



Congressman

John M. McHugh

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CONTACT: Maureen Cragin

Ryan Vaart

(202) 225-2539

**OPENING STATEMENT OF THE
HONORABLE JOHN M. McHUGH
MWR PANEL MARKUP**

The purpose of today's meeting is to mark up the Morale, Welfare, and Recreation Panel's portion of H.R. 1401, the National Defense Authorization Bill for Fiscal Year 2000.

Before we discuss the mark, I want to thank the Panel's ranking Democrat, Marty Meehan of Massachusetts, for his support and help in crafting this legislation. Once again, all Panel members showed that they are keenly aware how MWR activities foster safe and wholesome on base recreational and shopping opportunities for troops and families. As always, the members of the Panel brought a multitude of good ideas to the table, and we were able to include almost all of them.

We on the Panel understand the central importance of a strong MWR presence on military bases. Our forces deployed around the world must have the peace of mind that their loved ones are secure on military bases back home...or, given today's situation, our soldiers and airmen deployed from bases in Germany and Italy to Bosnia, Macedonia, or the hostile air over Serbia must be comfortable that their families are well taken care of back "home" in Germany or Italy. From what I've seen from my perspectives as Chairman of the MWR Panel and as a member of the Military Construction Subcommittee, I'm not so sure that all Pentagon leaders share that strong commitment to the troops. In fact, we've seen far too many instances where an over emphasis on the bottom line has jeopardized MWR programs. As always, the Panel will step in to help where we can.

With that said, let me address a few highlights of the mark.

Last year, the Department announced with great fanfare a plan to return management and funding of the Defense Commissary Agency to the military services. We on the MWR Panel reviewed the plan, and found it defective. The management scheme was vague and disjointed, leaving too much discretion to the individual services over commissary funding and management. Despite clear guidance in law, DOD ignored our direction to fund DECA at DOD level, and the Department once again budgeted for commissaries in the military service budgets. In this mark, the Panel has moved the funding to the Defense Working Capital Funds, where it belongs, and expects the Department to follow the law in the future.

I remain concerned with the health of the MWR and resale system, particularly with the apparent lack of support we sometimes see from the Pentagon. In an attempt to begin the process of revitalizing the system, the chairman's mark also addresses the following:

- The military services consistently fail to achieve minimum levels of appropriated fund support for MWR programs, and we hear excuses year after year. The mark directs the Secretary of Defense to solve this issue.
- The Department continues to ask for BRAC authority, yet has not used the authority in law to establish combined exchange and commissary stores at BRACd bases. I suggest the Department use the authority it has now to ease the pain of base closings.
- The Defense Commissary Agency's surcharge fund for new store construction is broken, and we are offered solutions that are impractical and nibble around the edges. The commissaries could increase income by expanded product selection, but the Department has just contracted for the patron survey the Panel directed last year. The mark directs the Secretary to find a solution to DECA's chronic surcharge shortage and recommend changes for the Congress to consider.
- The exchanges need to expand their customer base to survive in today's competitive marketplace. The Panel asks the Secretary of Defense to consider extending exchange privileges to disabled veterans with a 30% or greater disability.

These and many other items are addressed in this mark. With these measures, I hope to start a meaningful dialogue with the Pentagon to mutually craft a plan that will ensure the health of the MWR system into the future. Without predicting any particular result, I am confident that some recommended changes will be unpopular. But I want to put everyone on notice—patrons, industry, and military leaders—that the MWR Panel is serious about its obligation to protect and preserve the MWR system and will consider all reasonable options to ensuring its survival.

Overall, I am pleased to offer this mark to our colleagues. I believe the provisions we have crafted go a long way towards accomplishing our objective of protecting and enhancing the benefit.

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