

# Servicemember Compensation

*Servicemember compensation is not competitive with the private sector, which undermines recruitment and retention for our All-Volunteer Force and makes it hard for many military families to make ends meet.*

## Problems Found:

- Servicemembers, especially junior enlisted servicemembers and servicemembers supporting large families, struggle to afford housing and feed their families.
- According to a 2023 RAND report, approximately 25% of servicemembers are food insecure.
- Military families, including current Members of Congress who recently served, described having to rely on food banks and federal welfare programs like SNAP and WIC to afford food for their families.
- Pay for junior enlisted servicemembers has failed to remain competitive with today's civilian labor market.
- Servicemembers stationed in Hawaii and overseas struggle with a much higher cost of living than those living in the continental U.S.
- Rental costs have increased by 20% in recent years, but housing allowances for servicemembers are not fully covering the cost, forcing military families to pay more of these costs out of their own pockets.
- The Government Accountability Office found that DoD miscalculated housing allowances in 40% of housing markets, unfairly reducing the allowance available to servicemembers.

## How it Happened:

- In 8 of the last 40 years, junior enlisted servicemembers received either a much smaller pay increase compared to more senior enlisted servicemembers, or no pay increase at all.
- Since 2020, basic pay has lagged inflation by nearly 4%.
- Since 2019, DoD has reduced the Basic Allowance for Housing (BAH) by 5%, forcing servicemembers to cover the reduction out of their own pocket.
- The formula DoD uses to set the Basic Allowance for Subsistence (BAS), which servicemembers rely on to offset the cost of food, does not consider the location of the servicemember, nor the number of dependents.
- The formula DoD uses to adjust the Cost of Living Allowance (COLA) for servicemembers stationed outside the continental U.S. does not take into account where servicemembers buy goods, nor the rapid fluctuations in overseas prices for energy and other goods.

## How to Fix It:

- Increase basic pay for junior enlisted servicemembers by 15%.
- Ensure the BAH covers 100% of the calculated rate for the military housing area (MHA) and reduce errors in BAH calculations.
- Reevaluate the current calculation for BAS to make BAS a realistic allowance for servicemember household subsistence.
- Make the Basic Needs Allowance (BNA) available to servicemembers with dependents with a gross household income less than 200% of federal poverty guidelines.
- Reevaluate how COLA is calculated and the threshold for payment of COLA to better help U.S. servicemembers cover the cost of living, especially when based outside the continental U.S.



# Support for Military Spouses

*Military spouses struggle to find and maintain employment, placing undue financial strain and stress on military families.*

## **Problems Found:**

- Nearly one in five military families cite challenges with spouse employment as a reason when considering leaving active-duty service.
- 22% of military spouses are unemployed, making it one of the highest unemployment demographics in the U.S.
- Data shows that when military families move to a new duty location it increases the odds of spouse unemployment.
- It can take up to seven months or more for spouses to secure new employment after a relocation.
- For decades, military spouses have faced challenges in transferring their professional licenses when they make a military-required move with their servicemember spouse. Transferring a professional license is both expensive and time consuming and can cause significant impacts on a family's income.
- Military spouses seeking employment can often find it challenging to find reliable and affordable childcare.

## **How it Happened:**

- Every two to four years, servicemembers are assigned new duty stations around the country and across the globe. Additionally, they are often deployed overseas for several months in support of U.S. military operations, requiring their spouses to handle all childcare responsibilities.
- Frequent and unpredictable moves, assignments to foreign countries or economically depressed areas, and extended deployments make it hard for military spouses to gain and retain full-time employment.

## **How to Fix It:**

- Permanently authorize the Military Spouse Career Accelerator Pilot which provides employment support to military spouses through a paid fellowship with employers across various industries.
- Permanently grant authority to DoD to make transferring professional licenses between states easier for military spouses.
- Review the Military Spouse Employment Partnership Program to make improvements.
- Expand eligibility for Department of Defense Child Development Programs – both on and off-installation – for unemployed military spouses who are actively seeking employment.



# Access to Childcare

*Military families struggle to gain access to reliable and affordable childcare due to the nationwide shortage of childcare workers.*

## **Problems Found:**

- Excessive wait times for both DoD provided on-installation childcare and fee assistance programs (income support for alternative childcare options) as well as childcare employee shortages have negatively impacted servicemember access to reliable and affordable childcare.
- Wait times for DoD Child Development Centers (CDCs) can reach six to seven months.
- Some servicemembers must wait several months to enroll in childcare fee assistance programs.
- Vacancy rates for childcare staff at DoD CDCs are excessively high, topping 23% for the Army, 20% for the Marine Corps, Air Force, and Space Force, and 11% for the Navy.

## **How it Happened:**

- A nationwide shortage of childcare workers and growing demand for care are negatively impacting DoD's ability to provide childcare for servicemembers.
- DoD compensation for childcare workers is often not competitive with private childcare workers in the same metropolitan area.
- The variation in implementation of childcare fee assistance programs across the services creates waitlists for military families in certain services.

## **How to Fix It:**

- Fully fund childcare fee assistance programs to eliminate fee assistance wait lists for eligible families.
- In order to recruit and retain DoD childcare personnel –
  - Amend the law to ensure pay for childcare staff at DoD childcare centers is competitive with private industry.
  - Implement additional benefits for childcare providers, including requiring all military services to provide free childcare to the first child of a childcare provider in a DoD Child Development Program and authorize the services to cover up to 100% of childcare fees for any additional children.





# Servicemember Housing

*The current state of military housing, especially unaccompanied housing, is unacceptable and threatens the health and safety of our servicemembers.*

## **Problems Found:**

- Current unaccompanied housing conditions present serious risks to the physical and mental health of servicemembers.
- At the request of Congress, the Government Accountability Office investigated and found that servicemembers in unaccompanied housing across the military are subjected to sewage overflows, methane gas leaks, mold, brown tap water, extreme temperatures, bedbugs, rodents, and cockroaches.
- Some facilities have broken windows and door locks, insufficient lighting, units occupied by unauthorized personnel, and no existing or working security cameras.
- Servicemembers in unaccompanied housing often lack access to affordable and reliable wireless internet, harming morale.
- Recent surveys indicate that 60% of servicemembers in unaccompanied housing are unsatisfied with their living conditions.

## **How it Happened:**

- Administration after administration has underfunded Facilities, Sustainment, Restoration and Modernization (FSRM) — the primary housing maintenance account — and have instead opted to use FSRM to fund other priorities.
- This failure to fully fund FSRM has left a nearly \$140 billion backlog in required maintenance across Department-owned infrastructure.
- DoD lacks proper financial management and provides poor transparency into where and how facilities funding is spent.
- Services suffer from shortages of personnel responsible for enforcing housing policies and maintaining housing facilities.

## **How to Fix It:**

- Require the President's budget to identify the cost to fully fund the FSRM account and reduce the backlog of required maintenance.
- Improve transparency and oversight of FSRM funds, including more Congressional oversight.
- Pursue public-private partnerships to build new and renovate existing unaccompanied housing.
- Require DoD to designate personnel responsible for the oversight of unaccompanied housing.
- Explore providing free wireless internet access to servicemembers in all unaccompanied housing facilities.





# Access to Healthcare

*DoD is failing to meet its commitment to maintain timely access to quality healthcare for our servicemembers and their families.*

## **Problems Found:**

- Delays in access to medical care for servicemembers and dependents has been cited as one of the top reasons for job dissatisfaction among servicemembers.
- DoD does not consistently meet access to care standards for urgent, routine, and specialty appointments at many Medical Treatment Facilities (MTFs).
- Lack of access is more acute as it relates to specialty care:
  - Surveys indicate that 40% of servicemembers and dependents waited as long as two months to see a specialist.
  - Urgent referrals to civilian behavioral healthcare providers have wait times an average of more than two to three weeks for the first appointment.
  - 35% of servicemembers live in areas with a shortage of behavioral healthcare providers.
  - 6% live in areas with no access to psychiatric care.
  - Over 2,200 behavioral health provider positions across the Military Health System (MHS) are currently unfilled.

## **How it Happened:**

- A nationwide shortage in medical care providers impacts the ability of DoD to recruit and retain providers, especially at military facilities in rural areas.
- Delays in TRICARE reimbursements act as a disincentive to participate in the MHS for many private healthcare providers.
- DoD currently evaluates access to care data aggregately and not by location or specialty. This makes it difficult to identify problems within a specific network or region and direct resources where they are needed.

## **How to Fix It:**

- Reevaluate the effectiveness of current access standards to meet the healthcare needs of servicemembers and their families.
- Require the Defense Health Agency (DHA) to submit a report on providing access to care data for all healthcare services available at each MTF with inpatient capabilities to have a better picture of where issues exist.
- Direct DHA to establish an access to care standard for beneficiaries who receive urgent referrals for specialty behavioral healthcare appointments.
- Expand access to specialty providers.
- Reevaluate hiring and retention authorities available for civilian medical providers.

