

DEPARTMENT OF THE AIR FORCE

Fiscal Year (FY) 2020 Budget Estimates Overseas Contingency Operations (OCO) Request



**MILITARY PERSONNEL APPROPRIATION
March 2019**

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MILITARY PERSONNEL OVERVIEW

The FY 2020 Overseas Contingency Operations Request provides funding to continue security stabilization efforts in Afghanistan and Iraq. Support to Operation Freedom's Sentinel (OFS) encompasses all actions to restore stability, support counter terrorism operations against the remnants of al Qaeda in Afghanistan. Support to Operation Inherent Resolve (OIR) focuses on the operations to eliminate the Islamic State of Iraq and Syria (ISIS). These efforts are in addition to ongoing daily military operations around the globe. In response to the attacks on the United States on September 11, 2001, the President invoked his authority (10 US Code 12302) to order to active duty Ready Reserve members and delegated his authority to the Secretary of Defense in Proclamation 7463 of September 14, 2001. This declaration of national emergency has been extended, thereby continuing the authority to order to active duty Ready Reserve members. In order to sustain current military operations, funding is requested to finance the incremental costs (i.e., pay, allowances, subsistence, and other personnel costs) for personnel mobilized for duty and for incremental Active Duty costs in support of OFS, OIR and EDI. The FY2020 Request includes \$1,029 million for the Air Force's military personnel costs as shown in the following tables:

Summary by Appropriation (Dollars in Thousands)

	FY 2018 Actuals	FY 2019 Estimate	FY 2020 OCO for Direct War	FY 2020 OCO for Enduring Requirements	FY 2020 OCO for Base Requirements	FY 2020 Total OCO Request
Military Personnel, Air Force	978,819	1,017,445	91,820	915,774	-	1,007,594
Reserve Personnel, Air Force	20,607	21,076	4,825	11,603	-	16,428
National Guard Personnel, Air Force	4,551	5,460	-	5,624	-	5,624
TOTAL MILITARY PERSONNEL	1,003,977	1,043,981	96,645	933,001	-	1,029,646

The Department's FY2020 Request is comprised of three funding requirements:

- OCO for Direct War Costs (\$96,645K): Direct War costs are those combat or direct combat support costs that will not continue once combat operations end at major contingency locations.
- OCO for Enduring Requirements (\$933,001K): OCO for Enduring Requirements are enduring in-theater and in-CONUS costs that will likely remain after combat operations cease, and have previously been funded in OCO.
- OCO for Base Requirements (\$0K): OCO for Base Requirements is OCO funding for base budget requirements in support of the National Defense Strategy. The Budget requests these funds in OCO to comply with the base budget defense caps included in the Budget Control Act of 2011.

MILITARY PERSONNEL OVERVIEW

Summary By Category

(Dollars in Thousands)

<u>FY 2018 Actuals</u>	<u>Active Air Force</u>	<u>Air Force Reserve</u>	<u>Air National Guard</u>	<u>Total</u>
Reserve and Guard Mobilization	813,581	-	-	813,581
AC Deployment Costs	31,740	-	-	31,740
Subsistence in Kind (SIK)	113,810	-	-	113,810
Casualty and Disability	7,888	-	-	7,888
Additional Mobilization and Deployment Costs	11,800	-	-	11,800
Pre- and Post-Mobilization Training	-	20,607	4,551	25,158
TOTAL	978,819	20,607	4,551	1,003,977

*Includes the EDI requirements (\$29.9 million)

MILITARY PERSONNEL OVERVIEW

(Dollars in Thousands)

<u>FY 2019 Estimate</u>	<u>Active Air Force</u>	<u>Air Force Reserve</u>	<u>Air National Guard</u>	<u>Total</u>
Reserve and Guard Mobilization	849,579	-	-	849,579
AC Deployment Costs	31,439	-	-	31,439
Subsistence in Kind (SIK)	116,347	-	-	116,347
Casualty and Disability	8,044	-	-	8,044
Additional Mobilization and Deployment Costs	12,036	-	-	12,036
Pre- and Post-Mobilization Training	-	21,076	5,460	26,536
TOTAL	1,017,445	21,076	5,460	1,043,981

*Includes the EDI requirements (\$48.9 million)

MILITARY PERSONNEL OVERVIEW

(Dollars in Thousands)

<u>FY 2020 Total Request</u>	<u>Active Air Force</u>	<u>Air Force Reserve</u>	<u>Air National Guard</u>	<u>Total</u>
Reserve and Guard Mobilization	840,670	-	-	840,670
AC Deployment Costs	29,981	-	-	29,981
Subsistence in Kind (SIK)	117,601	-	-	117,601
Casualty and Disability	7,689	-	-	7,689
Additional Mobilization and Deployment Costs	11,653	-	-	11,653
Pre- and Post-Mobilization Training	-	16,428	5,624	22,052
TOTAL	1,007,594	16,428	5,624	1,029,646

*Includes the EDI requirements (\$50.3 million)

The following table reflects mobilization and deployment assumptions. Mobilization numbers include personnel deployed to theater as well as personnel remaining in CONUS supporting Operation Freedom's Sentinel.

Average Strength

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Request</u>
Active Air Force	8,166	8,166	8,166
Air Force Reserve Mobilization	2,760	2,846	2,846
Air Force National Guard Mobilization	6,092	6,197	5,869
TOTAL	17,018	17,209	16,881

MILITARY PERSONNEL OVERVIEW

Reserve & Guard Mobilization/Deployment Costs

\$ 870.6 Million

- Basic military pay and entitlements (e.g., Basic Allowance for Housing (BAH), retired pay accrual and social security contributions, incentive pays, etc.) for Reserve and National Guard members on active duty to provide essential military operation support or backfill for those active personnel deployed overseas in support of OFS, OIR and EDI.
- Special Pays for Mobilized Reserve and National Guard Personnel and Deployed Active Personnel:
 - Imminent Danger Pay (IDP) (\$225 per month)
 - Family Separation Allowance (FSA) (\$250 per month)
 - Hardship Duty Location Pay (\$100 per month)
- Basic Allowance for Subsistence (BAS) for Reserve Component members in support of OFS, OIR and EDI.

Subsistence-in-Kind Costs

\$ 117.6 Million

- Funds requested provide Subsistence-in-Kind (SIK) (food and drink) for all Active and Reserve Component members in support of OFS, OIR and EDI

Casualty and Disability Benefits

\$ 7.7 Million

- Casualty Benefits pay for the following benefits associated with the death or traumatic injury of Service members:
 - Reimbursement to the Department of Veterans Affairs for Traumatic Injury Protection claims under the Servicemembers' Group Life Insurance (SGLI).
 - Funding is for SGLI/T-SGLI insurance premiums the Department of Defense pays on behalf of service members.
 - Funding is for Death Gratuities payments to survivors of members who die while on active duty.

Additional Mobilization Deployment Cost

\$ 11.7 Million

- Additional Mobilization/Deployment Benefits for unemployment benefits to ex-service members discharged or released under honorable conditions.

Pre- and Post-Mobilization Programs

\$ 22.1 Million

- Pre & Post Mobilization Training: Continuing overseas contingency operations have highlighted the need for additional funding to accelerate qualification and certification training for many assigned personnel who are not currently at authorized skill levels
- Yellow Ribbon Reintegration Program: Section 582 of the FY08 NDAA established a national combat veteran reintegration program for Guard and Reserve members and their families.

12304B: Selective Reserve: Order to Active Duty for Preplanned Missions in Support of CENTCOM (OCO)

Introduction: The National Defense Authorization Act (NDAA) 2012, by order of 10 U.S.C. (SS) 12304b, provides the authority for the Secretary of the Air Force to involuntary activate members of the Selective Reserves for not more than 365 consecutive days. In FY20, the Air Force plans to utilize 12304b in support of pre-planned CENTCOM operations funded by Overseas Contingency Operations (OCO) supplemental funding if 12302 (involuntary mobilization) authority is not available. Identified operations/missions are:

OEF Airlift (1757 MYs (548 Officer, 1,209 Enlisted) , ~\$216M)

Rapid Global Mobility provides US Central Command with inter-theater and intra-theater airlift to include cargo, airdrops, air refueling and Aeromedical airlift in support of contingency operations in Afghanistan and against ISIS. Activated Airmen will be placed on orders for a period no longer than 250 days.

OEF Combat Air Forces Aviation (758 MYs (90 Officer, 668 Enlisted), ~\$83M)

Provides direct warfighting support to OEF for Combat, Combat Search and Rescue/Personnel Recovery operations and Aerospace Control and Warning. Activated Airmen will be placed on orders for a period no longer than 250 days.

OEF Expeditionary Combat Support (4,658 MYs (867 Officer, 3,791 Enlisted), ~\$531M)

Provides direct support to OEF for combat units; includes security forces, personnel, civil engineering, transportation, logistics, and medical personnel for operating and maintaining OEF/OIR and OEF-HOA assets and bases. Activated Airmen will be placed on orders for a period no longer than 365 days.

AFSOC Special Operation Forces Support (167 MY (54 Officer, 113 Enlisted), ~\$20M)

Provides direct support to OEF for SOF units. Activated Airman will be placed on orders for a period no longer than 365 days.

RPA AND DCGS Support (942 MY (157 Officer, 785 Enlisted), ~\$106M)

Provides direct/indirect support to OEF/OIF. Activated Airman will be placed on orders for a period no longer than 365 days.

AIR FORCE M-1
FY 2020 Overseas Contingency Operations Request

	FY 2018	FY 2019	FY 2020
	Actuals	Estimate	Request
MILITARY PERSONNEL, AIR FORCE			
BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
BASIC PAY	122,588	126,008	127,838
RETIRED PAY ACCRUAL	27,705	31,124	31,197
BASIC ALLOWANCE FOR HOUSING	34,233	35,239	35,863
BASIC ALLOWANCE FOR SUBSISTENCE	3,777	3,907	3,919
SPECIAL PAYS	8,089	8,300	8,364
ALLOWANCES	4,653	4,723	4,788
SOCIAL SECURITY TAX	9,378	9,640	9,780
TOTAL BUDGET ACTIVITY 1	210,423	218,941	221,749
BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
BASIC PAY	318,727	329,743	326,053
RETIRED PAY ACCRUAL	72,032	81,447	79,557
BASIC ALLOWANCE FOR HOUSING	133,885	138,715	137,589
SPECIAL PAYS	32,114	32,404	28,895
ALLOWANCES	20,037	20,132	18,225
SOCIAL SECURITY TAX	24,383	25,225	24,943
TOTAL BUDGET ACTIVITY 2	601,178	627,666	615,262
BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
BASIC ALLOWANCE FOR SUBSISTENCE	33,720	34,411	33,640
SUBSISTENCE-IN-KIND	113,810	116,347	117,601
TOTAL BUDGET ACTIVITY 4	147,530	150,758	151,241
BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
UNEMPLOYMENT COMPENSATION	11,800	12,036	11,653
DEATH GRATUITIES	700	700	700
SGLI EXTRA HAZARD PAYMENTS	7,188	7,344	6,989
TRAUMATIC SGLI	-	-	-
TOTAL BUDGET ACTIVITY 6	19,688	20,080	19,342
TOTAL MILITARY PERSONNEL, AIR FORCE	978,819	1,017,445	1,007,594

AIR FORCE M-1
FY 2020 Overseas Contingency Operations Request

	FY 2018 Actuals	FY 2019 Estimate	FY 2020 Request
RESERVE PERSONNEL, AIR FORCE			
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
SPECIAL TRAINING (PRE/POST MOB TRAINING)	20,607	21,076	16,428
TOTAL RESERVE PERSONNEL, AIR FORCE	20,607	21,076	16,428
NATIONAL GUARD PERSONNEL, AIR FORCE			
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
SPECIAL TRAINING (PRE/POST MOB TRAINING)	4,551	5,460	5,624
TOTAL NATIONAL GUARD PERSONNEL, AIR FORCE	4,551	5,460	5,624
GRAND TOTAL AIR FORCE MILITARY PERSONNEL	1,003,977	1,043,981	1,029,646

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
MILITARY PERSONNEL - AIR FORCE
FY 2019**

(Amount in Thousands)

	<u>FY 2019</u> <u>PRESIDENT'S</u> <u>BUDGET</u>	<u>CONGRESSIONAL</u> <u>ACTIONS</u>	<u>APPROPRIATION</u>	<u>INTERNAL</u> <u>REALIGNMENT/</u> <u>REPROGRAMMING</u>	<u>SUBTOTAL</u>	<u>PROPOSED DD 1415</u> <u>ACTIONS¹</u>	<u>FY 2019 COLUMN</u> <u>FY 2020 PRES BUD</u>
<u>PAY AND ALLOWANCES OF OFFICERS</u>							
Basic Pay	109,903	0	109,903	1,691	111,594	14,414	126,008
Retired Pay Accrual	27,146	0	27,146	0	27,146	3,978	31,124
Special Pay	8,797	0	8,797	(497)	8,300	0	8,300
Allowance	5,917	0	5,917	(1,194)	4,723	0	4,723
Basic Allowance for Housing	34,021	0	34,021	0	34,021	1,218	35,239
Basic Allowance for Subsistence	3,741	0	3,741	0	3,741	166	3,907
Social Security Tax - Employer's Contribution	8,408	0	8,408	0	8,408	1,232	9,640
TOTAL OBLIGATIONS OFFICERS	197,933	0	197,933	0	197,933	21,008	218,941
<u>PAY AND ALLOWANCES OF ENLISTED</u>							
Basic Pay	307,674	0	307,674	9,585	317,259	12,484	329,743
Retired Pay Accrual	75,995	0	75,995	0	75,995	5,452	81,447
Basic Allowance for Housing	129,809	0	129,809	0	129,809	8,906	138,715
Special Pay	37,166	0	37,166	(4,762)	32,404	0	32,404
Allowance	24,955	0	24,955	(4,823)	20,132	0	20,132
Social Security Tax - Employer's Contribution	23,537	0	23,537	0	23,537	1,688	25,225
TOTAL OBLIGATIONS ENLISTED	599,136	0	599,136	0	599,136	28,530	627,666
<u>SUBSISTENCE OF ENLISTED PERSONNEL</u>							
Basic Allowance for Subsistence	32,575	0	32,575	1,836	34,411	0	34,411
Subsistence-In-Kind	118,489	0	118,489	(1,836)	116,653	(306)	116,347
TOTAL OBLIGATIONS SUBSISTENCE	151,064	0	151,064	0	151,064	(306)	150,758
<u>OTHER MILITARY PERSONNEL COSTS</u>							
SGLI/T-SGLI Insurance Premium	6,429	0	6,429	300	6,729	615	7,344
Death Gratuity (Combat Deaths)	1,000	0	1,000	(300)	700	0	700
Unemployment Benefits	8,946	0	8,946	0	8,946	3,090	12,036
TOTAL DIRECT OBLIGATIONS OTHER	16,375	0	16,375	0	16,375	3,705	20,080
TOTAL DIRECT OBLIGATIONS	964,508	0	964,508	0	964,508	52,937	1,017,445

¹ Projected shortfall to be funded by baseline asset.

ACTIVE AIR FORCE MILITARY PERSONNEL COSTS

RESERVE MOBILIZATION AND ACTIVE DEPLOYMENT COSTS

PAY AND ALLOWANCES OF OFFICERS

Appropriation: Military Personnel, Air Force
 Budget Activity 1: Pay and Allowances of Officers
 Budget Line Item: Basic Pay

FY 2020
 (\$ in Thousands)
 127,838

The funds requested provide for the monthly basic compensation for mobilized Air National Guard (ANG) and Air Force Reserve (AFR) officers.

Part II - Justification of Funds Requested

The request provides basic pay for mobilized Reserve and Guard officer personnel. Funding requirements include a basic pay increase of 2.6% in 2019, and 3.1% in 2020 effective January 1 of each year.

	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
<u>Total Incremental Costs</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Basic Pay (Reserve/Guard Mobilization)	1,239	98,941	122,588	1,280	98,444	126,008	1,261	101,379	127,838
Total			122,588			126,008			127,838

Appropriation: Military Personnel, Air Force
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Retired Pay Accrual

FY 2020
(\$ in Thousands)
31,197

The funds requested provide for Retired Pay Accrual payments to the Department of Defense's Military Retirement Fund, in accordance with 10 U.S.C 1466 for mobilized Reserve and Guard officer

Part II - Justification of Funds Requested

The budget estimates are derived as a product of: (a) The DoD Retirement Board of Actuaries approved part-time Normal Cost Percentages (NCP) of 24.7% of basic pay for 2019 and 24.4% for 2020 and (b) The total amount of the basic pay expected to be paid during the fiscal year.

<u>Total Incremental Costs</u>	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Retired Pay Accrual	1,239	22,361	<u>27,705</u>	1,280	24,316	<u>31,124</u>	1,261	24,740	<u>31,197</u>
Total			<u>27,705</u>			<u>31,124</u>			<u>31,197</u>

Appropriation: Military Personnel, Air Force
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Basic Allowance for Housing

FY 2020
(\$ in Thousands)
35,863

The funds requested provide Basic Allowance for Housing (BAH) for mobilized Reserve and Guard officer personnel in accordance with 37 U.S.C. 403.

Part II - Justification of Funds Requested

This program provides a cash allowance to those military personnel not provided with adequate government quarters. This allowance enables such personnel to obtain civilian housing as a substitute. The 2019 BAH increase is 2.9% effective 1 January 2019 and the 2020 BAH increase is 3.4% effective 1 January 2020.

	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Total Incremental Costs									
Basic Allowance for Housing	1,239	27,630	34,233	1,280	27,530	35,239	1,261	28,440	35,863
Total			34,233			35,239			35,863

FY 2020
 (\$ in Thousands)
 3,919

Appropriation: Military Personnel, Air Force
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Basic Allowance for Subsistence

The funds requested provide Basic Allowance for Subsistence (BAS) for mobilized Reserve and Guard officer personnel in accordance with 37 U.S.C. 402.

Part II - Justification of Funds Requested

All officers, regardless of dependency status and pay grade, are paid a monthly BAS at the same statutory rate. The rates are derived as a product of (a) the preceding year rate and (b) the percentage increase as determined by the Secretary of Agriculture. The FY 2019 BAS increase is 0.075% and FY 2020 BAS increase is 1.8%.

	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
<u>Total Incremental Costs</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Basic Allowance for Subsistence	1,239	3,048	3,777	1,280	3,053	3,907	1,261	3,108	3,919
Total			<u>3,777</u>			<u>3,907</u>			<u>3,919</u>

FY 2020

(\$ in Thousands)
13,152

Appropriation: Military Personnel, Air Force
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Special Pays and Allowance

The funds requested provide for payments to officers for the following special pays in support of Operation Freedom's Sentinel and Operation Inherent Resolve.

Family Separation Allowance (FSA): Paid at the rate of \$250 per month to members with dependents who are on duty away from home for a period of more than 30 continuous days in accordance with 37 U.S.C. 427.

Hostile Fire/Imminent Danger Pay (IDP): Paid to members who serve in designated areas subject to specific dangers. The FY 2005 NDAA Section 623 made the monthly rate of \$225 permanent. Members eligible for IDP are paid the full monthly rate of \$225 for any complete or partial month they served in a qualifying area. The FY 2012 NDAA modified IDP payments, limiting eligibility to only the actual days served in a qualifying area. Effective 1 January 2012, service members receive \$7.50 for each day they are on official duty in an IDP area up to the maximum monthly rate of \$225

Hardship Duty Pay (HDP): Paid at the rate of \$100 per month to personnel performing duty in a location that is designated by the Secretary of Defense as hardship duty in accordance with 37 U.S.C. 305.

Part II - Justification of Funds Requested

The projected average number of personnel is based on the total spaces where each type of pay is authorized to meet force structure requirements. Funding requirements are based on the estimated number of officers eligible for each type of payment and rate of payment. Summary cost computations provided in the following table:

	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
<u>Special Pay for Mobilized Guard & Reserve</u>									
Family Separation Allowance	703	3,000	2,110	727	3,000	2,181	731	3,000	2,192
Hostile Fire/Imminent Danger Pay	902	2,700	2,435	957	2,700	2,585	956	2,700	2,580
Hardship Duty Pay	920	1,200	1,104	983	1,200	1,180	1,006	1,200	1,208
Subtotal Mobilization Incremental Cost	2,525		5,649	2,668		5,946	2,693		5,980
<u>Special Pay for Deployed Active Personnel</u>									
Family Separation Allowance	847	3,000	2,543	847	3,000	2,542	865	3,000	2,596
Hostile Fire/Imminent Danger Pay	1,155	2,700	3,118	1,116	2,700	3,013	1,131	2,700	3,055
Hardship Duty Pay	1,193	1,200	1,432	1,268	1,200	1,522	1,268	1,200	1,521
Subtotal Deployed Active Incremental Cost	3,195		7,093	3,232		7,077	3,264		7,172
<u>Grand Total Special/Incentive Pays</u>									
Family Separation Allowance	1,550	3,000	4,653	1,574	3,000	4,723	1,596	3,000	4,788
Hostile Fire/Imminent Danger Pay	2,057	2,700	5,553	2,073	2,700	5,598	2,087	2,700	5,635
Hardship Duty Pay	2,113	1,200	2,536	2,251	1,200	2,702	2,274	1,200	2,729
Grand Total Incremental Cost	5,720		12,742	5,899		13,023	5,958		13,152

Appropriation: Military Personnel, Air Force
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Social Security Tax

FY 2020
(\$ in Thousands)
9,780

The funds requested provide the Air Force employer contribution for mobilized Reserve and Guard officer personnel as required by the provisions of 26 U.S.C. 3111 for (a) Old-age, Survivors, Disability Insurance and (b) Hospital Insurance.

Part II - Justification of Funds Requested

The Federal Insurance Contribution Act (FICA) tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percent. The Old-age, Survivor, and Disability Insurance (OASDI), or more commonly known as Social Security, rate of tax is 6.2 percent and the Hospital Insurance (HI), or commonly known as Medicare, rate of tax is 1.45 percent. The maximum amount of earnings per individual that tax is payable are:

<u>Calendar Year</u>	<u>OASDI Base</u>	<u>Medicare Base</u>
2018	\$128,400	No upper limit
2019	\$132,900	No upper limit
2020	\$137,100	No upper limit

<u>Total Incremental Costs</u>	<u>FY 2018 Actuals</u>			<u>FY 2019 Estimate</u>			<u>FY 2020 Request</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Social Security Tax	1,239	7,569	<u>9,378</u>	1,280	7,531	<u>9,640</u>	1,261	7,755	<u>9,780</u>
Total			<u>9,378</u>			<u>9,640</u>			<u>9,780</u>

PAY AND ALLOWANCES OF ENLISTED

Appropriation: Military Personnel, Air Force
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Basic Pay

FY 2020
(S in Thousands)
326,053

The funds requested provide for the monthly basic compensation for mobilized Air National Guard and Air Force Reserve enlisted personnel.

Part II - Justification of Funds Requested

The request provides basic pay for mobilized Reserve and Guard enlisted personnel. Funding requirements include a basic pay increase of 2.6% in 2019, and 3.1% in 2020 effective January 1 of each year.

Total Incremental Costs	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Basic Pay (Reserve/Guard Mobilization)	7,613	41,866	<u>318,727</u>	7,763	42,476	<u>329,743</u>	7,454	43,742	<u>326,053</u>
Total			318,727			329,743			326,053

Appropriation: Military Personnel, Air Force
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Retired Pay Accrual

FY 2020
(\$ in Thousands)
79,557

The funds requested provide for Retired Pay Accrual payments to the Department of Defense's Military Retirement Fund, in accordance with 10 U.S.C 1466 for mobilized Reserve and Guard enlisted personnel.

Part II - Justification of Funds Requested

The budget estimates are derived as a product of: (a) The DoD Retirement Board of Actuaries approved part-time Normal Cost Percentages (NCP) of 24.7% of basic pay for 2019 and 24.4% for 2020 and (b) The total amount of the basic pay expected to be paid during the fiscal year.

<u>Total Incremental Costs</u>	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Retired Pay Accrual	7,613	9,462	<u>72,032</u>	7,763	10,492	<u>81,447</u>	7,454	10,673	<u>79,557</u>
Total			<u>72,032</u>			<u>81,447</u>			<u>79,557</u>

Appropriation: Military Personnel, Air Force
 Budget Activity 2: Pay and Allowances of Enlisted
 Budget Line Item: Basic Allowance for Housing

FY 2020
 (\$ in Thousands)
 137,589

The funds requested provide Basic Allowance for Housing (BAH) for mobilized Reserve and Guard enlisted personnel in accordance with 37 U.S.C. 403.

Part II - Justification of Funds Requested

This program provides a cash allowance to those military personnel not provided with adequate government quarters. This allowance enables such personnel to obtain civilian housing as a substitute. The 2019 BAH increase is 2.9% effective 1 January 2019 and the 2020 BAH increase is 3.4% effective 1 January 2020.

<u>Total Incremental Costs</u>	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Basic Allowance for Housing	7,613	17,586	133,885	7,763	17,869	138,715	7,454	18,458	137,589
Total			133,885			138,715			137,589

Appropriation: Military Personnel, Air Force
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Special Pays and Allowance

FY 2020
(\$ in Thousands)
47,120

The funds requested provide for payments to officers for the following special pays in support of Operation Freedom's Sentinel and Operation Inherent Resolve.

Family Separation Allowance (FSA): Paid at the rate of \$250 per month to members with dependents who are on duty away from home for a period of more than 30 continuous days in accordance with 37 U.S.C. 427.

Hostile Fire/Imminent Danger Pay (IDP): Paid to members who serve in designated areas subject to specific dangers. The FY 2005 NDAA Section 623 made the monthly rate of \$225 permanent. Members eligible for IDP are paid the full monthly rate of \$225 for any complete or partial month they served in a qualifying area. The FY 2012 NDAA modified IDP payments, limiting eligibility to only the actual days served in a qualifying area. Effective 1 January 2012, service members receive \$7.50 for each day they are on official duty in an IDP area up to the maximum monthly rate of \$225.

Hardship Duty Pay (HDP): Paid at the rate of \$100 per month to personnel performing duty in a location that is designated by the Secretary of Defense as hardship duty in accordance with 37 U.S.C. 305.

Part II - Justification of Funds Requested

The projected average number of personnel is based on the total spaces where each type of pay is authorized to meet force structure requirements. Funding requirements are based on the estimated number of service members eligible for each type of payment and rate of payment. Summary cost computations provided in the following table:

	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
<u>Special Pay for Mobilized Guard & Reserve</u>									
Family Separation Allowance	3,559	3,000	10,677	3,608	3,000	10,825	3,205	3,000	9,616
Hostile Fire/Imminent Danger Pay	3,436	2,700	9,278	3,553	2,700	9,593	3,058	2,700	8,256
Hardship Duty Pay	6,291	1,200	7,549	6,463	1,200	7,756	5,367	1,200	6,440
Subtotal Mobilization Incremental Cost	13,286		27,504	13,625		28,175	11,630		24,312
<u>Special Pay for Deployed Active Personnel</u>									
Family Separation Allowance	3,120	3,000	9,360	3,102	3,000	9,307	2,870	3,000	8,609
Hostile Fire/Imminent Danger Pay	3,141	2,700	8,480	3,055	2,700	8,248	2,738	2,700	7,392
Hardship Duty Pay	5,673	1,200	6,807	5,673	1,200	6,807	5,673	1,200	6,807
Subtotal Deployed Active Incremental Cost	11,933		24,647	11,830		24,362	11,280		22,808
Grand Total Special/Incentive Pays									
Family Separation Allowance	6,679	3,000	20,037	6,711	3,000	20,132	6,075	3,000	18,225
Hostile Fire/Imminent Danger Pay	6,577	2,700	17,758	6,608	2,700	17,841	5,795	2,700	15,648
Hardship Duty Pay	11,963	1,200	14,356	12,136	1,200	14,563	11,040	1,200	13,247
Grand Total Incremental Cost	25,219		52,151	25,455		52,536	22,910		47,120

Appropriation: Military Personnel, Air Force
 Budget Activity 2: Pay and Allowances of Enlisted
 Budget Line Item: Social Security Tax

FY 2020
 (\$ in Thousands)
 24,943

The funds requested provide the Air Force employer contribution for mobilized Reserve and Guard enlisted personnel as required by the provisions of 26 U.S.C. 3111 for (a) Old-age, Survivors, Disability Insurance and (b) Hospital Insurance.

Part II - Justification of Funds Requested

The Federal Insurance Contribution Act (FICA) tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percent. The Old-age, Survivor, and Disability Insurance (OASDI), or more commonly known as Social Security, rate of tax is 6.20 percent and the Hospital Insurance (HI), or commonly known as Medicare, rate of tax is 1.45 percent. The maximum amount of earnings per individual that tax is payable are:

<u>Calendar Year</u>	<u>OASDI Base</u>	<u>Medicare Base</u>
2018	\$128,400	No upper limit
2019	\$132,900	No upper limit
2020	\$137,100	No upper limit

<u>Total Incremental Costs</u>	<u>FY 2018 Actuals</u>			<u>FY 2019 Estimate</u>			<u>FY 2020 Request</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Social Security Tax	7,613	3,203	24,383	7,763	3,249	25,225	7,454	3,346	24,943
Total			<u>24,383</u>			<u>25,225</u>			<u>24,943</u>

**BASIC ALLOWANCE FOR
SUBSISTENCE OF ENLISTED
PERSONNEL**

Appropriation: Military Personnel, Air Force
Budget Activity 4: Pay and Allowances of Enlisted
Budget Line Item: Basic Allowance for Subsistence / Subsistence-in-Kind

FY 2020

(\$ in Thousands)
151,241

The funds requested for this budget activity are for the payment of authorized Basic Allowances for Subsistence (BAS) and Subsistence-in-Kind (SIK) for mobilized Reserve and Guard enlisted personnel. Subsistence-in-Kind includes the cost of procuring subsistence for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Air Force provides subsistence in messing facilities and operational rations for members of all military services deployed in theater.

Part II - Justification of Funds Requested

Basic Allowance for Subsistence is paid to all enlisted members (except recruits and holdees) in accordance with 37 U.S.C 402. The rates are derived as a product of (a) the preceding year rate and (b) the percentage increase as determined by the Secretary of Agriculture. The FY 2019 BAS increase is 0.075% and FY 2020 BAS increase is 1.8%.

Subsistence-in-Kind is the cost of bulk subsistence for dining facilities operated in theater. This requirement is dependent on the number of personnel using the dining facilities and the cost of food. This is an additional cost above the BAS since members are authorized to continue receiving their BAS even though food is provided in theater. Operational Rations are rations used for field subsistence. Operational rations include the Meal-Ready-to Eat (MRE), Unitized Group Rations (UGR) that include "heat and serve" and A-ration varieties, and other operational rations served determine costs for operational rations.

Total Incremental Costs	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Basic Allowance for Subsistence	7,613	4,429	33,720	7,763	4,433	34,411	7,454	4,513	33,640
Subsistence-in-Kind	20,136	5,652	113,810	20,570	5,656	116,347	20,524	5,730	117,601
Total			147,530			150,758			151,241

OTHER MILITARY PERSONNEL COSTS

Appropriation: Military Personnel, Air Force
 Budget Activity 6: Other Military Personnel Costs
 Budget Line Item: Casualty and Disability

FY 2020
 (\$ in Thousands)
 7,689

The funds requested will provide for the incremental Servicemembers' Group Life Insurance (SGLI) for Air Force personnel in support of Operation Freedom's Sentinel, in accordance with the provisions of Title 38 U.S.C. 1965-1980A and Death Gratuity payments under the provisions of Title 10 U.S.C. 1475-91.

Part II - Justification of Funds Requested

SGLI: Cost estimates are provided by the Director of the Department of Veterans Affairs' Insurance Services. The VA notifies the Under Secretary of Defense (Comptroller) of the installments that will be required from the military services. Section 606 of the FY 2008 National Defense Authorization Act directs the Department to pay the full premium for coverage under SGLI program during service in Operation Freedom's Sentinel. The amount the Department pays increased from \$27 per month to \$29 per month due to the SGLI premium increase from \$26 to \$28 effective July 1, 2014.

Death Gratuity: Funds requirements are based on mortality rates, historical trends and the statutory gratuity amount. The rate was increased from \$12,420 to \$100,000 by the FY 2006 NDAA, P.L. 109-13.

<u>Total Incremental Costs</u>	<u>FY 2018 Actuals</u>			<u>FY 2019 Estimate</u>			<u>FY 2020 Request</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
SGLI	-	-	-	-	-	-	-	-	-
T-SGLI (Prospective)	-	-	-	-	-	-	-	-	-
SGLI/T-SGLI Insurance Premium	20,655	348	7,188	21,102	348	7,344	20,082	348	6,989
Death Gratuities	7	100,000	700	7	100,000	700	7	100,000	700
Total	20,662		7,888	21,109		8,044	20,089		7,689

Appropriation: Military Personnel, Air Force
Budget Activity 6: Other Military Personnel Costs
Budget Line Item: Unemployment Compensation

FY 2020
(\$ in Thousands)
11,653

Unemployment benefits are for payments to ex-Service members who are discharged or released under honorable conditions as prescribed in Title 5, United States Code, 8521 through 8525.

Part II - Justification of Funds Requested

The funds are for payments of unemployment benefits to eligible ex-active duty service members and demobilized Guard and Reserve personnel as prescribed in Section 8521(a), Paragraph 1 of Title 5, U.S.C. Generally, eligibility is defined as at least 365 days of continuous active service in the Armed Forces whereupon the individual is discharged under honorable conditions or demobilized. Active duty personnel must complete a first full-term of active service or be discharged before a first-term is completed under an early release program, because of hardship, for medical reasons, or for personality disorders or inaptitude. Additionally, eligibility is subject to numerous applicable state laws.

The Department of Labor is the Executive Agency, as administered by individual states, for the Federal Government's share of applicable unemployment compensation. Costs estimates are based on Department of Labor factors derived from projected economic assumptions and Department of Defense historical experience.

<u>Total Incremental Costs</u>	FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Unemployment Compensation			11,800			12,036			11,653
Total			11,800			12,036			11,653

AIR FORCE RESERVE MILITARY PERSONNEL COSTS

RESERVE PRE- AND POST- DEPLOYMENT MOBILIZATION TRAINING

Appropriation: Reserve Personnel, Air Force
 Budget Activity 1: Reserve Component Training and Support
 Budget Line Item: Special Training

FY 2020
 (\$ in Thousands)
 16,428

Funding in these programs support Pre and Post Mobilization Training and the Yellow Ribbon Reintegration Program (YRRP) for Reserve members returning from deployments.

Part II - Justification of Funds Requested

Pre and Post Mobilization Training (Special Training) The continuing overseas contingency operations have highlighted the need for additional funding to accelerate qualification and certification training for many assigned personnel who are not currently at authorized skill levels, reducing the availability of deployable personnel in critical skill sets such as Security Forces. Training will include On-The-Job skill and proficiency development and those formal schools necessary for individuals to achieve early readiness certification. This allows the Air Force Reserve to increase readiness levels and readily fill deployment requirements.

Yellow Ribbon Reintegration Program: The FY 2020 OCO Requests support the members' pay and allowance and travel costs for reintegration training through the pre and post deployment phases. The "strength" represents the total number of participants attending various events and administrating the YRRP. Section 582 of the FY 2008 National Defense Authorization Act directs the establishment of "a national combat veteran reintegration program to provide National Guard and Reserve members and their families with sufficient information, services, referral and proactive outreach opportunities through the entire deployment cycle." The pre-deployment phase (from first notification of mobilization until deployment of the mobilized unit) focuses on educating members, families and affected communities on combat deployment. The post-deployment phase (from arrival at home station until 365 days following demobilization) consists of 2 reintegration activities after unit demobilization. The focus is on reconnecting members and their families with the service providers (i.e. TRICARE, JAG, Department of Veterans Affairs, etc.) to ensure a clear understanding of the entitled benefits. In addition, combat stress, transition and how members and their families can address these issues is also integral to this post-deployment phase.

<u>Total Incremental Costs</u>		FY 2018 Actuals				FY 2019 Estimate				FY 2020 Request			
		Strength	Workdays	Rate	Amount	Strength	Workdays	Rate	Amount	Strength	Workdays	Rate	Amount
Special Training	Pre/Post Mobilization	1,287	-	6,090	7,838	1,399	-	6,289	8,796	747	-	6,459	4,825
Special Training	Yellow Ribbon - Training	3,039	24,312	317	7,706	2,836	22,688	329	7,461	2,615	20,920	338	7,067
Special Training	Yellow Ribbon - Travel	3,039	24,312	208	5,063	2,836	22,688	212	4,819	2,615	20,920	217	4,536
	Total				20,607				21,076				16,428

AIR GUARD MILITARY PERSONNEL COSTS

GUARD PRE- AND POST-DEPLOYMENT MOBILIZATION TRAINING

FY 2020
 (\$ in Thousands)
 5,624

Appropriation: National Guard Personnel, Air Force
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Special Training

Part I - Purpose and Scope

Funding in this program supports the Yellow Ribbon Reintegration Program for Air National Guard members returning from deployments.

Part II - Justification of Funds Requested

Yellow Ribbon Reintegration Program: The FY 2020 OCO Requests support the members’ pay and allowance and travel costs for reintegration training through the pre and post deployment phases. The “strength” represents the total number of participants attending various events. Due to smaller separated groups of Yellow Ribbon eligible service members, we are using a model similar to the AF Reserve to conduct a small number of regional events. The larger deployment groups will continue to execute within their states.

Section 582 of the FY 2008 National Defense Authorization Act directs the establishment of “a national combat veteran reintegration program to provide National Guard and Reserve members and their families with sufficient information, services, referral and proactive outreach opportunities through the entire deployment cycle.” The pre-deployment phase (from first notification of mobilization until deployment of the mobilized unit) focuses on educating Members, families and affected communities on combat deployment. The post-deployment phase (from arrival at home station until 180 days following demobilization) consists of reintegration activities at the 30-60-90 day interval after unit demobilization. The focus is on reconnecting members and their families with the service providers (i.e. TRICARE, JAG, Department of Veterans Affairs, etc.) to ensure a clear understanding of the entitled benefits. In addition, combat stress and transition and how members and their families can address these issues is also integral to this post-deployment phase.ost-deployment phase.

<u>Total Incremental Costs</u>		FY 2018 Actuals			FY 2019 Estimate			FY 2020 Request		
		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Special Training	Yellow Ribbon - Training									
	Officers	1,301	397	517	1,456	426	620	1,472	434	639
	Enlisted	14,366	212	3,049	15,489	236	3,658	15,531	243	3,768
	Yellow Ribbon - Travel									
	Officers	1,301	107	140	1,456	115	167	1,472	117	172
	Enlisted	14,366	59	845	15,489	65	1,014	15,531	67	1,045
	Total			4,551			5,460			5,624

