62	\$1,991,033

(Amount in Thousands)

PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - ENLISTED

FY 1998 Actual	\$22,473
FY 1999 Estimate	\$23,261
FY 2000 Estimate	\$38,135
FY 2001 Estimate	\$38,135

PART I - PURPOSE AND SCOPE

The purpose of Incentive Pay for Hazardous Duty is to help the Air Force attract and retain enlisted volunteers in duties requiring more than normal exposure to hazardous duties in peacetime. The FY 1998 NDAA increased the minimum monthly incentive pay to \$150 per month.

Funds provide payment to enlisted personnel under provisions of 37 United States Code 301 as follows:

- (1) Crew Member - A member who is required by competent orders to participate frequently and regularly in aerial flights. Minimum monthly flight requirements must be attained in order to qualify for this pay.
- (2) Non-Crew Member - Involves frequent and regular participation in aerial flights. Enlisted personnel non-crew members are classified as "operational support flyers." They are required to perform critical in-flight duties (such as maintenance) that cannot be performed by an assigned crew member. The requirement for this entitlement has increased due to the addition of non-rated positions within Air Force Materiel Command.
- (3) Parachute Jumping - Incentive pay for hazardous duty to induce volunteer enlisted personnel to enter into and remain in duty involving parachute jumping from an aircraft in aerial flight. The high altitude with a low opening (HALO) parachute duty pay is paid at 150 percent of the regular parachute duty rate.
- (4) Demolition - Explosive demolition as a primary duty including training for such duty. Paid to members who demolish, by the use of explosives, underwater objects, obstacles or explosives, or who recover and render harmless, by disarming or demolition, explosives which have failed to function as intended or which become a potential hazard.
- (5) Experimental Stress - Duties involving an unusually high level of physiological or other stress; specifically (a) duty inside a high (hyperbaric) or low pressure (altitude) chamber, (b) duty as a human test subject in thermal stress experiments, and (c) duty as human acceleration/deceleration test subject.
- (6) Toxic Fuel Handlers - Duties in which personnel may be exposed to toxic fuels and propellants. This pay was initiated as a result of a number of casualties among personnel who work with hypergolic fuel, specifically, hydrazine and nitrogen tetroxide.
- (7) Live/Hazardous Biological Organisms - Duties in which members may be exposed to toxic pesticides or to various hazardous viruses and biological organisms.
- (8) Other hazardous duty required by order and authorized under the provisions of 37 United States Code 301. The requirement for air weapons controller HDIP increases due to the continued fielding of Joint STARS aircraft.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Incentive duty pay is computed on the basis of the average number of enlisted in each pay grade who are eligible for payment. Average pay rates for flying duty crew members are those prescribed by law, based on average years of service by pay grade. In addition, Career Enlisted Flying pay has been included in this budget. All other hazardous duty pay is computed at the statutory rate per workyear. The computation of fund requirements is provided in the following tables:

(Amount in Thousands)

INCENTIVE PAY FOR HAZARDOUS DUTY - ENLISTED

Flying Duty Crew Members

Yrs Svc Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	86	2,400	206	90	2,400	216	12	2,880	35	12	2,880	35
Senior Master Sergeant	251	2,400	602	262	2,400	629	34	2,880	98	34	2,880	98
Master Sergeant	1,222	2,400	2,933	1,274	2,400	3,058	165	2,880	475	165	2,880	475
Technical Sergeant	1,359	2,100	2,854	1,417	2,100	2,976	184	2,580	475	184	2,580	475
Staff Sergeant	2,593	1,800	4,667	2,704	1,800	4,867	351	2,280	800	351	2,280	800
Sergeant	1,685	1,800	3,033	1,757	1,800	3,163	228	1,980	451	228	1,980	451
Airman First Class	585	1,800	1,053	610	1,800	1,098	79	1,800	142	79	1,800	142
Airman	96	1,800	173	100	1,800	180	13	1,800	23	13	1,800	23
Airman Basic	5	1,800	9	5	1,800	9	1	1,800	2	1	1,800	2
Subtotal Flying Duty Crew	7,882		\$15,530	8,219		\$16,196	1,067		\$2,501	1,067		\$2,501
<u>Non-Fly Crew Members</u>	173	1,800	311	200	1,800	360	200	1,800	360	200	1,800	360
Subtotal Flying Duty Pay	8,055		\$15,841	8,419		\$16,556	1,267		\$2,861	1,267		\$2,861

Other Incentive Duty Pay

Type	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Statutory			Statutory			Statutory			Statutory		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
Parachute Jumping	878	1,800	1,580	880	1,800	1,584	880	1,800	1,584	880	1,800	1,584
Experimental Stress	486	1,800	875	500	1,800	900	500	1,800	900	500	1,800	900
Demolition	1,014	1,800	1,825	1,000	1,800	1,800	1,000	1,800	1,800	1,000	1,800	1,800
Toxic Fuel Handler	756	1,800	1,361	745	1,800	1,341	745	1,800	1,341	745	1,800	1,341
Hazardous Bio Org	60	1,800	108	60	1,800	108	60	1,800	108	60	1,800	108
Parachute HALO	205	2,700	554	200	2,700	540	200	2,700	540	200	2,700	540
Air Weapons Controller	137	2,400	329	180	2,400	432	180	2,400	432	180	2,400	432
Career Enlisted Flyer Incentive Pay	0	0	0	0	0	0	7,153	3,994	28,569	7,153	3,994	28,569
Subtotal Other Incentive Duty Pay	3,536		\$6,632	3,565		\$6,705	10,718		\$35,274	10,718		\$35,274
TOTAL INCENTIVE PAY	11,591		\$22,473	11,984		\$23,261	11,985		\$38,135	11,985		\$38,135

(Amount in Thousands)

PROJECT: SPECIAL PAY - ENLISTED

FY 1998 Actual	\$38,390
FY 1999 Estimate	\$39,093
FY 2000 Estimate	\$41,374
FY 2001 Estimate	\$40,644

PART I - PURPOSE AND SCOPE

Funds provide special pay to enlisted personnel for sea duty or duty outside the 48 contiguous states and the District of Columbia as designated by the Secretary of Defense under the provisions of 37 United States Code 305 and 305a; for duty subject to hostile fire under the provisions of 37 United States Code 310; and for special pay for enlisted members extending duty at designated locations overseas under the provisions of 37 United States Code 314.

(1) Duty at Certain Places (Foreign Duty) - Payment to certain enlisted personnel for purposes of morale and in recognition of the greater than normal hardship experienced at designated locations outside the 48 contiguous states and the District of Columbia. Payment is based on grade with rates ranging from \$8 to \$22.50 per month.

(2) Overseas Tour Extension Pay (OTEIP) - Purpose is to induce enlisted personnel in certain specified "critical skill" classifications to extend their tours for the convenience of the government. Some military specialties are imbalanced in that there are many more positions overseas than in the United States. This results in members being reassigned overseas after less than two years in the United States. This is a career irritant that has resulted in many voluntary separations from the service. A financial incentive for extending tours of duty overseas helps alleviate these problems as well as conserve permanent change of station (PCS) funds. The OTEIP rate changed effective 1 Oct 98 paying members a \$2000 lump sum instead of the previous \$80 per month.

(3) Diving Duty Pay - Authorized for enlisted members of the Air Force under the provisions of 37 United States Code 34. The specific amount to be paid is determined by the Secretary of the Air Force. Although the maximum amount authorized by law is \$300/month for enlisted personnel, the amounts paid by the Air Force are \$100 or \$150 per month based on divers' skill levels, responsibility, hazard, and need for the incentive. Air Force enlisted members engaged in diving duties fall into two career fields, pararescue and diving duty basic. Changes in the DoD Pay Manual have authorized members to receive pay when they start training. Pararescue divers conduct day/night underwater rescue operations; recover space vehicles; detect and treat decompression sickness, diving accidents/injuries; infiltrate and exfiltrate for land rescue in a combat environment and; deploy to sea via parachute, helicopter, surface or subsurface vessel. Combat control team members, who receive the diving duty-basic scuba pay, conduct infiltration and exfiltration to establish and manage air landing/off-load areas ashore. They enter water from surface vessel, parachute or helicopter drop.

(4) Hostile Fire Pay - Paid to members who serve in designated areas subject to specific dangers.

(5) Foreign Language Proficiency Pay - Authorized in 37 United States Code 316 for enlisted members who have been certified as proficient in a foreign language identified by the Secretary of Defense who is: (a) qualified in a military specialty requiring such proficiency; (b) received training to develop such proficiency; (c) assigned to military duties requiring such a proficiency; or (d) is proficient in a language for which DoD has a critical need. The pay, ranging between \$50 and \$100 a month, is based on proficiency skill levels. The FY2000 ULBs include a proposal to restructure FLPP, forming two tiers of linguists (career linguists and others), and increasing the rate for career linguists.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Amounts are computed by applying statutory or average rates to the average numbers of personnel programmed to be eligible. These areas are sensitive to initiatives in support of the national defense mission. They include continuing efforts such as Southwest Asia and Bosnia contingencies.

(Amount in Thousands)

SPECIAL PAY - ENLISTED

Duty at Certain Places

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	166	270	45	161	270	43	159	270	43	155	270	42
Senior Master Sergeant	404	270	109	407	270	110	403	270	109	393	270	106
Master Sergeant	2,352	270	635	2,332	270	630	2,309	270	623	2,248	270	607
Technical Sergeant	3,417	240	820	3,501	240	840	3,467	240	832	3,374	240	810
Staff Sergeant	7,369	192	1,415	7,340	192	1,409	7,270	192	1,396	7,076	192	1,359
Sergeant	9,124	156	1,423	9,054	156	1,412	8,967	156	1,399	8,728	156	1,362
Airman First Class	3,416	108	369	3,496	108	378	3,462	108	374	3,369	108	364
Airman	1,109	96	106	1,165	96	112	1,154	96	111	1,123	96	108
Airman Basic	113	96	11	109	96	10	108	96	10	105	96	10
Subtotal Duty at Certain Places	27,470		\$4,933	27,565		\$4,944	27,299		\$4,897	26,571		\$4,768
<u>Diving Duty Basic</u>	2	1,320	\$3	2	1,320	\$3	2	1,320	\$3	2	1,320	\$3
<u>Diving Duty Pararescue</u>	671	1,800	\$1,208	660	1,800	\$1,188	658	1,800	\$1,184	646	1,800	\$1,163
<u>Overseas Tour Extension Pay</u>	420	960	\$403	413	2,000	\$826	412	2,000	\$824	405	2,000	\$810
<u>Sea Duty</u>	1	1,200	\$1	1	1,200	\$1	1	1,200	\$1	1	1,200	\$1
<u>Hostile Fire Pay</u>	15,895	1,800	\$28,611	15,954	1,800	\$28,717	15,800	1,800	\$28,440	15,378	1,800	\$27,680
<u>Foreign Language Proficiency Pay</u>	3,583	902	\$3,231	3,645	937	\$3,414	3,985	1,512	\$6,025	4,100	1,517	\$6,219
TOTAL SPECIAL PAY	48,042		\$38,390	48,240		\$39,093	48,157		\$41,374	47,103		\$40,644

(Amount in Thousands)

PROJECT: SPECIAL DUTY ASSIGNMENT PAY - ENLISTED

FY 1998 Actual	\$17,649
FY 1999 Estimate	\$18,910
FY 2000 Estimate	\$19,067
FY 2001 Estimate	\$19,176

PART I - PURPOSE AND SCOPE

Special Duty Assignment Pay is authorized by United States Code 307 and is an incentive to induce enlisted members to qualify for and serve in duties which are extremely difficult, or duties which involve an unusual degree of responsibility. As of this submission, the Air Force has limited such designations to 27 specific duties.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Special duty assignment pay is currently authorized for recruiters, basic military training instructors, human intelligence debriefers, combat controllers, pararescue personnel, tactical air command and control personnel, enlisted weapons directors, parachuting instructors, forward area refueling point personnel, flying crew chiefs, Combat Weather Forecasters, defense couriers, members of two joint operational commands, members of two special government agencies, and classified Air Force project. These are demanding and arduous duties which require extraordinary effort for satisfactory performance. The Air Force conducts reviews of the duties, requiring periodic justification, with changes as may be indicated by the review. This program is dynamic and specialties may be added or deleted throughout the year.

(Amount in Thousands)

SPECIAL DUTY ASSIGNMENT PAY - ENLISTED

	<u>FY 1998 Actual</u>		<u>FY 1999 Estimate</u>		<u>FY 2000 Estimate</u>		<u>FY 2001 Estimate</u>	
	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>
SD-6 (\$375)	1,788	8,046	1,594	7,173	1,675	7,538	1,700	7,650
SD-5 (\$275)	950	3,135	1,384	4,567	1,390	4,587	1,390	4,587
SD-4 (\$220)	600	1,584	620	1,637	696	1,837	696	1,837
SD-3 (\$165)	1,800	3,564	1,875	3,713	1,800	3,564	1,800	3,564
SD-2 (\$110)	850	1,122	1,229	1,622	1,000	1,320	1,000	1,320
SD-1 (\$55)	300	198	300	198	335	221	330	218
TOTAL SPECIAL DUTY ASSIGNMENT PAY	6,288	\$17,649	7,002	\$18,910	6,896	\$19,067	6,916	\$19,176

(Amount in Thousands)

PROJECT: SELECTIVE REENLISTMENT BONUS - ENLISTED

FY 1998 Actual	\$36,431
FY 1999 Estimate	\$52,860
FY 2000 Estimate	\$91,991
FY 2001 Estimate	\$72,712

PART I - PURPOSE AND SCOPE

A Selective Reenlistment Bonus (SRB) is authorized by United States Code 308 as an incentive to attract additional reenlistments in critical military specialties which are characterized by retention levels insufficient to sustain the career force at an adequate level. It is available for application to problem reenlistment points from 21 months to 14 years of active service. The bonus amount is the product of up to 10 months of basic pay to which the member was entitled at the time of discharge or release, times the number of years of additional obligated service, not to exceed a total amount of \$45,000. The FY 1988 DoD Authorization Act changed the SRB pay methodology. The Air Force pays SRBs under the installment program paying 50 percent up front and the remainder in equal annual payments. Accelerated payments are installment payments made in advance of the normal anniversary dates. Average rates paid change in connection with multiples authorized, years of reenlistment and annual pay raises.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Selective reenlistment bonus requirements are based on retention trends, current and projected manning levels, and year group shortages in critical skills. Bonuses are successful in both attracting reenlistment of members currently serving in the designated skills, and in attracting members serving in other skills to reenlist for service in the designated skills. To ensure the most prudent and effective expenditure of funds, the Air Force performs a top-to-bottom review of all skills twice each year.

During the latest SRB review for FY99, the number of authorized skills was increased by ten (10), i.e., 107 skills on previous SRB list...117 now. SRB multiples were increased in 51 skills in Zone A and 43 skills in Zone B. Additionally, 31 skills received a multiple increase in both zones (A and B). The Air Force re-introduced the Zone C - not used since 1988 - identifying 24 skills. The goal of SRB is to maintain skill manning in line with required end strength. Retaining an adequate budget allows for the distribution of bonuses to alleviate unprojected manning shortfalls. As retention continues to be a top priority, expanded monetary inducements will be required to keep these highly trained and experienced personnel in the Air Force. Our FY99 and FY00 budget estimates reflect these anticipated changes.

The need for bonuses is not directly tied to the overall strength levels, but rather to needs in specific skills. Thus, there will always be some skills with insufficient retention and thus a need for an SRB. We will also continue to experience small cohort groups for some skills entering the reenlistment window and the need for continued bonuses will exist in order to sustain the career force.

The Air Force has and will continue to focus management initiatives to rebalance between overage and shortage skills. For shortage skills, the Air Force continually evaluates the SRB program and offers bonuses where appropriate. Other initiatives to fill shortage skills include: increased promotion opportunity to members in chronic critical shortage skills; retraining NCOs from overage skills into shortage skills; and returning previously qualified specialists to shortage skills. The following actions are aimed at reducing overage skills: voluntary and involuntary retraining out of overage skills.

(Amount in Thousands)

SELECTIVE REENLISTMENT BONUS (SRB)

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Average		Amount	Average		Amount	Average		Amount	Average		Amount
	No. Pymts	Rate		No. Pymts	Rate		No. Pymts	Rate		No. Pymts	Rate	
Initial Payments	6,386	3,886	24,816	7,390	4,814	35,575	13,507	5,007	67,630	7,520	5,007	37,653
Anniversary Payments	11,913	950	11,317	16,608	1,017	16,890	22,517	1,058	23,823	32,629	1,058	34,521
Accelerated Payments	145	2,053	298	145	2,722	395	190	2,831	538	190	2,831	538
TOTAL	18,444		\$36,431	24,143		\$52,860	36,214		\$91,991	40,339		\$72,712

**REENLISTMENT BONUS OUTYEAR IMPACT
MILITARY PERSONNEL, AIR FORCE**

	FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005	
	Number	Amount														
Prior Oblig	11,913	11,317	10,599	10,779	9,475	10,025	7,652	8,096	4,806	5,085	1,682	1,780				
Accelerated Payments	145	298	145	395	190	538	190	538	190	538	190	538	190	538	190	538
Prior Year	6,386	24,816	6,009	6,111	5,652	5,980	5,316	5,624	5,000	5,290	4,704	4,977				
FY 1998																
Current Year			7,390	35,575	7,390	7,818	6,954	7,357	6,542	6,921	6,154	6,511	5,792	6,128	5,448	5,764
FY 1999																
Budget Year					13,507	67,630	12,707	13,444	10,450	11,056	9,831	10,401	9,249	9,785	8,703	9,208
FY 2000																
Budget Year							7,520	37,653	7,075	7,485	6,656	7,042	6,263	6,626	5,893	6,235
FY 2001																
Budget Year									5,690	28,490	5,354	5,665	5,037	5,329	4,739	5,014
Annual Payments	12,058	11,615	16,753	17,285	22,707	24,361	32,819	35,059	34,063	36,376	34,571	36,914	26,531	28,406	24,973	26,759
Total	18,444	36,431	24,143	52,860	36,214	91,991	40,339	72,712	39,753	64,865	34,571	36,914	26,531	28,406	24,973	26,759

(Amount in Thousands)

PROJECT: ENLISTMENT BONUS

FY 1998 Actual	\$16,966
FY 1999 Estimate	\$85,017
FY 2000 Estimate	\$89,450
FY 2001 Estimate	\$82,177

PART I - PURPOSE AND SCOPE

An enlistment bonus is authorized by 37 United States Code 308a as an incentive to induce individuals to enlist for a period of at least four years in specific, critical military skills. These skills are characterized by an inadequate number of enlistments to meet accession objectives, high cost skills, training length, or they have been identified as being hard to access skills. The maximum bonus authorized by law is \$12,000; the Air Force currently pays a maximum of \$9,000 and requires recipients to enlist for a four or six year term. The maximum amount paid for a four-year enlistment is \$1,000. All bonuses are paid upon successful completion of technical training. The Air Force currently pays the bonus to 115 skill areas.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The enlistment bonus is currently paid to 115 skills. It is paid upon completion of technical training, thus serving a twofold purpose, that of attracting enlistments and reducing training attrition. Funds are requested based on the number of enlistees required and programmed to enter the designated specialties. In FY99, we expanded and enhanced the targeted skills, bonuses were increased to up to a maximum of \$9,000 to help meet our program requirements. In FY99, a cost analysis showed that based on the high training cost or lengthy training in some skills the cost benefits associated with a 6 year enlistment were beneficial to the Air Force. Additionally, we expanded the Enlistment Bonus to incentivize hard to fill skills, specifically those skills requiring a Mechanical 50 (or higher) or an Electronic 67 (or higher).

(Amount in Thousands)

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Payments	Average Rate	Amount	Payments	Average Rate	Amount	Payments	Average Rate	Amount	Payments	Average Rate	Amount
New Payments	1,000	1,000	1,000	7,185	1,000	7,185	6,829	1,000	6,829	6,911	1,000	6,911
	0	2,000	0	317	2,000	634	311	2,000	622	311	2,000	622
	4,000	3,000	12,000	1,325	3,000	3,975	1,538	3,000	4,614	1,400	3,000	4,200
	0	4,000	0	5,543	4,000	22,172	4,980	4,000	19,920	5,200	4,000	20,800
	0	6,000	0	7,064	6,000	42,384	7,960	6,000	47,760	6,760	6,000	40,560
Residual:	661	6,000	3,966	453	6,000	2,718	458	6,000	2,748	524	6,000	3,144
	0	9,000	0	661	9,000	5,949	773	9,000	6,957	660	9,000	5,940
TOTAL	5,661		\$16,966	22,548		\$85,017	22,849		\$89,450	21,766		\$82,177

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR QUARTERS - ENLISTED	FY 1998 Actual	\$202,633
	FY 1999 Estimate	\$0
	FY 2000 Estimate	\$0
	FY 2001 Estimate	\$0

PART I - PURPOSE AND SCOPE

Funds provide payment of basic allowance for quarters authorized under provisions of 37 United States Code Section 403, to enlisted members with or without dependents, partial payments to bachelors in government quarters and to enlisted personnel occupying inadequate family housing under the provisions of 10 United States Code Section 2830.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Beginning January 1 1998, VHA combined with BAQ to form the new Basic Allowance for Housing (BAH) entitlement in accordance with the FY 1998 National Defense Authorization Act (NDAA). Therefore, the estimate includes only three months of BAQ for FY 1998.

The NDAA also included provisions to incorporate Overseas Housing Allowance (OHA) with BAH, and is included in this exhibit. The OHA is now renamed "BAH-Overseas" and basic BAH titled "BAH-Domestic." The computation of fund requirements is provided by the following tables:

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - ENLISTED

With Dependents

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	1,967	2,021.04	3,976	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	3,698	1,862.83	6,888	0	0.00	0	0	0.00	0	0	0.00	0
Master Sergeant	17,414	1,729.64	30,120	0	0.00	0	0	0.00	0	0	0.00	0
Technical Sergeant	19,409	1,598.24	31,020	0	0.00	0	0	0.00	0	0	0.00	0
Staff Sergeant	30,031	1,437.35	43,165	0	0.00	0	0	0.00	0	0	0.00	0
Sergeant	19,707	1,249.63	24,627	0	0.00	0	0	0.00	0	0	0.00	0
Airman First Class	6,247	1,162.93	7,264	0	0.00	0	0	0.00	0	0	0.00	0
Airman	1,884	1,107.51	2,087	0	0.00	0	0	0.00	0	0	0.00	0
Airman Basic	958	1,102.53	1,056	0	0.00	0	0	0.00	0	0	0.00	0
Subtotal with Dependents	101,315		\$150,203	0		\$0	0		\$0	0		\$0

Without Dependents - Full Allowance

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	289	1,532.99	443	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	633	1,406.95	890	0	0.00	0	0	0.00	0	0	0.00	0
Master Sergeant	3,636	1,202.26	4,371	0	0.00	0	0	0.00	0	0	0.00	0
Technical Sergeant	5,677	1,087.84	6,176	0	0.00	0	0	0.00	0	0	0.00	0
Staff Sergeant	16,243	1,003.82	16,305	0	0.00	0	0	0.00	0	0	0.00	0
Sergeant	19,259	873.31	16,819	0	0.00	0	0	0.00	0	0	0.00	0
Airman First Class	6,356	856.33	5,443	0	0.00	0	0	0.00	0	0	0.00	0
Airman	815	695.43	567	0	0.00	0	0	0.00	0	0	0.00	0
Airman Basic	47	522.65	25	0	0.00	0	0	0.00	0	0	0.00	0
Subtotal without Dependents	52,954		\$51,039	0		\$0	0		\$0	0		\$0

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - ENLISTED

Without Dependents - Partial Allowance

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
Chief Master Sergeant	2	55.80	0	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	19	45.90	1	0	0.00	0	0	0.00	0	0	0.00	0
Master Sergeant	129	36.00	5	0	0.00	0	0	0.00	0	0	0.00	0
Technical Sergeant	212	29.70	6	0	0.00	0	0	0.00	0	0	0.00	0
Staff Sergeant	1,222	26.10	32	0	0.00	0	0	0.00	0	0	0.00	0
Sergeant	11,484	24.30	279	0	0.00	0	0	0.00	0	0	0.00	0
Airman First Class	23,490	23.40	550	0	0.00	0	0	0.00	0	0	0.00	0
Airman	12,877	21.60	278	0	0.00	0	0	0.00	0	0	0.00	0
Airman Basic	8,435	20.70	175	0	0.00	0	0	0.00	0	0	0.00	0
Subtotal without Dependents (partial)	57,870		\$1,326	0		\$0	0		\$0	0		\$0

Inadequate Family Housing

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
Chief Master Sergeant	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	1	466.63	0	0	0.00	0	0	0.00	0	0	0.00	0
Master Sergeant	6	432.20	3	0	0.00	0	0	0.00	0	0	0.00	0
Technical Sergeant	15	401.51	6	0	0.00	0	0	0.00	0	0	0.00	0
Staff Sergeant	44	375.71	16	0	0.00	0	0	0.00	0	0	0.00	0
Sergeant	82	360.94	30	0	0.00	0	0	0.00	0	0	0.00	0
Airman First Class	32	327.43	10	0	0.00	0	0	0.00	0	0	0.00	0
Airman	1	277.47	0	0	0.00	0	0	0.00	0	0	0.00	0
Airman Basic	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Subtotal Inadequate Family Housing	181		65	0		0	0		0	0		0
TOTAL BASIC ALLOWANCE FOR QUARTERS	212,320		\$202,633	0		\$0	0		\$0	0		\$0

(Amount in Thousands)

PROJECT: VARIABLE HOUSING ALLOWANCE - ENLISTED	FY 1998 Actual	\$49,843
	FY 1999 Estimate	\$0
	FY 2000 Estimate	\$0
	FY 2001 Estimate	\$0

PART I - PURPOSE AND SCOPE

Funds provide for payment of Variable Housing Allowance (VHA) authorized under provisions of 37 United States Code Section 403a. VHA is based on pay grade, whether member has dependents, and duty assignment in high cost housing areas in the continental United States, Alaska and Hawaii. A member with dependents who is assigned to an unaccompanied tour of duty outside the United States is entitled to a VHA while serving such a tour of duty for any period during which the member's dependents reside in an area of the United States which would qualify the member to receive a VHA if assigned to duty in that area.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Beginning on January 1 1998, VHA combined with BAQ to form the new Basic Allowance for Housing (BAH) entitlement in accordance with the FY 1998 National Defense Authorization Act. Therefore, the estimate includes only three months of VHA for FY 1998.

The computation of requirements is provided in the following table:

(Amount in Thousands)

VARIABLE HOUSING ALLOWANCE - ENLISTED

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	2,077	576.75	1,198	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	3,928	545.43	2,143	0	0.00	0	0	0.00	0	0	0.00	0
Master Sergeant	19,030	502.02	9,553	0	0.00	0	0	0.00	0	0	0.00	0
Technical Sergeant	21,925	412.59	9,046	0	0.00	0	0	0.00	0	0	0.00	0
Staff Sergeant	39,647	352.08	13,959	0	0.00	0	0	0.00	0	0	0.00	0
Sergeant	31,136	313.26	9,754	0	0.00	0	0	0.00	0	0	0.00	0
Airman First Class	11,660	275.13	3,208	0	0.00	0	0	0.00	0	0	0.00	0
Airman	2,467	303.72	749	0	0.00	0	0	0.00	0	0	0.00	0
Airman Basic	1,226	189.75	233	0	0.00	0	0	0.00	0	0	0.00	0
Total	133,096		\$49,843	0		\$0	0		\$0	0		\$0

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING - ENLISTED	FY 1998 Actual	\$816,771
	FY 1999 Estimate	\$1,095,982
	FY 2000 Estimate	\$1,157,649
	FY 2001 Estimate	\$1,156,629

PART 1 - PURPOSE AND SCOPE

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ), variable housing allowance (VHA) and Overseas Housing Allowance (OHA). Payment to service members is authorized by revisions to 37 USC 403.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1998 amount for BAH reflects the 1 January 98 start date for BAH and includes a 2.5 percent increase which is the composite of the 2.8 percent rate applicable to BAQ and the 1.4 percent applicable to VHA. The FY 1999, FY2000, and FY 2001 amounts reflect a full year's cost and include a 3.0 percent increase. This increase is the estimated housing rate increase that will result from the contractor generated surveys of actual housing costs which will be completed each year.

Basic Allowance for Housing is determined by multiplying the number of eligible personnel by an average rate, by pay grade. The total requirement considers the projected number of sponsor workyears and the projected number of these workyears that will reside in government housing. For inadequate housing, the rate payable is the "with-dependent" rate less the current experienced average rate charge of the fair rental value of the housing unit.

The first housing privatization initiative began in FY 1998 with 136 units at Lackland AFB transferring to the private sector. This will increase to 272 units at Lackland AFB, 670 units at Robins AFB, and 528 units at Elmendorf AFB by FY 2001. Housing privatization will result in increasing With Dependent BAH requirements as military members will pay rent for housing previously provided in lieu of housing allowances. Further, per Defense Review Board direction, housing maintenance savings from privatization are to be reinvested in base housing to upgrade/maintain remaining Air Force owned family housing.

The computation of requirements is provided in the following table:

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - ENLISTED

With Dependents

<u>Grade</u>	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
Chief Master Sergeant	1,967	7,686.83	15,123	1,931	10,536.36	20,346	1,915	10,852.44	20,782	1,868	11,178.00	20,881
Senior Master Sergeant	3,698	7,097.80	26,245	3,672	9,728.88	35,724	3,648	10,020.72	36,556	3,561	10,321.44	36,755
Master Sergeant	17,414	6,615.26	115,197	16,995	9,067.32	154,099	17,630	9,339.36	164,653	16,548	9,619.56	159,184
Technical Sergeant	19,409	5,935.14	115,196	21,259	8,136.36	172,971	21,959	8,380.44	184,026	23,175	8,631.84	200,043
Staff Sergeant	30,031	5,288.73	158,826	29,676	7,250.64	215,170	29,247	7,468.08	218,419	30,550	7,692.12	234,994
Sergeant	19,707	4,522.42	89,125	20,918	6,200.64	129,705	19,786	6,386.64	126,366	18,938	6,578.28	124,579
Airman First Class	6,247	4,272.60	26,690	6,095	5,857.56	35,702	6,085	6,033.36	36,713	6,180	6,214.32	38,404
Airman	1,884	4,080.57	7,688	1,860	5,594.28	10,405	1,905	5,762.04	10,977	1,925	5,934.96	11,425
Airman Basic	958	3,976.96	3,809	985	5,452.80	5,371	997	5,616.48	5,600	985	5,784.96	5,698
Subtotal with Dependents	101,315		\$557,899	103,391		\$779,493	103,172		\$804,092	103,730		\$831,963

Without Dependents - Full Allowance

<u>Grade</u>	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
Chief Master Sergeant	289	5,980.96	1,729	199	8,197.08	1,631	288	8,442.96	2,432	192	8,696.28	1,670
Senior Master Sergeant	633	5,559.49	3,516	479	7,618.92	3,649	665	7,847.40	5,219	461	8,082.84	3,726
Master Sergeant	3,636	4,666.00	16,964	2,610	6,395.04	16,691	3,710	6,586.92	24,437	2,519	6,784.44	17,090
Technical Sergeant	5,677	4,144.87	23,532	4,825	5,681.40	27,413	6,740	5,851.80	39,441	5,243	6,027.36	31,601
Staff Sergeant	16,243	3,783.99	61,462	14,492	5,187.00	75,170	16,741	5,342.64	89,441	14,387	5,502.84	79,169
Sergeant	19,259	3,347.94	64,476	20,148	4,588.80	92,455	19,240	4,726.56	90,939	19,044	4,868.28	92,712
Airman First Class	6,356	3,312.74	21,055	7,681	4,540.32	34,874	6,448	4,676.64	30,155	6,028	4,816.92	29,036
Airman	815	3,091.57	2,520	889	4,234.32	3,764	821	4,361.40	3,581	826	4,492.20	3,711
Airman Basic	47	2,768.94	130	48	3,789.60	182	49	3,903.36	191	48	4,020.48	193
Subtotal without Dependents (Full)	52,954		\$195,384	51,371		\$255,829	54,702		\$285,836	48,748		\$258,908

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - ENLISTED

Without Dependents - Partial Allowance

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	2	167.40	0	0	223.20	0	0	223.20	0	0	223.20	0
Senior Master Sergeant	19	137.70	3	0	183.60	0	0	183.60	0	0	183.60	0
Master Sergeant	129	108.00	14	0	144.00	0	0	144.00	0	0	144.00	0
Technical Sergeant	212	89.10	19	0	118.80	0	0	118.80	0	0	118.80	0
Staff Sergeant	1,222	78.30	96	202	104.40	21	187	104.40	20	193	104.40	20
Sergeant	11,484	72.90	837	11,478	97.20	1,116	10,990	97.20	1,068	10,342	97.20	1,005
Airman First Class	23,490	70.20	1,649	23,677	93.60	2,216	22,516	93.60	2,107	22,902	93.60	2,144
Airman	12,877	64.80	834	13,712	86.40	1,185	12,963	86.40	1,120	14,163	86.40	1,224
Airman Basic	8,435	62.10	524	10,003	82.80	828	8,784	82.80	727	9,993	82.80	827
Subtotal without Dependents (Partial)	57,870		\$3,976	59,072		\$5,366	55,440		\$5,042	57,593		\$5,220

Inadequate Family Housing

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	1	349.97	0	1	1,960.80	2	0	0.00	0	0	0.00	0
Master Sergeant	6	324.15	2	2	1,816.20	4	0	0.00	0	0	0.00	0
Technical Sergeant	15	301.13	5	4	1,686.96	7	3	1,737.60	5	3	1,789.80	5
Staff Sergeant	44	281.78	12	27	1,576.92	43	5	1,624.20	8	5	1,672.92	8
Sergeant	82	270.71	22	46	1,511.28	70	25	1,556.64	39	25	1,603.32	40
Airman First Class	32	245.57	8	19	1,371.84	26	16	1,412.88	23	16	1,455.36	23
Airman	1	208.10	0	1	1,165.92	1	1	1,200.84	1	1	1,236.84	1
Airman Basic	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Subtotal Inadequate Family Housing	181		\$49	100		\$153	50		\$76	50		\$77
TOTAL BASIC ALLOWANCE FOR HOUSING (DOMESTIC)			\$757,308			\$1,040,841			\$1,095,046			\$1,096,168

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING (OVERSEAS) - ENLISTED

With Dependents

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	114	4,545.90	518	110	4,207.56	463	109	4,822.99	526	106	4,785.75	507
Senior Master Sergeant	263	3,947.94	1,038	265	3,654.10	968	263	4,188.58	1,102	256	4,156.24	1,064
Master Sergeant	1,345	4,064.49	5,467	1,334	3,761.98	5,018	1,321	4,312.23	5,696	1,286	4,278.94	5,503
Technical Sergeant	1,752	3,916.35	6,861	1,795	3,624.86	6,507	1,777	4,155.06	7,384	1,730	4,122.98	7,133
Staff Sergeant	3,029	3,853.98	11,674	3,018	3,567.14	10,766	2,989	4,088.89	12,222	2,909	4,057.32	11,803
Sergeant	1,717	3,962.70	6,804	1,704	3,667.76	6,250	1,688	4,204.24	7,097	1,643	4,171.78	6,854
Airman First Class	508	4,320.54	2,195	520	3,998.97	2,079	514	4,583.89	2,356	501	4,548.50	2,279
Airman	138	4,582.08	632	145	4,241.05	615	144	4,861.37	700	140	4,823.84	675
Airman Basic	8	4,654.98	37	8	4,308.52	34	8	4,938.72	40	7	4,900.58	34
Subtotal with Dependents	8,874		\$35,226	8,899		\$32,700	8,813		\$37,123	8,578		\$35,852

Without Dependents

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	36	4,413.60	159	35	4,085.11	143	35	4,682.62	164	34	4,646.47	158
Senior Master Sergeant	72	3,214.62	231	73	2,975.36	217	72	3,410.56	246	70	3,384.23	237
Master Sergeant	459	3,639.24	1,670	455	3,368.38	1,533	451	3,861.06	1,741	439	3,831.25	1,682
Technical Sergeant	803	3,767.67	3,025	823	3,487.25	2,870	815	3,997.32	3,258	793	3,966.46	3,145
Staff Sergeant	2,367	3,535.29	8,368	2,358	3,272.17	7,716	2,335	3,750.78	8,758	2,273	3,721.82	8,460
Sergeant	2,872	3,071.25	8,821	2,850	2,842.66	8,102	2,823	3,258.45	9,199	2,748	3,233.29	8,885
Airman First Class	599	2,872.89	1,721	613	2,659.07	1,630	607	3,048.00	1,850	591	3,024.47	1,787
Airman	73	3,187.80	233	76	2,950.54	224	76	3,382.11	257	74	3,355.99	248
Airman Basic	3	3,147.84	9	2	2,913.55	6	2	3,339.71	7	2	3,313.93	7
Subtotal without Dependents	7,284		\$24,237	7,285		\$22,441	7,216		\$25,480	7,024		\$24,609
TOTAL BASIC ALLOWANCE FOR HOUSING (OVERSEAS)			\$59,463			\$55,141			\$62,603			\$60,461

(Amount in Thousands)

PROJECT: STATION ALLOWANCE, OVERSEAS - ENLISTED	FY 1998 Actual	\$223,849
	FY 1999 Estimate	\$211,477
	FY 2000 Estimate	\$210,020
	FY 2001 Estimate	\$203,935

PART I - PURPOSE AND SCOPE

Funds provide payment of a per diem allowance to enlisted personnel on duty outside the continental United States. The station allowance considers all elements of the cost of living, including quarters, subsistence and other necessary incidental expenses as prescribed by Joint Travel Regulation and authorized under the provisions of 37 United States Code 403 and 405.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Station Allowances, Overseas consists of: (a) cost of living allowance (COLA), (b) temporary lodging allowance (TLA), and (c) moving-in housing allowance (MIHA). The Overseas Housing Allowance (OHA) consists of the difference between the Basic Allowance for housing and the applicable housing costs in the overseas area where members are stationed. The FY 1998 NDAA merged all housing allowances, including OHA, into BAH effective 1 Jan 98. Therefore, overseas housing allowances are reflected under OHA for the first quarter of FY1998. The remaining overseas housing allowances are reflected in the BAH Overseas section.

TLA covers the off-base housing (hotels) costs for military members permanently relocating in or out of an overseas location. MIHA is intended to offset initial costs such as rent deposits, electrical current transformers and other overseas unique initial housing costs. The number of personnel entitled to an overseas station allowance is based on historical data adjusted for known changes in each type of allowance. Beginning in FY 1997 the Military Personnel appropriation rejoined the Foreign Currency Fluctuation Account (Defense).

The workyears for cost of living allowance, temporary lodging allowance, and moving-in allowance are based on authorized overseas strengths for each fiscal year.

(Amount in Thousands)

STATION ALLOWANCES, OVERSEAS - ENLISTED

Cost of Living

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	613	4,314.36	2,645	594	4,516.78	2,683	588	4,520.04	2,658	572	4,485.14	2,566
Senior Master Sergeant	1,289	3,957.96	5,102	1,299	4,151.90	5,393	1,287	4,154.91	5,347	1,252	4,122.83	5,162
Master Sergeant	6,500	3,695.16	24,019	6,445	3,871.76	24,953	6,382	3,874.56	24,727	6,212	3,844.64	23,883
Technical Sergeant	8,407	3,292.20	27,678	8,613	3,478.90	29,964	8,529	3,481.41	29,693	8,302	3,454.53	28,680
Staff Sergeant	17,202	2,924.76	50,312	17,135	3,067.98	52,570	16,970	3,070.19	52,101	16,518	3,046.48	50,322
Sergeant	17,688	2,151.84	38,062	17,553	2,216.86	38,913	17,383	2,218.45	38,563	16,920	2,201.32	37,246
Airman First Class	7,529	1,809.48	13,624	7,705	1,779.00	13,707	7,631	1,780.28	13,585	7,426	1,766.53	13,118
Airman	2,811	1,534.56	4,314	2,954	1,504.54	4,444	2,925	1,505.62	4,404	2,846	1,494.00	4,252
Airman Basic	327	1,212.96	397	316	966.00	305	313	966.70	303	304	959.23	292
Subtotal Cost of Living	62,366		\$166,153	62,614		\$172,932	62,008		\$171,381	60,352		\$165,521

(Amount in Thousands)

STATION ALLOWANCES, OVERSEAS - ENLISTED

Housing Allowance

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	150	1,504.67	226	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	335	1,263.30	424	0	0.00	0	0	0.00	0	0	0.00	0
Master Sergeant	1,805	1,318.76	2,380	0	0.00	0	0	0.00	0	0	0.00	0
Technical Sergeant	2,555	1,289.87	3,295	0	0.00	0	0	0.00	0	0	0.00	0
Staff Sergeant	5,397	1,238.06	6,681	0	0.00	0	0	0.00	0	0	0.00	0
Sergeant	4,589	1,134.93	5,209	0	0.00	0	0	0.00	0	0	0.00	0
Airman First Class	1,106	1,179.04	1,304	0	0.00	0	0	0.00	0	0	0.00	0
Airman	211	1,367.17	288	0	0.00	0	0	0.00	0	0	0.00	0
Airman Basic	10	1,431.09	15	0	0.00	0	0	0.00	0	0	0.00	0
Subtotal Housing Allowance	16,158		\$19,822	0		\$0	0		\$0	0		\$0
		Average			Average			Average			Average	
	Payments	Rate	Amount	Payments	Rate	Amount	Payments	Rate	Amount	Payments	Rate	Amount
<u>Temporary Lodging Allowance</u>	65,885	485.70	\$32,000	66,294	489.46	\$32,448	65,225	495.95	\$32,348	63,610	503.76	\$32,044
<u>Moving-In Housing Allowance</u>	10,773	545.28	\$5,874	10,813	563.82	\$6,097	10,709	587.50	\$6,291	10,423	611.15	\$6,370
TOTAL STATION ALLOWANCES, OVERSEAS			\$223,849			\$211,477			\$210,020			\$203,935

(Amount in Thousands)

PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA) - ENLISTED

FY 1998 Actual	\$459
FY 1999 Estimate	\$455
FY 2000 Estimate	\$459
FY 2001 Estimate	\$458

PART I - PURPOSE AND SCOPE

Congress approved in the Fiscal Year 1995 DoD Authorization Act the payment of a COLA to soldiers assigned to high cost areas in CONUS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

As part of the DoD Quality of Life Initiatives, high cost areas are grouped as Military Housing Areas (MHA) where the cost of goods and services exceeds 108 percent of the national cost of living average. Computation of program cost is the product of military member by grade and dependency status, the number of members assigned to a designated high-cost area of CONUS, and the percent by which an area's cost of non-housing goods and services exceeds 108 percent of the national cost of living.

Details of the computation are shown below:

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	<u>Workyears</u>	<u>Avg Rate</u>	<u>Amount</u>									
CONUS COLA	1,528	300.60	\$459	1,504	302.40	\$455	1,499	306.41	\$459	1,472	311.24	\$458

(Amount in Thousands)

PROJECT: CLOTHING ALLOWANCES - ENLISTED	FY 1998 Actual	\$113,662
	FY 1999 Estimate	\$116,718
	FY 2000 Estimate	\$113,337
	FY 2001 Estimate	\$112,824

PART I - PURPOSE AND SCOPE

Funds provide payment to enlisted personnel for prescribed clothing, authorized by the Secretary of Defense under the provisions of U.S.C. 418. This project includes:

- (1) Initial clothing allowances upon enlistment,
- (2) Civilian clothing allowances when authorized,
- (3) Basic replacement allowance payable to a member upon completion of six months active duty for the remainder of the first three years of continuous service,
- (4) Standard replacement allowance payable to a member upon completion of 36 months of active duty through the remainder of active duty, and
- (5) Supplemental clothing allowances for personnel assigned to special organizations or details where the nature of duties require additional items of individual uniform clothing.

Both basic and standard replacement allowances are cash payments. Effective October 1, 1985, all replacement allowances are paid annually.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Initial clothing allowances are based on programmed numbers by type of accession. The rates prescribed by the Secretary of Defense are used each fiscal year. The estimate includes new payment standards for the civilian clothing allowance system which began in CY 1998. The new system pays a lower initial allowance at the start of the tour followed by an annual replacement (continuing) allowance as long as the member remains in a qualifying assignment. Previous policy authorized one lump-sum payment at the start of the tour.

The computation of requirements is provided in the following table:

(Amount in Thousands)

CLOTHING ALLOWANCES - ENLISTED

Initial Allowances	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Payments	Statutory Rate	Amount	Payments	Statutory Rate	Amount	Payments	Statutory Rate	Amount	Payments	Statutory Rate	Amount
<u>Military Clothing</u>												
Civilian Life (Male)	23,443	972.42	22,796	26,287	905.85	23,812	23,678	919.44	21,770	22,958	934.15	21,446
Civilian Life (Female)	8,269	1,162.95	9,616	9,899	1,113.01	11,018	9,072	1,129.71	10,249	8,792	1,147.78	10,091
Officer Tng School (Male)	311	752.40	234	740	640.80	474	824	650.41	536	1,255	660.82	829
Officer Tng School (Female)	48	964.45	46	131	811.35	106	145	823.52	119	221	836.70	185
AF Academy Prep (Male)	168	801.30	135	182	681.11	124	164	691.33	113	164	702.39	115
AF Academy Prep (Female)	16	827.70	13	18	689.80	12	16	700.15	11	16	711.35	11
Subtotal	32,255		32,840	37,257		35,546	33,899		32,798	33,406		32,677
Subtotal Military Clothing			\$32,840			\$35,546			\$32,798			\$32,677
<u>Civilian Clothing</u>												
Initial	1,042	908.82	947	1,026	776.00	796	1,022	787.64	805	1,004	800.24	803
Continuing	264	438.89	116	260	258.67	67	259	262.55	68	254	266.75	68
TDY	1,468	406.62	597	1,445	456.06	659	1,440	462.90	667	1,414	470.31	665
Subtotal Civilian Clothing			\$1,660			\$1,522			\$1,540			\$1,536
TOTAL INITIAL ALLOWANCES			\$34,500			\$37,068			\$34,338			\$34,213

(Amount in Thousands)

CLOTHING ALLOWANCES - ENLISTED

Maintenance Allowance	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Statutory			Statutory			Statutory			Statutory		
<u>Military Clothing</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>
Airmen (Male)	57,016	162.66	9,274	63,933	187.20	11,968	57,588	190.01	10,942	55,836	193.05	10,779
Airmen (Female)	19,684	177.96	3,503	23,564	212.40	5,005	21,596	215.59	4,656	20,929	219.04	4,584
Subtotal			\$12,777			\$16,973			\$15,598			\$15,363
Standard Maintenance Allowance												
<u>Military Clothing (37th Month)</u>												
Airmen (Male)	193,931	278.93	54,093	190,876	266.40	50,849	190,223	270.40	51,436	186,777	274.72	51,312
Airmen (Female)	35,111	310.54	10,903	34,558	302.40	10,450	34,440	306.94	10,571	33,816	311.85	10,545
Subtotal			\$64,996			\$61,299			\$62,007			\$61,857
Supplemental Maint. Allow.	6,839	203.13	1,389	6,731	204.75	1,378	6,708	207.82	1,394	6,587	211.15	1,391
TOTAL CLOTHING ALLOWANCE			\$113,662			\$116,718			\$113,337			\$112,824

(Amount in Thousands)

PROJECT: FAMILY SEPARATION ALLOWANCES - ENLISTED	FY 1998 Actual	\$18,156
	FY 1999 Estimate	\$17,996
	FY 2000 Estimate	\$18,032
	FY 2001 Estimate	\$17,865

PART I - PURPOSE AND SCOPE

Under the provision of 37 United States Code 427, family separation allowance (FSA) payments are made to enlisted personnel with dependents to compensate for added expenses incurred because of forced separation from dependents when:

- (1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in the continental United States (CONUS) for his family and one overseas.
- (2) When a member with dependents makes a permanent change of station or is on temporary duty travel for 30 consecutive days or more either in CONUS or overseas and the travel of dependents to his duty station is not authorized and dependents do not reside at or near the duty station.

The FY 1998 NDAA increased the Family Separation Allowance Type II rate from \$75 to \$100 per month.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Allowances for family separation payments are determined by multiplying the number of personnel eligible for each type of family separation allowance by the applicable statutory rate. This project is impacted by national defense efforts such as Southwest Asia and Bosnia contingencies which increased requirements.

Details of the cost computation are provided in the following tables:

(Amount in Thousands)

FAMILY SEPARATION ALLOWANCES - ENLISTED

PCS Overseas with Dependents not Authorized and Maintain Two Homes

Grade	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	10	6,090.20	61	10	6,312.92	63	10	6,502.30	65	9	6,697.37	60
Senior Master Sergeant	30	5,589.49	168	30	5,793.89	174	29	5,967.71	173	29	6,146.74	178
Master Sergeant	116	4,776.28	554	111	4,950.95	550	106	5,099.47	541	107	5,252.46	562
Technical Sergeant	190	4,321.74	821	199	4,479.78	891	209	4,614.17	964	216	4,752.60	1,027
Staff Sergeant	218	3,987.93	869	210	4,133.76	868	207	4,257.78	881	208	4,385.51	912
Sergeant	112	3,469.46	389	110	3,596.34	396	109	3,704.23	404	103	3,815.35	393
Airman First Class	4	3,401.99	14	4	3,526.40	14	4	3,632.19	15	4	3,741.16	15
Airman	3	2,762.79	8	3	2,863.82	9	3	2,949.73	9	3	3,038.22	9
Airman Basic	1	2,076.35	2	1	2,152.28	2	1	2,216.85	2	1	2,283.35	2
Subtotal	684		\$2,886	678		\$2,967	678		\$3,054	680		\$3,158
<u>PCS CONUS or Overseas with dependents not authorized</u>	5,645	1,200.00	\$6,774	5,556	1,200.00	\$6,667	5,537	1,200.00	\$6,644	5,437	1,200.00	\$6,524
<u>TDY CONUS or Overseas for more than 30 days with dependents not residing near TDY station</u>	7,080	1,200.00	\$8,496	6,968	1,200.00	\$8,362	6,945	1,200.00	\$8,334	6,819	1,200.00	\$8,183
TOTAL FAMILY SEPARATION ALLOWANCE			\$18,156			\$17,996			\$18,032			\$17,865

(Amount in Thousands)

PROJECT: SEPARATION PAYMENTS - ENLISTED

FY 1998 Actual	\$75,667
FY 1999 Estimate	\$71,701
FY 2000 Estimate	\$70,251
FY 2001 Estimate	\$67,875

PART I - PURPOSE AND SCOPE

Funds provide payment to enlisted personnel for:

- (1) Lump sum terminal leave (LSTL) payments for unused accrued leave at time of discharge, reenlistment or death under provisions of 10 United States Code 501.
- (2) Severance pay to members separated for physical disability under provisions of 10 United States Code 1212.
- (3) Donations for discharge under certain conditions under the provisions of 10 United States Code 1048.
- (4) Separation Pay for discharge under provisions of 10 United States Code 1174 as amended.
- (5) Voluntary Separation Incentive and Special Separation Benefits programs under the provision of United States Code 1775 and 1774a.
- (6) Early Retirement under provisions of 10 United States Code 8911, 8914 as amended.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Lump sum terminal leave is accrued leave earned by an active duty member. Payments are paid to members to compensate for the accrued leave at the time of retirement or separation. Also, members reenlisting on their date of separation have the option to receive pay for all or a portion of their accrued leave. The total requirement for separation payments is determined by multiplying the projected number of payments by the estimated average cost per payment. For leave accumulated prior to September 1976 and retained throughout a member's career, payments include basic pay, \$1.25 per day quarters allowance to members in pay grade E-5 through E-9 with dependents, and \$.70 per day to all members for subsistence. For leave accumulated after September 1, 1976, the rate payable is basic pay only. Leave payments will not exceed a career total of 60 days. Severance pay for disability is computed at two months basic pay at the grade held at time of discharge multiplied by the number of years active service, but not more than 12 years. In addition, Title 10, Section 1174 of the United States Code was amended to authorize payment of separation pay to Enlisted members who are discharged involuntarily or denied reenlistment who have completed six or more, but less than 20 years of active service immediately before that discharge. Enlisted separation pay is calculated as follows: 12 x monthly base pay x # years service x 10 percent.

The FY 1992 Defense Authorization Act approved two voluntary separation pay programs for implementation during the force drawdown. The programs apply to both officer and enlisted members who have more than six and less than 20 years of service. The first is the Voluntary Separations Incentive (VSI) Program, and the second is the Special Separation Benefit (SSB) program. VSI payments are calculated as follows: annual base pay x 2.5 percent x # years of service with annuity payments for twice the years of service. SSB payments are calculated as follows: annual base pay x 15 percent x # years of service. These programs will be used to reduce involuntary separations and will be offered to members in overage specialties to facilitate force shaping requirements during the drawdown.

The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program is necessary to shape the 15-20 year segment of the force. It will assist the services in achieving drawdown goals of maintaining readiness while ensuring the equitable treatment of the members. The criteria for early retirement will include such factors as grade, years of service, and skill, with a focus on the population where the inventory exceeds requirements. Members approved for early retirement will receive the same benefits as individuals with 20 or more years of service. However, their retired pay will be reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent x the years of service x basic pay x reduction factor. For members who leave under the early retirement program the Air Force is required to establish a subaccount with the Military Personnel Appropriation to fund all early retirement payments up front which will cover the entire initial period. The period is the difference between 20 years and the number of years completed by the member.

(Amount in Thousands)

SEPARATION PAYMENTS - ENLISTED

Lump Sum Terminal Leave Payments

Grade	FY 1998 Actual				FY 1999 Estimate				FY 2000 Estimate				FY 2001 Estimate			
	Payments	Days	Average Rate	Amount	Payments	Days	Average Rate	Amount	Payments	Days	Average Rate	Amount	Payments	Days	Average Rate	Amount
Chief Master Sergeant	448	10.7	1,188.67	533	445	10.7	1,226.14	546	468	10.7	1,280.49	599	493	10.7	1,306.89	644
Senior Master Sergeant	797	12.6	1,148.23	915	792	12.6	1,184.25	938	833	12.6	1,244.93	1,037	873	12.6	1,259.83	1,100
Master Sergeant	3,778	12.8	987.24	3,730	3,759	12.8	1,020.93	3,838	3,954	12.8	1,079.88	4,270	4,126	12.8	1,081.18	4,461
Technical Sergeant	3,233	17.3	1,148.02	3,712	3,226	17.3	1,186.04	3,826	3,368	17.3	1,260.27	4,245	3,473	17.3	1,260.54	4,378
Staff Sergeant	5,524	20.2	1,112.53	6,146	5,432	20.2	1,152.53	6,261	5,440	20.2	1,240.18	6,747	5,507	20.2	1,251.34	6,891
Sergeant	12,306	12.1	536.50	6,602	11,756	12.1	553.67	6,509	11,233	12.1	584.05	6,561	11,484	12.1	603.46	6,930
Airman First Class	2,987	17.2	620.95	1,855	2,846	17.2	637.80	1,815	2,709	17.2	664.83	1,801	2,774	17.2	691.59	1,918
Airman	1,602	16.6	562.26	901	1,526	16.6	577.46	881	1,451	16.6	601.79	873	1,486	16.6	626.00	930
Airman Basic	1,956	13.8	388.12	759	1,862	13.8	398.60	742	1,770	13.8	415.36	735	1,812	13.8	432.06	783
Subtotal LSTL	32,631			\$25,153	31,644			\$25,356	31,226			\$26,868	32,028			\$28,035
<u>Separation Pay</u>																
Disability	664		16,842.24	11,183	664		17,448.56	11,586	664		18,216.30	12,096	664		18,926.73	12,567
Severance Pay, Non Disabilit																
Invol-Half Pay 5%	667		8,824.59	5,886	700		9,140.00	6,398	700		9,544.29	6,681	700		9,917.14	6,942
Invol-Half Pay 10%	1,250		17,059.20	21,324	1,100		17,672.73	19,440	720		18,451.39	13,285	470		19,170.21	9,010
SSB	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
VSI*	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
VSI Trust Fund**				12,121				8,921				11,321				11,321
15 Year Retirement	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
Subtotal Separation Pay				\$50,514				\$46,345				\$43,383				\$39,840
TOTAL SEPARATION PAYMENTS				\$75,667				\$71,701				\$70,251				\$67,875

* All VSI recipients to be paid from VSI Trust Fund per OSD guidance.

** Payments to the VSI Trust Fund are in compliance with the amounts directed by OSD. Based on the Deputy Secretary's Program Budget Decision, sufficient funds are already in the VSI Trust Fund to cover recipients.

(Amount in Thousands)

PROJECT: SOCIAL SECURITY TAX (EMPLOYER'S CONTRIBUTION) - ENLISTED	FY 1998 Actual	\$500,455
	FY 1999 Estimate	\$502,846
	FY 2000 Estimate	\$460,840
	FY 2001 Estimate	\$477,887

PART I - PURPOSE AND SCOPE

Funds represent the Air Force contribution (as an employer) as required by the Federal Insurance Contribution Act (FICA) under provisions of 26 U.S.C. 3101, and 3111.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Social Security costs are based on the percentage rates set by law on a member's salary for a calendar year. P.L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983 establishes the tax rate while the maximum taxable income is determined by the Social Security Administration. The Old Age, Survivor and Disability Insurance (OASDI) rate is 6.2 percent and the Hospital Insurance (HI) is 1.45 percent. There is no wage cap on the 1.45 percent medical contribution. The Government's contribution is based on the percentage rate set by law on member's salary for a calendar year. Taxable income ceiling for OASDI are as follows:

- Calendar Year 1998 - 7.65% on first \$68,400
- Calendar Year 1999 - 7.65% on first \$72,600
- Calendar Year 2000 - 7.65% on first \$73,800
- Calendar Year 2001 - 7.65% on first \$76,200

Funding for FY 1998 and FY 1999 includes employer's contribution to Social Security for which military members receive wage credit but no social security tax (i.e., quarters and subsistence allowances). DoD makes direct payments to the Social Security Trust Funds based on Health and Human Services (HHS) estimates to cover the cost of these additional credits.

To recognize service members full Social Security eligibility, service members' reported wages were increased and the "taxes" related to this increase were paid into the Social Security Trust Fund by DoD. However, the realized benefit of the wage credits is minimal. Since only the highest 35 years of earnings are counted in determining SS benefits, service members, who do not continue to retirement (83 percent of service members), would generally have 35 years of earnings without considering military service. Any military earnings that do count in the 35 year period would be modest compared to more recent earnings and would have almost no influence on SS benefits. Therefore, the Department has proposed to eliminate the military wage credit to allow these funds to be reapplied to other high priority initiatives with minimal impact on a former service member's future overall retirement benefit.

Details of the computations are shown below:

	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	Average		<u>Amount</u>	Average		<u>Amount</u>	Average		<u>Amount</u>	Average		<u>Amount</u>
	<u>Workyears</u>	<u>Rate</u>		<u>Workyears</u>	<u>Rate</u>		<u>Workyears</u>	<u>Rate</u>		<u>Workyears</u>	<u>Rate</u>	
Enlisted	297,897	1,467.17	437,067	293,204	1,508.36	442,258	292,201	1,577.13	460,840	286,908	1,665.65	477,887
Wage Credit			63,388			60,588			0			0
TOTAL SOCIAL SECURITY TAX			\$500,455			\$502,846			\$460,840			\$477,887

PAY & ALLOWANCES OF CADETS

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

3. Pay and Allowances of Cadets

FY 1999 Direct Program \$37,625

Increases:

Basic Pay 497

- Increase in pay rate (full year) 497

Subsistence 144

- Rate increase (\$5.25 to \$5.35 per day) 144

Social Security (FICA) 3

- Increase 3

Total Increases 644

Decreases:

Total Decreases 0

FY 2000 Direct Program \$38,269

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

3. Pay and Allowances of Cadets

FY 2000 Direct Program \$38,269

Increases:

Subsistence	153	
- Rate increase (\$5.35 to \$5.45 per day)	153	
- Increase in workyears		
Basic Pay		28
- Increase in workyears	28	
Social Security (FICA)		10
- Increase in workyears	10	

Total Increases 191

Decreases:

Total Decreases 0

FY 2001 Direct Program \$38,460

(Amount in Thousands)

PROJECT: ACADEMY CADETS

FY 1998 Actual	\$35,662
FY 1999 Estimate	\$37,625
FY 2000 Estimate	\$38,269
FY 2001 Estimate	\$38,460

PART I - PURPOSE AND SCOPE

The funds requested are (a) for basic pay, commuted rations allowance, and employer's share of FICA tax for cadets appointed to the United States Air Force Academy under the provisions of 37 U.S.C. 201, 203, and 422 and the Federal Insurance Contributions Act; and (b) for the difference between the value of the commuted ration allowance and the cost of operational rations.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Requirements are determined by applying statutory rates to the projected workyears. The FY 2000 program is based on a beginning strength of 4,000 and end strength of 4,000. The cadet end strength was 3,988 for FY 1998 and is projected at 4,000 for each of the years FY 1999 through FY 2001. Subsistence rates are \$5.15 per day for FY 1998, \$5.25 per day for FY 1999, \$5.35 per day for FY 2000, and \$5.45 per day for FY 2001. The FY99 National Defense Authorization Act (Sec. 602) increased Cadet pay from 558.04 to \$600.00 per month beginning on 1 Jan 1999.

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>									
<u>Basic Pay</u>	3,924	6,696.48	\$26,277	3,948	7,074.12	\$27,929	3,948	7,200.00	\$28,426	3,952	7,200.00	\$28,454
<u>Subsistence</u>	3,924	1,879.75	\$7,376	3,948	1,916.25	\$7,565	3,948	1,952.75	\$7,709	3,952	1,989.25	\$7,862
<u>Social Security Tax (Employer's Contribution)</u>			\$2,009			\$2,131			\$2,134			\$2,144
Total Academy Cadets			\$35,662			\$37,625			\$38,269			\$38,460

SUBSISTENCE OF ENLISTED PERSONNEL

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

4. Subsistence of Enlisted Personnel

FY 1999 Direct Program		\$776,981
<u>Decreases:</u>		
Subsistence-In-Kind (SIK)		-5,789
- Increase for inflation (1.5 percent)	1,158	
- Increase in meals served (Subsistence in Mess, Special Rations, Augmentation Rations)	128	
- Decrease in Operational Rations served	-7,075	
Basic Allowance for Subsistence (BAS)		-583
- Increase in Partial BAS rate	6,629	
- 1 Jan 00 1.0% BAS raise	4,989	
- Annualization of 1 Jan 99 1.0% BAS raise	1,659	
- Decrease in workyears	-13,860	
Total Decreases		-6,372
 FY 2000 Direct Program		 \$770,609

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

4. Subsistence of Enlisted Personnel

FY 2000 Direct Program		\$770,609
<u>Decreases:</u>		
Subsistence-In-Kind (SIK)		-698
- Increase for inflation (1.6 percent)	1,277	
- Decrease in Operational Rations served	-442	
- Decrease in meals served (Subsistence in Mess, Special Rations, Augmentation Rations)	-1,533	
Basic Allowance for Subsistence (BAS)		-8,801
- 1 Jan 01 1.0% BAS raise	4,904	
- Increase in Partial BAS rate	2,562	
- Annualization of 1 Jan 00 1.0% BAS raise	1,631	
- Decrease in workyears	-17,898	
Total Decreases		-9,499
FY 2001 Direct Program		\$761,110

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE

FY1998 Actual	\$676,707
FY1999 Estimate	\$688,539
FY2000 Estimate	\$687,956
FY2001 Estimate	\$679,155

PART I - PURPOSE AND SCOPE

Funds provide for the payment of subsistence allowances to active duty enlisted personnel under the provisions of 37 U.S.C. 402. Included are allowances when (1) individual is authorized to mess separately; (2) individual is in leave status; (3) rations-in-kind are not available; (4) individual is assigned under emergency conditions where government messing facilities are not available; (5) augmentation of subsistence allowance for meals taken separately is authorized; and (6) partial allowance for members subsisted-in-kind.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The requirement is based on the average number of enlisted personnel entitled to receive several types of allowances. Distribution of personnel in the various categories is developed on the basis of actual experience which indicates that approximately 82 percent of enlisted personnel draw basic allowance for subsistence (BAS) in lieu of subsisting in Air Force dining halls.

The requirement includes the following rate increase assumptions: 1.0 percent effective 1 Jan 1999; 1.0 percent effective 1 Jan 2000; and 1.0 percent effective 1 Jan 2001.

Beginning 1 Jan 1998, BAS reform initiated a Partial BAS payment. Partial BAS is a cost neutral effort to eventually compensate enlisted members receiving subsistence-in-kind to the same level as enlisted members receiving BAS. BAS reform limits the growth of BAS to one percent per year in order to allow the Department to fund Partial BAS with the difference between the annual Basic Pay raise and the reduced BAS pay raise. Projected food cost growth will allow the U.S. Department of Agriculture (USDA) food plans to catch-up with the BAS payment in approximately four years at which time all enlisted personnel will be entitled to a full BAS payment.

(Amount in Thousands)

BASIC ALLOWANCE FOR SUBSISTENCE

	<u>FY1998 Actual</u>			<u>FY1999 Estimate</u>			<u>FY2000 Estimate</u>			<u>FY2001 Estimate</u>		
	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>
<u>When Authorized to Mess Separately</u>	197,210	2,705.56	533,565	195,603	2,732.29	534,445	192,439	2,759.61	531,058	187,812	2,787.21	523,472
<u>Leave Rations</u>	24,828	2,705.56	67,173	25,436	2,732.29	69,500	24,353	2,759.61	67,204	23,612	2,787.21	65,811
<u>When Rations-In-Kind Not Available</u>	19,608	3,051.40	59,832	19,499	3,081.64	60,090	19,233	3,112.46	59,863	18,585	3,143.58	58,423
<u>Augmentation of Commuted Rations Allowance for Meals Taken Separately</u>	4,414	2,732.37	12,060	4,844	2,759.88	13,370	4,330	2,787.48	12,068	3,951	2,815.35	11,124
<u>Partial BAS</u>	48,178	84.63	4,077	43,645	255.11	11,134	48,067	369.54	17,763	49,285	412.39	20,325
Total	294,238		\$676,707	289,029		\$688,539	288,422		\$687,956	283,245		\$679,155

(Amount in Thousands)

PROJECT: SUBSISTENCE-IN-KIND	FY1998 Actual	\$110,731
	FY1999 Estimate	\$114,492
	FY2000 Estimate	\$108,685
	FY2001 Estimate	\$107,987

PART I - PURPOSE AND SCOPE

The Subsistence-In-Kind (SIK) account provides subsistence items furnished to active duty enlisted personnel when they do not receive an allowance for subsistence. Funds requested also provide for special rations, operational rations, augmentation rations, testing of new food items, and payment for meals furnished under contract at commercial facilities where the payment of the commuted ration would create an individual hardship or the costs of the establishment of a government mess facility are prohibitive. In FY 1997, funding for SIK transferred from O&M to the Military Personnel Appropriation.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SIK costs for active duty enlisted personnel not receiving an allowance for subsistence is computed by multiplying the basic daily food allowance (BDFA) by the estimated number of users. The BDFA, which represents the cost of meals for one person for one day, is based on actual experience. Funding requirements include an inflationary adjustment of 0.8 percent in FY1999; 1.5 percent in FY 2000; and 1.6 percent in FY2001. Other SIK elements are computed at the contract rate per unit.

Defense Supply Center-Philadelphia (DPSC) surcharges increased substantially since FY 1996 creating significant unfunded costs in the FY 1997 and FY 1998 SIK budgets. Air Force has absorbed these increases by deferring the purchase of operational replacement rations wherever possible. FY 1999 operational ration increases are directly attributable to the backlog of requirements caused by this action. The FY1999 operational rations increase include a biennial purchase of MREs and B-Rations for Southwest Asia.

Force Structure Summary

<u>Subsistence-in-Kind</u>	<u>FY1998</u>	<u>FY1999</u>	<u>FY2000</u>	<u>FY2001</u>
Average Enlisted Strength	297,897	293,204	292,201	286,908
Members Receiving BAS	246,060	245,384	240,355	233,960
Total Enlisted Eligible to be Subsisted	51,837	47,820	51,846	52,948
Total Enlisted Electing to be Subsisted	35,555	34,995	34,876	34,244
Others to be Subsisted	5,373	5,288	5,270	5,175
Total to be Subsisted	40,928	40,283	40,146	39,419

(Amount in Thousands)

SUBSISTENCE-IN-KIND

Subsistence in Mess

	FY1998 Actual				FY1999 Estimate				FY2000 Estimate				FY2001 Estimate			
	Number	Daily Rate	Annual Rate	Amount	Number	Daily Rate	Annual Rate	Amount	Number	Daily Rate	Annual Rate	Amount	Number	Daily Rate	Annual Rate	Amount
CONUS																
Air Force	26,056	5.55	2,025.75	52,783	25,645	5.59	2,040.35	52,324	25,558	5.68	2,073.20	52,987	25,095	5.77	2,106.05	52,851
Others	4,847	5.55	2,025.75	9,820	4,771	5.59	2,040.35	9,735	4,755	5.68	2,073.20	9,858	4,669	5.77	2,106.05	9,833
Overseas																
Air Force	9,499	6.31	2,303.15	21,878	9,350	6.36	2,321.40	21,705	9,318	6.46	2,357.90	21,971	9,149	6.56	2,394.40	21,906
Others	525	6.31	2,303.15	1,210	517	6.36	2,321.40	1,200	515	6.46	2,357.90	1,214	506	6.56	2,394.40	1,212
Subtotal Subsistence in Mess	40,928			\$85,691	40,283			\$84,964	40,146			\$86,030	39,419			\$85,802

Special Rations

CONUS	1,971,243		2.80	5,519	1,940,188		2.82	5,471	1,933,551		2.86	5,530	1,898,527		2.91	5,525
Overseas	841,734		3.64	3,064	828,474		3.67	3,040	825,639		3.72	3,071	810,684		3.78	3,064
Subtotal Special Rations	2,812,977			\$8,583	2,768,662			\$8,511	2,759,191			\$8,601	2,709,210			\$8,589

Operational Rations

Meals Ready to Eat - Cases	152,994		73.03	11,173	119,637		73.61	8,806	68,961		74.72	5,153	108,961		75.91	8,271
Cold Weather Ration - Cases	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
B Rations (Meals)				540				7,502				4,214				736
Misc (Tray Pack/Food Packets)				100				100				100				100
Subtotal Operational Rations				\$11,813				\$16,408	68,961			\$9,467				\$9,107

Augmentation Rations

Supplemental	602,975		6.04	3,642	593,476		6.09	3,614	582,128		6.18	3,598	560,654		6.28	3,521
Missile Crew	157,444		4.84	762	154,964		4.88	756	152,001		4.95	752	146,394		5.03	736
Combat Alert	66,605		3.61	240	65,556		3.64	239	64,303		3.69	237	61,931		3.75	232
Subtotal Augmentation Rations				\$4,644				\$4,609				\$4,587				\$4,489
Total SIK				\$110,731				\$114,492				\$108,685				\$107,987

PERMANENT CHANGE OF STATION TRAVEL

SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

5. Permanent Change of Station Travel

FY 1999 Direct Program	\$876,482
Increases:	
Program/Move Changes	21,700
- Increase in number of operational, rotational, and unit moves	
Inflation	13,147
Entitlement changes	1,577
- Temporary lodging expense for first-term enlisted members	
Reimbursements	35
- Reduction in moves to support agencies	
Total Increases	36,459
Decreases:	
Program/Move Changes	-3,796
- Decrease in number of accession and separation moves	
Total Decreases	-3,796
FY 2000 Direct Program	\$909,145

SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

5. Permanent Change of Station Travel

FY 2000 Direct Program	\$909,145
Increases:	
Inflation	14,546
Program/Move Changes	3,329
- Increase in number of separation moves	
Total Increases	17,875
Decreases:	
Reimbursements	-66
- Increase in moves to support agencies	
Global POV savings	-13,701
Program/Move Changes	-35,106
- Decrease in number of TERA, rotational and unit moves	
Total Decreases	-48,873
FY 2001 Direct Program	878,147

PURPOSE AND SCOPE

For expenses incident to permanent change of station (PCS) travel of military personnel either individually or as part of organized units. PCS travel costs include mileage; monetary allowance in lieu of transportation; transportation by common carrier (rail, bus, air or water, including Air Mobility Command (AMC) and Military Sealift Command (MSC); per diem allowances; payment of dislocation allowance (DLA); payment of temporary lodging expense (TLE); actual and necessary expenses and cost of subsistence while in a travel status; issue of meal tickets in lieu of subsistence; travel of dependents and transportation of baggage and household goods, port handling charges for household goods; baggage and privately owned vehicles passing through CONUS Military Traffic Management Command (MTMC) terminals; payments authorized for transportation of dependents, and personal and household effects of deceased military personnel; costs of contract packing, crating, handling and temporary storage of household goods; costs of nontemporary storage of household goods; cost of trailer allowances; travel incident to organizational movements on PCS whether for training or non-training purposes; expenses incident to PCS movement of any military group traveling under one order from the same point of origin to the same destination; minor supplies and services incident to troop or organizational PCS movements; expenses and allowances incident to separation travel, discharge or release. Also included is all authorized temporary duty (TDY) travel directly related to and an integral part of PCS movements of individuals or organizational units. Excludes TDY travel other than that directly related to and an integral part of PCS movements. All authorized PCS travel expenses provided for under this budget program account are charged to the same subprogram account cited in the PCS travel order of the military member. The only exceptions are Base Realignment Commission (BRAC) moves and the cost of contract commercial storage of household goods on a nontemporary basis. The term "CONUS" (Continental United States) applies to the contiguous 48 states.

PROGRAM AND PRICE CHANGES

1. Program Changes:

The Air Force has reduced its mission-related moves (operational, rotational, unit and training moves) by an additional 5% from the FY 99 President's Budget. This reduction primarily reflects changes in unit moves resulting from uncertainty over the rate of execution for competition and privatization, as well as Air Expeditionary Force structure moves. Some dollar increases are related to legislative initiatives focused on improving the military members' quality of life. These are: (1) providing temporary lodging expense (TLE) for first-term enlisted members when traveling to their first permanent duty station since they experience the same cost hardships on initial moves as they would on subsequent moves; and (2) providing dislocation allowance (DLA) for members without dependents moving into government quarters since they experience the same expenses as members with dependents moving into government family quarters. In addition, overseas tour extension incentive program (OTEIP) entitlements pay up to \$2,000 per year for enlisted members at remote sites and in critical skills overseas and do-it-yourself (DITY) move reimbursements were increased from 80 percent to 95 percent 1 Feb 98. Also, TRANSCOM airlift rates are increasing to match commercially competitive rates. Accession and Separation moves are linked directly to the gains and losses programmed by fiscal year. The FY 99 increase in training moves are primarily attributable to increases in undergraduate flying training requirements. These changes demonstrate Congressional, DoD and Air Force commitments to maintain force stability.

2. Price Changes:

Inflation rate adjustments are included through FY 01. BAQ table inflation increases impact the DLA entitlement, computed at 2.5 months BAQ effective 1 Jan 97.

(Amount in Thousands)

SUMMARY OF REQUIREMENTS BY TYPES OF COST

<u>Travel of Military Member</u>	<u>FY 1998 Actual</u>		<u>FY 1999 Estimate</u>		<u>FY 2000 Estimate</u>		<u>FY 2001 Estimate</u>	
	<u>Number</u>	<u>Amount *</u>	<u>Number</u>	<u>Amount *</u>	<u>Number</u>	<u>Amount *</u>	<u>Number</u>	<u>Amount *</u>
Accession Travel	39,119	\$49,419	44,753	\$57,523	40,939	\$55,680	40,840	\$56,897
Training Travel	10,350	52,192	10,450	56,317	10,450	57,596	10,450	58,516
Operational Travel Between Duty Stations	19,810	142,702	19,402	142,876	19,416	145,410	19,042	145,928
Rotational Travel To and From Overseas	48,390	433,368	47,859	433,669	47,931	455,332	47,019	443,229
Separation Travel	47,594	109,195	45,185	103,708	44,519	105,980	45,736	109,308
Travel of Organized Units	3,952	21,904	3,872	21,708	4,496	26,450	308	3,539
Nontemporary Storage *		23,059		22,445		23,662		22,778
Temporary Lodging Expense *		37,667		38,398		37,431		37,504
TERA	497	2,755	200	1,125	500	2,859	300	1,766
Total Obligations	169,712	872,261	171,721	877,770	168,251	910,398	163,695	879,466
Less Reimbursements		(1,370)		(1,288)		(1,253)		(1,319)
Total Direct Program		\$870,891		\$876,482		\$909,145		\$878,147

* NOTE: Nontemporary Storage (NTS) and Temporary Lodging Expense (TLE) are reflected as a separate category. NTS and TLE amounts are merged with travel type in detailed pages.

(Amount in Thousands)

SUMMARY OF REQUIREMENTS BY TYPES OF COST

	<u>FY 1998 Actual</u>		<u>FY 1999 Estimate</u>		<u>FY 2000 Estimate</u>		<u>FY 2001 Estimate</u>	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
Travel of Military Member								
Mileage and Per Diem	124,453	\$84,974	126,149	\$86,901	123,361	\$86,669	120,378	\$85,721
AMC	32,532	27,663	32,975	28,290	32,250	28,215	31,471	27,931
Commercial Air	12,231	11,785	12,397	12,052	12,125	12,020	11,832	11,900
Travel of Family Members (Family)								
Mileage and Per Diem	68,281	46,257	67,502	45,962	66,857	46,615	65,448	46,457
AMC	32,494	30,071	32,123	29,879	31,816	30,304	31,146	30,201
Commercial Air	11,565	12,782	11,433	12,700	11,324	12,881	11,085	12,837
Transportation of Household Goods								
M Tons - MSC	31,882	4,749	31,757	4,775	31,633	4,932	30,348	4,776
S Tons - AMC	9,789	38,523	9,751	38,729	9,713	45,989	9,318	44,534
Land Shipment, CONUS & Overseas	51,785	338,762	51,582	340,571	51,379	345,787	49,293	334,695
ITGBL	20,519	89,221	20,438	89,697	20,358	92,648	19,531	89,716
Dislocation Allowance	65,452	94,604	64,692	96,713	65,244	100,684	61,417	98,554
Trailer Allowance	1,302	2,680	1,265	2,623	1,261	2,665	1,205	2,572
Transportation of POVs	15,110	22,285	15,094	22,456	15,249	35,494	14,847	25,989
Port Handling Charges		4,424		4,455		1,543		1,535
Nontemporary Storage		23,059		22,445		23,662		22,778
Temporary Lodging Expense		37,667		38,398		37,431		37,504
TERA	497	2,755	200	1,125	500	2,859	300	1,766
Total Obligations		872,261		877,770		910,398		879,466
Less Reimbursements		(1,370)		(1,288)		(1,253)		(1,319)
Total Direct Program		\$870,891		\$876,482		\$909,145		\$878,147

(Amount in Thousands)

PROJECT: ACCESSION TRAVEL	FY 1998 Actual	\$51,452
	FY 1999 Estimate	\$59,733
	FY 2000 Estimate	\$57,813
	FY 2000 Estimate	\$59,066

PART I - PURPOSE AND SCOPE

Funds provide for the following:

Officers - Covers PCS movements of (1) officers appointed to a commissioned grade from civilian life, military academies, Air Force Reserves (AFRES), Reserve Officer Training Corps (ROTC), and Air National Guard (ANG) officers called or recalled to extended active duty from home or point where orders were received to first permanent duty station or training school, of twenty weeks or more duration and (2) officers appointed or recalled from enlisted status from station where they served as enlisted to new permanent duty station or training school of twenty weeks or more duration. Includes officers appointed from enlisted status upon graduation from Officer Training School (OTS).

Enlisted - Covers PCS movements of (1) enlistees, reenlistees and prior service personnel from recruiting station or place of enlistment to first permanent duty station or training school of 20 weeks or more duration and (2) recalled enlisted reservists from home to first permanent duty station or training school of 20 weeks or more in duration.

Cadets - Covers PCS movements of (1) individuals selected as Air Force Academy cadets upon entry into the Academy and (2) individuals who travel to the academies but fail to pass the entrance physical examinations and are required to return home.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimates for accession travel cover the PCS movement of members entering on active duty. The PCS requirements for accession travel are based upon officer, enlisted and cadet gains as reflected in the Air Force personnel programs. These gains are required to meet planned Air Force manpower levels. This category of move results primarily from approved end strengths and separation/retirements from the Air Force; consequently, adjustments in accession travel can only be accommodated via adjustments in officer, enlisted or cadet strengths. Officer accessions include academy graduates, ROTC, medical officers, judge advocate general officers, chaplains, reserve officers and OTS graduates. Enlisted accessions include prior and nonprior service personnel, recalled reserves, USAF Preparatory School, and OTS.

Changes between FY 1998 and FY 2001 reflect the changes in accessions due to end strength adjustments and direction to program accessions each year to sustain the base force. The Global POV contract was let on 1 Nov 1998. This contract is a result of household goods reengineering and improved quality of life for service members as part of the Defense Reform Initiative. MTMC rates will increase the services requirements and change the requirements from MSC and port handling charges to a single Global POV cost.

Pay raise and inflation factors are described under "Price Changes" at the beginning of the Permanent Change of Station detail section.

Average rates are based upon statistical data, ratios and percentages derived from actual accession PCS move costs during a given accounting period. The number of accession moves (officer, enlisted and cadet) times the appropriate rates for each element of expense (e.g., military member, dependents, household goods, etc.) results in the estimated funding required. The number of moves and the associated fiscal year requirements are shown in the tables on the following pages. Members are not entitled to temporary lodging expenses or dislocation allowances.

(Amount in Thousands)

ACCESSION TRAVEL

	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
<u>Officer Accession Travel</u>												
(1) Member Travel	4,812	498.17	\$2,397	5,288	502.16	\$2,655	5,435	509.69	\$2,770	5,909	517.84	\$3,060
(2) Family Member Travel	2,031	448.60	911	2,232	452.19	1,009	2,294	458.97	1,053	2,494	466.32	1,163
(3) Trans of Household Goods												
(a) Land & ITGBL	3,511	3,048.39	10,703	3,858	3,179.23	12,265	3,966	3,352.25	13,295	4,311	3,405.89	14,683
(b) Overseas	303	847.27	257	333	914.95	305	342	931.72	319	372	946.63	352
(4) Trailer Allowance	19	1,540.18	29	21	1,563.28	33	21	1,588.30	33	23	1,613.71	37
(5) POV												
(a) MSC	188	996.92	187	207	1,004.90	208						
(b) Port Handling (M Tons)	188	168.02	32	207	169.36	35						
(c) Global POV							212	2,327.70	493	231	1,221.75	282
(6) Port Handling (HHGS)	385	29.82	11	423	30.06	13	435	30.51	13	473	31.00	15
(7) Non-Temporary Storage			331			364			384			385
Subtotal Officer Accession Travel			\$14,858			\$16,887			\$18,360			\$19,977
<u>Enlisted Accession Travel</u>												
(1) Member Travel	33,068	631.76	20,891	38,162	636.81	24,302	34,249	646.37	22,138	33,756	656.71	22,168
(2) Family Member Travel	8,520	233.79	1,992	9,832	235.66	2,317	8,824	239.20	2,111	8,697	243.02	2,114
(3) Trans of Household Goods												
(a) Land & ITGBL	4,001	2,580.79	10,326	4,617	2,691.55	12,427	4,144	2,712.96	11,243	4,084	2,756.37	11,257
(b) Overseas	5,043	130.30	657	5,820	140.70	819	5,223	136.97	715	5,148	139.16	716
(4) Trailer Allowance	16	1,929.56	31	18	1,945.00	35	17	1,974.17	34	16	2,005.76	32
(5) POV												
(a) MSC	360	1,020.77	367	415	1,028.94	427						
(b) Port Handling (M Tons)	360	150.01	54	415	151.21	63						
(c) Global POV							373	2,327.70	868	367	1,227.88	451
(6) Port Handling (HHGS)	717	31.03	22	827	31.28	26	743	31.75	24	732	32.26	24
(7) Non-Temporary Storage			1,703			1,846			1,749			1,783
Subtotal Enlisted Accession Travel			\$36,043			\$42,262			\$38,882			\$38,545
<u>Cadet Accession Travel</u>	1,239	445.00	\$551	1,303	448.56	\$584	1,255	455.29	\$571	1,175	462.57	\$544
Total Accession Travel			\$51,452			\$59,733			\$57,813			\$59,066
Accession Moves												
Officer	4,812			5,288			5,435			5,909		
Enlisted	33,068			38,162			34,249			33,756		
Cadets	1,239			1,303			1,255			1,175		

(Amount in Thousands)

PROJECT: TRAINING TRAVEL

FY 1998 Actual	\$57,646
FY 1999 Estimate	\$61,911
FY 2000 Estimate	\$63,279
FY 2001 Estimate	\$64,294

PART I - PURPOSE AND SCOPE

Funds to provide for the PCS movements of:

- (1) Officers and enlisted personnel from previous permanent duty stations to formal service or civilian schools, including technical schools, flying training schools, factory training, and other approved courses of instruction, of 20 weeks duration or more.
- (2) Officers and enlisted school graduates and eliminees from school to their next permanent CONUS duty station excluding Academy, OTS, flying training, and ROTC graduates.
- (3) Enlisted personnel ordered to training leading to a commission.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimates for training travel cover PCS requirements for officer and enlisted personnel engaged in Air Force and outside agency training programs. The PCS requirements for training travel are the direct result of Air Force training programs covering technical training, career training and flying training. These types of training are required to maintain the skill level and educational requirements necessary to fulfill the Air Force mission. Adjustments in training travel are directly responsive to training programs which generate the move requirements. This category of travel contains basic and advanced technical training, retraining, professional military education (e.g., Air War, National War and Industrial Colleges, Medical Training, Air Force Institute of Technology) and undergraduate pilot and navigator training.

Pay raise and inflation factors are described under "Price Changes" at the beginning of the Permanent Change of Station detail section. Average rates are based on statistical data, ratios, and percentages extracted from actual PCS training move costs. The number of officer and enlisted training moves times the average rate for each element of expense (e.g., military member, dependent, household goods, etc.) results in the estimated funding required.

The number of moves and fiscal year requirements are shown on the following page.

(Amount in Thousands)

TRAINING TRAVEL

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
<u>Officer Training Travel</u>												
(1) Member Travel	6,300	510.94	\$3,219	6,400	515.03	\$3,296	6,400	522.75	\$3,346	6,400	531.12	\$3,399
(2) Family Member Travel	4,320	510.05	2,203	4,389	514.13	2,257	4,389	521.84	2,290	4,389	530.19	2,327
(3) Trans of Household Goods	6,300	4,757.99	29,975	6,400	5,137.91	32,883	6,400	5,214.98	33,376	6,400	5,298.42	33,910
(4) Dislocation Allowance	5,856	1,417.25	8,299	5,949	1,495.60	8,897	5,949	1,577.40	9,384	5,949	1,602.63	9,534
(5) Trailer Allowance	18	1,787.62	32	18	1,801.92	32	18	1,828.95	33	18	1,858.21	33
(6) Non-Temporary Storage			601			620			630			640
(7) Temporary Lodging Expense			2,832			2,920			2,967			3,017
Subtotal Officer Training Travel			\$47,161			\$50,905			\$52,026			\$ 52,860
<u>Enlisted Training Travel</u>												
(1) Member Travel	4,050	355.31	\$1,439	4,050	358.15	\$1,451	4,050	363.52	\$1,472	4,050	369.34	\$1,496
(2) Family Member Travel	1,607	292.87	471	1,607	295.21	474	1,607	299.64	482	1,607	304.44	489
(3) Trans of Household Goods	1,148	4,004.08	4,597	1,148	4,323.93	4,964	1,148	4,388.79	5,038	1,148	4,459.01	5,119
(4) Dislocation Allowance	1,798	1,071.91	1,927	1,798	1,131.17	2,034	1,798	1,193.05	2,145	1,798	1,212.13	2,179
(5) Trailer Allowance	12	2,443.46	29	12	2,463.01	30	12	2,499.95	30	12	2,539.95	30
(6) Non-Temporary Storage			120			122			124			126
(7) Temporary Lodging Expense			1,902			1,931			1,962			1,995
Subtotal Enlisted Training Travel			\$10,485			\$11,006			\$11,253			\$ 11,434
Total Training Travel			\$57,646			\$61,911			\$63,279			\$ 64,294
Training Moves												
Officer	6,300			6,400			6,400			6,400		
Enlisted	4,050			4,050			4,050			4,050		
Total Training Moves	10,350			10,450			10,450			10,450		

(Amount in Thousands)

PROJECT: OPERATIONAL TRAVEL

FY 1998 Actual	\$153,523
FY 1999 Estimate	\$153,628
FY 2000 Estimate	\$156,342
FY 2001 Estimate	\$156,827

PART I - PURPOSE AND SCOPE

Funds to provide for the PCS movements of:

- (1) Officers and enlisted personnel to and from permanent duty stations located within the United States.
- (2) Officers and enlisted personnel to and from permanent duty stations located within an overseas area when no transoceanic travel is involved.
- (3) Dependents, household goods, personal effects, trailer allowances and privately owned vehicles of officers and enlisted personnel who are interned (including hospitalized or imprisoned), missing, or captured when no transoceanic travel is involved.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimate for operational travel covers PCS requirements for operational reassignment of officer and enlisted personnel between both duty stations (1) within the CONUS and (2) within overseas areas when no transoceanic travel is involved. Operational moves are predicated upon the approved Air Force force structure and are necessary to support skill leveling among units, to fill new/unprogrammed requirements, and to accommodate valid humanitarian assignments. The estimates include actions taken by the Air Force to limit operational reassignments and reduce costs to the minimum necessary to carry out the Air Force mission (manning floor, minimum CONUS tour lengths, do-it-yourself move program, maximum use of low-cost moves).

As the Air Force moves to strengthen our capability and simultaneously stabilize our force, the operational PCS program reflects this requirement. We anticipate a continuing stable number of PCS moves as Air Force end strength stabilizes and fewer base closures and force structure actions are required. Pay raise, inflation factors and manning floors are described under "Price Changes" and "Policy Changes" respectively, at the beginning of the PCS detail section.

Average rates are based upon statistical data, ratios and percentages derived from actual PCS operational move costs. The number of officer and enlisted moves and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the average rate results in estimate funding required. The number of moves and associated fiscal year requirements are shown on the following page.

(Amount in Thousands)

OPERATIONAL TRAVEL

	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
<u>Officer Operational Travel</u>												
(1) Member Travel	9,026	665.00	\$6,002	9,021	670.32	\$6,047	9,041	680.37	\$6,151	9,061	691.26	\$6,264
(2) Family Member Travel	7,639	551.18	4,210	7,635	555.59	4,242	7,652	563.92	4,315	7,669	572.95	4,394
(3) Trans of Household Goods	9,026	6,658.71	60,102	9,021	6,758.59	60,969	9,041	6,859.97	62,021	9,061	6,969.73	63,153
(4) Dislocation Allowance	8,384	1,774.24	14,875	8,379	1,829.24	15,327	8,398	1,884.12	15,823	8,417	1,940.64	16,334
(5) Trailer Allowance	90	1,628.22	147	90	1,641.25	148	90	1,665.86	150	90	1,692.52	152
(6) Non-Temporary Storage			696			706			719			733
(7) Temporary Lodging Expense			4,116			4,175			4,252			4,333
Subtotal Officer Operational Travel			\$90,148			\$91,614			\$93,431			\$95,363
<u>Enlisted Operational Travel</u>												
(1) Member Travel	10,784	476.76	\$5,141	10,381	480.57	\$4,989	10,375	487.78	\$5,061	9,981	495.59	\$4,946
(2) Family Member Travel	8,772	411.95	3,614	8,444	415.25	3,506	8,439	421.47	3,557	8,119	428.22	3,477
(3) Trans of Household Goods	10,784	3,452.30	37,230	10,381	3,504.08	36,376	10,375	3,556.64	36,900	9,891	3,613.55	35,742
(4) Dislocation Allowance	9,585	1,071.13	10,267	9,227	1,104.34	10,190	9,221	1,120.91	10,336	8,871	1,171.59	10,393
(5) Trailer Allowance	517	2,154.93	1,114	498	2,172.17	1,082	497	2,204.75	1,096	479	2,240.03	1,073
(6) Non-Temporary Storage			1,093			1,068			1,084			1,061
(7) Temporary Lodging Expense			4,916			4,803			4,877			4,772
Subtotal Enlisted Operational Travel			\$63,375			\$62,014			\$62,911			\$61,464
Total Operational Travel			\$153,523			\$153,628			\$156,342			\$156,827
Operational Moves												
Officer	9,026			9,021			9,041			9,061		
Enlisted	10,784			10,381			10,375			9,981		
Total Operational Moves	19,810			19,402			19,416			19,042		

(Amount in Thousands)

PROJECT: ROTATIONAL TRAVEL

FY 1998 Actual	\$467,848
FY 1999 Estimate	\$468,604
FY 2000 Estimate	\$490,592
FY 2001 Estimate	\$478,348

PART I - PURPOSE AND SCOPE

Funds to provide for the PCS movements of:

- (1) Officers and enlisted personnel from permanent duty stations in CONUS, or training of 20 weeks or more duration, to permanent duty stations overseas.
- (2) Officers and enlisted personnel from permanent duty stations overseas to permanent duty stations in CONUS, or training of 20 weeks or more duration.
- (3) Officers and enlisted personnel from permanent duty stations in one overseas area to permanent duty stations in another overseas area when transoceanic travel is involved.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Rotational moves are made in accordance with overseas tour policies approved by the Secretary of Defense. While we are now seeing some stability with force structure, overseas changes and unknowns could drive volatility back into this program.

Pay raise, inflation factors and manning floors are described under "Price Changes" and "Policy Changes" at the beginning of the PCS detail section. The Global POV contract was let on 1 Nov 1998. This contract is a result of household goods reengineering and improved quality of life for service members as part of the Defense Reform Initiative. MTMC rates will increase the services requirements and change the requirements from MSC and port handling charges to a single Global POV cost.

Average rates are based upon statistical data, ratios and percentages derived from actual PCS rotational moves. The number of officer and enlisted moves and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the appropriate average rate results in the estimated funding required. The number of moves and associated fiscal year requirements are shown on the following pages.

(Amount in Thousands)

ROTATIONAL TRAVEL

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Officer Rotational Travel												
(1) Member Travel	7,511	1,488.70	\$11,182	7,259	1,500.61	\$10,893	7,299	1,523.12	\$11,117	7,110	1,547.49	\$11,003
(2) Family Member Travel	5,755	2,460.24	14,159	5,562	2,479.92	13,793	5,593	2,517.12	14,078	5,448	2,557.39	13,932
(3) Trans of Household Goods												
(a) Land & ITGBL	9,346	4,848.96	45,316	9,032	4,887.75	44,146	9,082	5,173.24	46,983	8,847	5,256.01	46,498
(b) Overseas			10,832			10,994			11,325			10,163
(4) Dislocation Allowance	6,757	1,876.13	12,676	6,530	1,934.29	12,631	6,566	2,019.40	13,259	6,396	2,051.71	13,123
(5) Trailer Allowance	91	3,156.20	287	88	3,181.45	280	88	3,321.43	292	86	3,374.58	291
(6) POV												
(a) MSC	2,985	1,961.22	5,855	3,048	1,976.91	6,026						
(b) Port Handling (M Tons)	2,985	299.82	895	3,048	302.22	921						
(c) Global POV							3,049	2,327.70	7,097	2,985	2,371.31	7,079
(7) Port Handling (HHGS)	11,291	48.36	546	11,528	48.75	562	11,528	49.48	570	11,291	50.27	568
(8) Non-Temporary Storage			5,023			4,919			5,026			4,974
(9) Temporary Lodging Expenses			3,425			3,360			3,432			3,396
Subtotal Officer Rotational Travel			\$110,196			\$108,526			\$113,179			\$111,028

(Amount in Thousands)

Enlisted Rotational Travel

(1) Member Travel	40,879	1,376.27	\$56,261	40,600	1,387.28	\$56,324	40,632	1,408.09	\$57,214	39,909	1,430.62	\$57,095
(2) Family Member Travel	29,171	1,612.71	47,045	28,972	1,625.61	47,097	28,995	1,650.00	47,842	28,479	1,676.40	47,742
(3) Trans of Household Goods												
(a) Land & ITGBL	39,395	3,464.08	136,468	39,126	3,491.79	136,621	39,157	3,610.57	141,379	38,460	3,668.34	141,085
(b) Overseas			31,586			32,060			33,021			31,049
(4) Dislocation Allowance	30,276	1,437.93	43,534	30,069	1,482.51	44,578	30,092	1,526.98	45,950	29,557	1,572.79	46,487
(5) Trailer Allowance	95	2,253.40	213	94	2,271.43	213	94	2,305.50	217	92	2,342.39	216
(6) POV												
(a) MSC	10,300	1,373.52	14,147	10,229	1,384.51	14,163						
(b) Port Handling (M Tons)	10,300	163.10	1,680	10,229	164.40	1,682						
(c) Global POV							10,430	2,327.70	24,278	10,055	1,611.56	16,205
(7) Port Handling (HHGS)	29,159	23.50	685	28,960	23.69	686	29,529	24.04	709	28,467	24.43	694
(8) Non-Temporary Storage			7,474			7,655			7,696			7,680
(9) Temporary Lodging Expenses			18,559			18,998			19,107			19,067
Subtotal Enlisted Rotational Travel			\$357,652			\$360,078			\$377,413			\$367,321
Total Rotational Travel			\$467,848			\$468,604			\$490,592			\$478,348
Rotational Moves												
Officer	7,511			7,259			7,299			7,110		
Enlisted	40,879			40,600			40,632			39,909		
Total Rotational Moves	48,390			47,859			47,931			47,019		

(Amount in Thousands)

PROJECT: SEPARATION TRAVEL

FY 1998 Actual	\$117,129
FY 1999 Estimate	\$109,002
FY 2000 Estimate	\$114,774
FY 2001 Estimate	\$116,138

PART I - PURPOSE AND SCOPE

Funds provide for the PCS movements of:

- (1) Officers and enlisted personnel upon release, normal retirement (excludes TERA retirement), or separation from the Air Force from last permanent duty station to home of record or point of entry into the service or to home of selection when authorized by law.
- (2) Dependents, household goods, trailer allowances and personal effects of officers and enlisted personnel who are deceased.
- (3) Eliminated Air Force Academy cadets to home of record or point of entry into the service.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimates for separation travel cover general separations and retirements from the Air Force. The PCS requirements for separation travel are based upon officer, enlisted and cadet losses as reflected in the Air Force personnel programs. Separation travel covers disability separations, honorable separations, enlisted personnel on expiration term of service and normal early releases, retirements, etc. Total estimated separation moves have increased as a result of force management actions required to selectively reduce force structure.

Pay raise and inflation factors are explained in the "Price Changes" section at the beginning of the PCS detail section. The Global POV contract was let on 1 Nov 1998. This contract is a result of household goods reengineering and improved quality of life for service members as part of the Defense Reform Initiative. MTMC rates will increase the services requirements and change the requirements from MSC and port handling charges to a single Global POV cost.

Average rates are based on statistical data, ratios, and percentages derived from actual officer, enlisted and cadet separation PCS move costs. The number of separation moves (officer, enlisted and cadets) and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the appropriate rate for each category results in the estimated funding required.

The number of moves and fiscal year requirements are shown on the following pages. Dollars do not include funding for nontemporary storage; members are not entitled to temporary lodging expenses nor dislocation allowances.

(Amount in Thousands)

SEPARATION TRAVEL

	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
<u>Officer Separation Travel</u>												
(1) Member Travel	6,406	251.64	\$1,612	5,564	253.65	\$1,411	5,735	257.46	\$1,477	5,609	261.58	\$1,467
(2) Family Member Travel	5,153	480.98	2,478	4,476	484.83	2,170	4,613	492.10	2,270	4,512	499.97	2,256
(3) Trans of Household Goods												
(a) Land & ITGBL	3,551	4,880.09	17,329	3,084	4,919.13	15,171	3,179	5,061.83	16,092	3,109	5,142.82	15,989
(b) Overseas	1,117	682.93	763	970	688.39	668	1,000	708.36	708	978	719.69	704
(4) Trailer Allowance	25	2,330.20	58	22	2,348.84	52	22	2,384.07	52	22	2,422.22	53
(5) POV												
(a) MSC	359	1,335.60	479	312	1,346.28	420						
(b) Port Handling (M Tons)	359	230.76	83	312	232.61	73						
(c) Global POV							321	2,327.70	747	314	1,642.75	516
(6) Port Handling (HHGS)	2,328	38.73	90	2,022	39.04	79	2,084	39.63	83	2,038	40.26	82
(7) Non-Temporary Storage			2,555			1,828			3,070			2,420

(Amount in Thousands)

SEPARATION TRAVEL

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
<u>Enlisted Separation Travel</u>												
(1) Member Travel	40,851	329.57	\$13,463	39,286	332.21	\$13,051	38,454	337.19	\$12,966	39,802	342.58	\$13,635
(2) Family Member Travel	36,819	300.99	11,082	35,408	303.40	10,743	34,659	307.95	10,673	35,874	312.88	11,224
(3) Trans of Household Goods												
(a) Land & ITGBL	9,075	6,238.57	56,615	8,727	6,288.48	54,880	8,543	6,470.56	55,278	8,842	6,574.09	58,128
(b) Overseas	7,423	364.96	2,709	7,139	367.88	2,626	6,987	378.53	2,645	7,232	384.59	2,781
(4) Trailer Allowance	367	1,712.52	628	353	1,726.22	609	345	1,752.11	604	358	1,780.15	637
(5) POV												
(a) MSC	918	1,361.41	1,250	883	1,372.30	1,212						
(b) Port Handling (M Tons)	918	191.41	176	883	192.94	170						
(c) Global POV							864	2,327.70	2,011	894	1,628.56	1,456
(6) Port Handling (HHGS)	4,271	35.11	150	4,107	35.39	145	4,020	35.92	144	4,161	36.50	152
(7) Non-Temporary Storage			2,626			2,340			2,866			2,645
Subtotal Enlisted Separation Travel			\$88,699			\$85,776			\$87,187			\$90,658
Cadet Separation Travel	337	677.84	\$228	335	683.26	\$229	330	693.51	\$229	325	699.06	\$227
Subtotal Separation Travel			\$114,374			\$107,877			\$111,915			\$114,372
<u>TERA</u>												
Officer	497	5,544.10	2,755	200	5,627.26	1,125	500	5,717.30	2,859	300	5,887.62	1,766
Enlisted	0	3,066.88	0	0	3,112.88	0	0	3,162.69	0	0	3,213.29	0
Subtotal TERA	497		\$2,755	200		\$1,125	500		\$2,859	300		\$1,766
Total Separation Travel			\$117,129			\$109,002			\$114,774			\$116,138
<u>Separation Moves</u>												
Officer	6,903			5,764			6,235			5,909		
Enlisted	40,851			39,286			38,454			39,802		

(Amount in Thousands)

PROJECT: ORGANIZED UNITS TRAVEL

FY 1998 Actual	\$24,658
FY 1999 Estimate	\$24,895
FY 2000 Estimate	\$27,598
FY 2001 Estimate	\$4,795

PART I - PURPOSE AND SCOPE

Funds provided for the CONUS or overseas movement of:

- (1) Officer and enlisted personnel directed to move as members of an organized unit movement.
- (2) Officer and enlisted replacements directed to move as part of the unit move.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimates for organized unit travel include requirements for relocation of Air force units from both the CONUS and overseas in accordance with published Air Force programs. These moves are required as a result of changes in force reductions, force positioning and the requirement to maintain strategic and tactical integrity of units.

The Air Force estimate of organized unit move requirements is based on the most comprehensive planning data available on the DOD regulation definition of a unit move and on historical program change request data. Anticipated moves are tracked throughout the operating and budget years since mission requirements dictate changes to the initial schedule. The estimated number of moves will increase as more force structure actions occur (e.g., base closures, unit realignments, public announcements, and Air Force internal decisions to realign units). The uncertainty surrounding QDR, C&P, EAF, etc. makes this the most volatile area of the PCS budget.

Pay raise and inflation are described under "Price Changes" at the beginning of the PCS detail section.

The average rates are based upon statistical data, ratios and percentages derived from actual PCS organized unit move costs. The number of officer and enlisted organized unit moves and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the average rates results in the estimated fund requirements. The number of moves and fiscal year requirements are shown on the following pages.

(Amount in Thousands)

TRAVEL OF ORGANIZED UNITS

	FY 1998 Actual			FY 1999 Estimate			FY 2000 Estimate			FY 2001 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
<u>Officer Unit Travel</u>												
(1) Member Travel	325	679.14	\$221	320	684.57	\$219	498	694.84	\$346	45	705.96	\$32
(2) Family Member Travel	275	520.34	143	271	524.50	142	422	532.37	225	38	540.89	21
(3) Trans of Household Goods												
(a) Land & ITGBL	325	6,691.31	2,175	320	6,744.84	2,158	498	6,940.50	3,456	45	7,051.55	317
(b) Overseas												
(4) Dislocation Allowance	321	1,680.55	540	316	1,732.65	548	492	1,784.63	879	44	1,838.17	82
(5) Non-Temporary Storage			616			723			216			222
(6) Temporary Lodging Expense			175			205			61			63
Subtotal Officer Unit Travel			\$3,870			\$3,995			\$5,183			\$737
<u>Enlisted Unit Travel</u>												
(1) Member Travel	3,627	500.35	\$1,815	3,552	504.35	\$1,792	3,998	511.92	\$2,046	563	520.11	\$293
(2) Family Member Travel	2,278	351.66	801	2,231	354.47	791	2,510	359.79	903	354	365.55	129
(3) Trans of Household Goods												
(a) Land & ITGBL	3,627	3,753.71	13,615	3,552	3,783.74	13,440	3,998	3,893.30	15,563	563	3,955.59	2,227
(b) Overseas												
(4) Dislocation Allowance	2,475	1,003.70	2,484	2,424	1,034.81	2,508	2,728	1,065.86	2,908	384	1,097.83	422
(5) Trailer Allowance	52	2,124.98	110	51	2,141.98	109	57	2,174.11	124	8	2,208.90	18
(6) Non-Temporary Storage			221			254			98			109
(7) Temporary Lodging Expense			1,742			2,006			773			860
Subtotal Enlisted Unit Travel			\$20,788			\$20,900			\$22,415			\$4,058
Total Unit Travel			\$24,658			\$24,895			\$27,598			\$4,795
Unit Travel Moves												
Officer	325			320			498			45		
Enlisted	3,627			3,552			3,998			563		
Total Unit Travel Moves	3,952			3,872			4,496			608		

OTHER MILITARY PERSONNEL COSTS

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

6. Other Military Personnel Costs

FY 1999 Direct Program \$50,753

Increases:

Unemployment Compensation		3,698
- Increase based on Dept of Labor expanding list of acceptable reasons for separation	3,698	
Montgomery GI Bill		606
- Increase in monthly education payments approved by President Clinton	606	
Allowance for Quarters to Surviving Dependents		42
- Increase based on non-pay inflation factor	42	
Death Gratuities		36
- Increase based on non-pay inflation factor	36	
Interest on USSDP		20
- Increase based on non-pay inflation factor	20	

Total Increases 4,402

Decreases:

Survivor Benefits		-829
- Reduction based on revised estimates from the Board of Actuaries	-829	

Total Decreases -829

FY 2000 Direct Program \$54,326

**MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)**

6. Other Military Personnel Costs

FY 2000 Direct Program			\$54,326
<u>Increases:</u>			
Unemployment Compensation		622	
- Increase in benefit rates paid	622		
Montgomery GI Bill		79	
- Increase based on non-pay inflation factor	79		
Total Increases			701
<u>Decreases:</u>			
Survivors' Benefits		-223	
- Reflects decreases in estimate from the Board of Actuaries	-223		
Total Decreases			-223
FY 2001 Direct Program			\$54,804

(Amount in Thousands)

PROJECT: APPREHENSION OF AIR FORCE DESERTERS, ABSENTEES, AND ESCAPED MILITARY PRISONERS	FY 1998 Actual	\$100
	FY 1999 Estimate	\$100
	FY 2000 Estimate	\$100
	FY 2001 Estimate	\$100

PART I - PURPOSE AND SCOPE

The funds are for the expenses and delivery of military deserters, absentees, and escaped military prisoners, including the payment for travel of guards; payment of rewards or reimbursement of reasonable and actual expenses to persons or agencies apprehending and detaining or delivering absentees or deserters to military control.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on factors developed from current experience.

	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
Travel and Other Expenses Incident to the Apprehension and Delivery of Deserters, Absentees and Prisoners	\$100	\$100	\$100	\$100

(Amount in Thousands)

PROJECT: INTEREST ON UNIFORMED SERVICES SAVINGS DEPOSIT PROGRAM	FY 1998 Actual	\$575
	FY 1999 Estimate	\$575
	FY 2000 Estimate	\$595
	FY 2001 Estimate	\$595

PART I - PURPOSE AND SCOPE

The funds are for payment of interest (Int) at a rate not to exceed ten percent per annum on any sum of not less than \$5.00 deposited by members of the temporary duty uniformed services under the provisions of P.L. 8-538, approved August 14, 1966. During FY 1991, Title 10, United States Code, Section 1035, amended the law to permit service members on temporary duty assignment outside the United States in support of a contingency operation to deposit unallotted current pay and allowances into the savings program.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The funding required covers interest on the one remaining Vietnam account, and for those members in support of contingency operations.

	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	Avg Int			Avg Int			Avg Int			Avg Int		
	<u>Number</u>	<u>Payment</u>	<u>Amount</u>	<u>Number</u>	<u>Payment</u>	<u>Amount</u>	<u>Number</u>	<u>Payment</u>	<u>Amount</u>	<u>Number</u>	<u>Payment</u>	<u>Amount</u>
Officer	278	\$722.85	\$201	278	\$722.85	\$201	278	\$747.99	\$208	278	\$747.99	\$208
Enlisted	927	403.38	374	927	403.38	374	927	417.41	387	927	417.41	387
Total	1,205		\$575	1,205		\$575	1,205		\$595	1,205		\$595

(Amount in Thousands)

PROJECT: DEATH GRATUITIES

FY 1998 Actual	\$1,470
FY 1999 Estimate	\$1,470
FY 2000 Estimate	\$1,506
FY 2001 Estimate	\$1,506

PART I - PURPOSE AND SCOPE

Funds are for payments of death gratuities to beneficiaries of military personnel under the provisions of 10 U.S.C. 1475-78 as amended by the Bill H.R. 1281, dated March 22, 1991, which increased the payment of death gratuities from \$3,000 to \$6,000. There is a legislative initiative to restore tax exempt status to all \$6,000 of the death gratuity benefit in FY2000 and to protect any future increases in this benefit from taxation.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Funds required are based on historical mortality rates and the statutory gratuity amount. Computation details are:

	<u>FY 1998 Actual</u>			<u>FY 1999 Estimate</u>			<u>FY 2000 Estimate</u>			<u>FY 2001 Estimate</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Officer	69	\$6,000.00	\$414	69	\$6,000.00	\$414	71	\$6,000.00	\$424	71	\$6,000.00	\$424
Enlisted	176	6,000.00	1,056	176	6,000.00	1,056	180	6,000.00	1,082	180	6,000.00	1,082
Total	245		\$1,470	245		\$1,470	251		\$1,506	251		\$1,506

(Amount in Thousands)

PROJECT: UNEMPLOYMENT BENEFITS PAID TO EX-SERVICE MEMBERS	FY 1998 Actual	\$40,511
	FY 1999 Estimate	\$38,776
	FY 2000 Estimate	\$42,474
	FY 2001 Estimate	\$43,096

PART I - PURPOSE AND SCOPE

Funds are for payments of unemployment benefits to ex-service members who are discharged or released under honorable conditions as prescribed in Paragraph (1) of Section 8521 (a) of Title 5, United States Code. Generally, eligibility is defined as active service in the Armed Forces whereupon the individual was discharged under honorable conditions (and if an officer did not resign for the good of the service); and had completed his first full term of active service; or was discharged before completing his first term under an early release program, because of hardship, medical reasons, personality disorders or inaptitude (but only if the service was continuous for 365 days or more).

The Department of Defense is required to budget for the costs of regular and extended unemployment benefits. Funds appropriated for paying these benefits are deposited by DoD into a Treasury account entitled "Federal Employees Compensation Account." In FY 1991, passage of P.L. 102-164 changed benefits, starting in FY 1992, from thirteen weeks after a four week period to twenty-six weeks with a one week waiting period.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on Department of Labor and Department of Defense historical experience.

	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
Unemployment t Compensation	\$40,511	\$38,776	\$42,474	\$43,096

(Amount in Thousands)

PROJECT: SURVIVORS' BENEFITS

FY 1998 Actual	\$4,740
FY 1999 Estimate	\$4,442
FY 2000 Estimate	\$3,613
FY 2001 Estimate	\$3,390

PART I - PURPOSE AND SCOPE

Funds are requested to provide for payments of restored social security benefits to widows and orphans of deceased Air Force military personnel. These benefits were withdrawn under Public Law 97-35, which terminated the "mother's" benefits when the last child in custody of the surviving spouse reached age 16 rather than 18, and affected the "school child" by either eliminating benefit payments or by requiring a reduction in benefits. Section 156 of Public Law 97-377, as modified by Section 943, FY 1984 DoD Authorization Act (P.L. 98-94, 97 Stat, 614), restored these social security benefits to survivors of military members and directed the Department of Defense to budget for the requirement.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on factors furnished by the Veterans Administration plus inflation.

	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
Survivors' Benefits	\$4,740	\$4,442	\$3,613	\$3,390

(Amount in Thousands)

PROJECT: ADOPTION REIMBURSEMENT PROGRAM	FY 1998 Actual	\$800
	FY 1999 Estimate	\$800
	FY 2000 Estimate	\$800
	FY 2001 Estimate	\$800

PART I - PURPOSE AND SCOPE

The National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180), Section 638, instructed the Secretary of Defense to establish a program under which members of the Armed Forces may be reimbursed for qualifying child adoption expenses. The test program was extended indefinitely by the FY 1992 and 1993 National Defense Authorization Act (Section 651).

PART II - JUSTIFICATION OF FUNDS REQUESTED

Funds payments of adoption expenses incurred by active duty members in the adoption of a child under 18 years of age. Expenses include public and private agency fees, legal fees, medical expenses for the child, the biological mother, and the adopting parents, temporary foster care, transportation expenses, and other expenses approved by OSD (FM&P).

	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
Officer	\$499	\$499	\$499	\$499
Enlisted	301	301	301	301
Total	\$800	\$800	\$800	\$800

(Amount in Thousands)

PROJECT: MONTGOMERY GI BILL PROGRAM FOR INVOLUNTARY SEPARATIONS	FY 1998 Actual	\$5,193
	FY 1999 Estimate	\$4,040
	FY 2000 Estimate	\$4,646
	FY 2001 Estimate	\$4,725

PART I - PURPOSE AND SCOPE

Public Law 101-510 dated November 5, 1990 allows Service members who are involuntarily separated to enroll in the Montgomery GI Bill. The FY 1993 Defense Authorization Act allows members exercising the VSI/SSB options to convert from the Veterans Educational Assistance Program (VEAP) to the Montgomery GI Bill. Most military members who are receiving VSI/SSB entered the Service when VEAP was in effect. Beginning in July 1985, the All Volunteer Educational Assistance Program, known as VEAPI, terminated and no new enrollments were accepted.

The Services are now required to make additional contributions to the DoD Educational Benefits Fund. Payments into the fund for involuntary separatees were required beginning in Fiscal Year 1994 and payments to VSI/SSB recipients began in Fiscal Year 1995.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on projected payments into the Montgomery GI Bill.

	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
Officer	\$618	\$485	\$553	\$562
Enlisted	4,575	3,555	4,093	4,163
Total	\$5,193	\$4,040	\$4,646	\$4,725

(Amount in Thousands)

PROJECT: ALLOWANCE FOR QUARTERS TO SURVIVING DEPENDENTS	FY 1998 Actual	\$500
	FY 1999 Estimate	\$500
	FY 2000 Estimate	\$542
	FY 2001 Estimate	\$542

PART I - PURPOSE AND SCOPE

The provisions of Public Law 99-227, 12 December 1985, apply to dependents of a member who dies in the line of duty. Surviving dependents are paid the same amount of allowance for quarters that was payable to the member prior to death if the member's dependents: (a) are not occupying a housing facility under the jurisdiction of a uniformed service on the date of the member's death, (b) are occupying such housing on a rental basis on such date, or (c) vacate such housing sooner than 90 days after the date of the member's death. The payment terminates 90 days after the date of the member's death.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on factors developed from current experience.

	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
Officer	\$219	\$219	\$261	\$261
Enlisted	281	281	281	281
Total	\$500	\$500	\$542	\$542

(Amount in Thousands)

PROJECT: CIVILIAN COMMUNITY CORPS	FY 1998 Actual	\$50
	FY 1999 Estimate	\$50
	FY 2000 Estimate	\$50
	FY 2001 Estimate	\$50

PART I - PURPOSE AND SCOPE

The National and Community Act of 1990, subsection 162(a) (2) (C), requires the Department of Defense to reimburse the Corporation for National Service/Civilian Community Corps (CCC) for fifty percent of the supplemental salary for CCC cadre members who are receiving military retirement pay. The supplemental salary is the difference between the active duty pay and allowances the member would receive if ordered to active duty and the amount of the member's retired pay.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on estimates from the Corporation for National Service/Civilian Community Corps.

	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
Officer	\$50	\$50	\$50	\$50
Enlisted	0	0	0	0
Total	\$50	\$50	\$50	\$50

SECTION 5
SPECIAL ANALYSIS

DEPARTMENT OF THE AIR FORCE
MILITARY PERSONNEL ASSIGNED OUTSIDE THE DOD (END STRENGTH)

	FY 1998			FY 1999			FY 2000			FY 2001		
	Officer	Enlisted	Total									
Assigned Outside DoD:												
<u>Nonreimbursable Personnel</u>												
Exec Office of the President/White House	9	11	20	9	11	20	9	11	20	9	11	20
Office of National Drug & Control Policy	13	0	13	13	0	13	13	0	13	13	0	13
Vice President's Office	4	6	10	4	6	10	4	6	10	4	6	10
State Department	20	0	20	20	0	20	20	0	20	20	0	20
Energy Department	9	0	9	9	0	9	9	0	9	9	0	9
Department of Commerce	2	0	2	2	0	2	2	0	2	2	0	2
Department of Transportation	1	0	1	1	0	1	1	0	1	1	0	1
UN Truce Supervision Agency	1	0	1	1	0	1	1	0	1	1	0	1
Drug Enforcement Administration	2	9	11	2	9	11	2	9	11	2	9	11
US Customs Service	1	0	1	1	0	1	1	0	1	1	0	1
National Security Council	4	0	4	4	0	4	4	0	4	4	0	4
Central Intelligence Agency	6	3	9	6	3	9	6	3	9	6	3	9
Office of Science & Technology Policy	1	0	1	1	0	1	1	0	1	1	0	1
UN Iraq/Kuwait Observation Mission	2	0	2	2	0	2	2	0	2	2	0	2
United Nations, NY	4	0	4	4	0	4	4	0	4	4	0	4
US Military Observer Group, Washington	1	0	1	1	0	1	1	0	1	1	0	1
Subtotal - Nonreimbursable Personnel	80	29	109	80	29	109	80	29	109	80	29	109
<u>Reimbursable Personnel</u>												
American Battle Monuments Commission	1	0	1	1	0	1	1	0	1	1	0	1
Office of Science & Technology Policy	1	0	1	1	0	1	1	0	1	1	0	1
Central Intelligence Agency	9	2	11	9	2	11	9	2	11	9	2	11
Arms Control & Disarmament Agency	15	0	15	15	0	15	15	0	15	15	0	15
Department of Transportation	16	2	18	16	2	18	16	2	18	16	2	18
NASA	4	0	4	4	0	4	4	0	4	4	0	4
Subtotal - Reimbursable Personnel	46	4	50	46	4	50	46	4	50	46	4	50
Total Outside DoD	126	33	159	126	33	159	126	33	159	126	33	159

DEPARTMENT OF THE AIR FORCE
MILITARY PERSONNEL ASSIGNED OUTSIDE THE DOD (END STRENGTH)

<u>Assigned to DoD Activities in Support of Non-DoD Functions</u>	<u>FY 1998</u>			<u>FY 1999</u>			<u>FY 2000</u>			<u>FY 2001</u>		
	<u>Officer</u>	<u>Enlisted</u>	<u>Total</u>									
NASA	2	10	12	2	10	12	2	10	12	2	10	12
Foreign Military Sales	368	735	1,103	323	821	1,144	290	789	1,079	225	407	632
Subtotal Non-DoD Functions	370	745	1,115	325	831	1,156	292	799	1,091	227	417	644
<u>Assigned to DoD Activities in Support of DoD Functions</u>												
<u>Working Capital Fund (WCF)</u>												
Information Services Activity Group (ISAG)	247	806	1,053	225	703	928	220	740	960	217	736	953
HQ US Transportation Command (TRANSCOM)	95	45	140	94	32	126	91	34	125	91	34	125
Military Traffic Management Command (MTMC)	12	0	12	5	0	5	5	0	5	5	0	5
Defense Courier Service (DCS)	12	104	116	0	0	0	0	0	0	0	0	0
Defense Commissary Agency (DeCA)	1	1	2	1	1	2	1	1	2	1	1	2
Defense Finance & Accounting Service (DFAS)	42	864	906	38	764	802	38	664	702	31	564	595
Defense Information Systems Agency (DISA)	9	61	70	9	47	56	10	31	41	9	17	26
Defense Logistics Agency (DLA)	482	109	591	461	101	562	461	103	564	461	103	564
Depot Maintenance Activity Group (DMAG)	142	258	400	151	258	409	151	258	409	152	258	410
Joint Logistics Systems Center (JLSC)	6	3	9	0	0	0	0	0	0	0	0	0
Supply Management Activity Group (SMAG)	34	18	52	32	19	51	33	29	62	33	29	62
Subtotal - WCF	1,082	2,269	3,351	1,016	1,925	2,941	1,010	1,860	2,870	1,000	1,742	2,742
<u>Total Reimbursable Program</u>												
Total - Reimbursable	1,498	3,018	4,516	1,387	2,760	4,147	1,348	2,663	4,011	1,273	2,163	3,436
Total - Nonreimbursable	80	29	109	80	29	109	80	29	109	80	29	109
Grand Total	1,578	3,047	4,625	1,467	2,789	4,256	1,428	2,692	4,120	1,353	2,192	3,545

REIMBURSABLE PROGRAM
DEPARTMENT OF THE AIR FORCE
(Amount in Thousands)

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
<u>Subsistence</u>	\$34,785	\$26,050	\$26,032	\$26,032
<u>Non-Strength Related:</u>				
Medical	3,624	3,461	3,142	2,975
Other Non-Strength Training Cases	28,582	25,253	27,990	28,208
Subtotal	\$66,991	\$54,764	\$57,164	\$57,214
<u>Strength Related:</u>				
Officer - Basic Pay	\$53,626	\$47,714	\$52,908	\$50,366
- Other Pay and Allowances	6,586	5,965	6,955	5,265
Enlisted - Basic Pay	60,818	53,734	52,523	41,884
- Other Pay and Allowances	12,442	11,063	10,282	6,653
Retired Pay Accrual	34,905	30,637	31,418	27,214
PCS Travel	1,370	1,288	1,253	1,319
Subtotal	\$169,747	\$150,400	\$155,339	\$132,700
Total Program	\$236,738	\$205,164	\$212,503	\$189,915

COMBATING TERRORISM FUNDING SUMMARY
 AIR FORCE
 MILITARY PERSONNEL APPROPRIATION
 (Dollars in Millions)

SECURITY FORCES & TECHNICIANS

<u>BUDGET ACTIVITY</u>	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
1 - Pay and Allowances of Officers	55.9	57.1	58.4	59.7
2 - Pay and Allowances of Enlisted	649.2	667.5	695.5	706.0
4 - Subsistence of Enlisted Personnel	53.4	54.9	55.4	56.2
5 - Permanant Change of Station Travel	3.6	6.1	3.1	3.2
6 - Other Military Personnel Programs	41.9	2.8	3.0	3.0
TOTAL COMPONENT	804.0	788.4	815.4	828.1

SECURITY & INVESTIGATIVE MATTERS

<u>BUDGET ACTIVITY</u>	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
1 - Pay and Allowances of Officers	25.7	26.1	26.4	27.3
2 - Pay and Allowances of Enlisted	24.7	25.2	26.1	26.7
4 - Subsistence of Enlisted Personnel	2.0	2.1	2.1	2.1
5 - Permanant Change of Station Travel	0.2	0.3	0.2	0.2
6 - Other Military Personnel Programs	2.8	1.3	1.4	1.4
TOTAL COMPONENT	55.5	55.0	56.1	57.6

COMBATING TERRORISM FUNDING SUMMARY
 AIR FORCE
 MILITARY PERSONNEL APPROPRIATION

	FY 1998	FY 1999	FY 2000	FY 2001
SECURITY FORCES & TECHNICIANS	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
<u>Active Military End Strength (Total)</u>	20,914	21,050	21,089	20,977
Officers	709	712	710	704
Enlisted	20,205	20,338	20,379	20,273
 <u>Active Military Average Strength (Total)</u>	 20,914	 20,997	 21,080	 21,038
Officers	709	712	713	708
Enlisted	20,205	20,285	20,367	20,330
SECURITY & INVESTIGATIVE MATTERS	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
<u>Active Military End Strength (Total)</u>	1,096	1,085	1,085	1,098
Officers	326	322	322	326
Enlisted	770	763	763	772
 <u>Active Military Average Strength (Total)</u>	 1,096	 1,092	 1,085	 1,092
Officers	326	325	322	324
Enlisted	770	767	763	768