

Increase Food Access for Military Families

Resource - Frequently Asked Questions

The Feeding American network is advocating for Congress to establish a Military Family Basic Needs Allowance in the fiscal year 2021 National Defense Authorization Act. The following FAQs provides information about military compensation and how the policy can help.

Military Family Basic Needs Allowance

What is the Military Family Basic Needs Allowance (MFBNA)?

A. The Military Family Basic Needs Allowance (MFBNA) included in the House version of the fiscal year 2021 National Defense Authorization Act (NDAA) would provide a monthly allowance for service members whose income is less than 130% of the federal poverty level. The Military Family Basic Needs Allowance would need to be reauthorized yearly, as the NDAA establishes annual policy and spending priorities for the Pentagon.

How much would be provided by the MFBNA?

A. The amount of the allowance would be the difference between a service member's monthly gross income and the monthly income level at 130 percent of poverty guidelines for the location in the United States where the member lives and the size of the member's household.

How would eligibility and participation be determined?

A. The Department of Defense (DoD) would evaluate service members' income annually and notify candidates of their potential eligibility for the allowance by December 31 of each year. Candidates (those who received notification of potential eligibility and any other service members who want to apply) would have until January 31 to submit applications with any required documentation to demonstrate eligibility. DoD would review those applications and notify the applicants of DoD's final eligibility determination by February 28.

Does the calculation for the MFBNA include the Basic Allowance for Housing?

A. The basic allowance for housing would be excluded from the calculation of gross income. The Pentagon would determine what other compensation, such as the basic allowance for subsistence, hostile fire pay, or reenlistment bonuses, would be included in gross income to determine eligibility for the new allowance. CBO expects that, given the clear instruction to exclude the basic allowance for housing from gross income and the lack of guidance on what other compensation to exclude, DoD would choose a narrow definition of gross pay and only include basic pay.

How many activity duty service members would benefit from the creation of the MFBNA?

A. Based on data about service members' pay and family sizes, the Congressional Budget Office has estimated that approximately 10,200 service members would receive an average allowance of \$400 each month.

Once approved, how long would benefits last?

A. Recipients of the basic needs allowance would be awarded the benefit for a full year; monthly payments would start in April and end in March of the following year.

What is the projected cost of the MFBNA?

B. According to CBO, this allowance will cost \$175 million over the 2021-2024 period. Depending on how the Department of Defense defines gross income, the overall cost of the BNA will change. If a broader definition is used, then he cost would be lower as fewer service members would qualify. For example, if DoD included the basic allowance for subsistence in the gross income calculation, then CBO estimates the benefit would cost about \$50 million over that same period.

What is the legislative history of the Basic Needs Allowance?

A. Legislation has been introduced in multiple Congresses (<u>H.R. 3801</u>) in the 116th Congress) to establish a Military Family Basic Needs Allowance. Additionally, the provision has been included in the House version of the fiscal year 2020 and 2021 National Defense Authorization Act. The allowance was not included in the FY20 enacted legislation and is not included in the FY21 Senate version of the measure.

Basic Allowance for Subsistence

What is the Basic Allowance for Subsistence (BAS)?

A. The BAS is meant to offset the costs of a service member's meals and is not intended to offset the costs of meals for family members. Beginning in 2002, all service members receive the BAS, but must pay for all meals including those provided by the federal government. This monthly allowance is non-taxable, and the amount is not tied to paygrade or dependent status.

How is the BAS allotment calculated?

A. The BAS allotment level is linked to the price of food and is adjusted yearly based on the USDA food price index.

What are the 2020 BAS pay rates?

A. Officers: \$256.68/month Enlisted Members: \$372.71/month

Basic Allowance for Housing

What is the Basic Allowance for Housing (BAH)?

A. The BAH is a U.S. based allowance based on a service member's geographic duty location, pay grade, and dependency status. It provides uniformed service members equitable housing compensation based on housing costs in local civilian housing markets within the United States when government quarters are not provided. Members stationed internationally have a separate housing allowance.

How much compensation can a service member receive from the BAH?

A. This is determined based on geographic location and pay grade. <u>This</u> spreadsheet shows the average percentage rent and utilities provides to the total housing cost in each military housing area. The Department of Defense also provides a BAH calculator that determines BAH rate based on rank and zip code, <u>linked here</u>.

How is the Basic Allowance for Housing calculated for determining SNAP eligibility?

A. The eligibility calculation for SNAP benefits includes the BAH. Therefore, many service members living off-base are ineligible to receive SNAP. A permanent fix to exclude the BAH in eligibility calculations must be done through the reauthorization of the Farm Bill, which is reauthorized every five years, with the next reauthorization set for 2023.

Where can I find more information on the BAH?

A. The Department of Defense website has more information regarding how the BAH operates. For more information, see this <u>FAQ</u> and <u>primer</u> on their website.

Is the Military Family Basic Needs Allowance in addition to the BAS and BAH?

A. Yes, because the BAS only covers military members and not their household, it doesn't cover the full cost of food and other needs a service member's family may have. Because of the complexity of spouses finding a job due to the transitory nature of the military and occupational licensing- the lowest ranking military families still struggle to put food on their table.

General Military Compensation

How Are Military Personnel Compensated?

- A. There are three ways in which military personnel are compensated:
 - 1. *Cash compensation* includes basic pay, housing and subsistence allowances, enlistment bonuses, skill proficiency pay, and additional pay for particularly demanding or dangerous duty.
 - 2. *Noncash compensation* includes various benefits such as medical and dental care, government-provided housing, educational benefits, space-available travel on military aircraft, and access to commissaries, retail stores (exchanges), and childcare centers.
 - 3. *Deferred compensation* includes retired pay and retiree health care, and involvement in the Thrifty Savings Plan.

What is a Commissary?

A. A commissary is a subsidized grocery stores on military bases around the world. The Defense Commissary Agency estimates average savings of about 26 percent compared to commercial stores, however, the savings would be less if compared only to discount chains.

What is the Average Pay Compensation for Paygrades?

Pay Grade	Rank	Average Annual Basic Pay	Average Annual Housing Allowance	Average Annual Subsistence Allowance	Estimated Average Annual Federal Tax Advantage	Average Annual RMC
E-I	Private (Army and Marine Corps) Seaman Recruit (Navy) Airman Basic (Air Force)	\$19,910	\$15,249	\$4,473	\$2,719	\$42,350
E-5	Sergeant (Army and Marine Corps) Petty Officer Second Class (Navy) Staff Sergeant (Air Force)	\$37,157	\$21,111	\$4,473	\$5,108	\$67,848
E-8	Master Sergeant or First Sergeant (Army and Marine Corps) Senior Chief Petty Officer (Navy) Senior Master Sergeant or First Sergeant (Air Force)	\$66,273	\$25,912	\$4,473	\$4,501	\$101,159
0-1	Second Lieutenant (Army, Air Force and Marine Corps) Ensign (Navy)	\$40,711	\$19,238	\$3,080	\$4,526	\$67,555
O-4	Major (Army, Air Force and Marine Corps) Lieutenant Commander (Navy)	\$94,918	\$29,903	\$3,080	\$8,339	\$136,240
O-6	Colonel (Army, Air Force and Marine Corps) Captain (Navy)	\$139,441	\$34,107	\$3,080	\$10,617	\$187,244

Table 2. Average Regular Military Compensation for Selected Paygrades (2020 Data; assumes BAH and BAS instead of government quarters and meals)

Source: https://fas.org/sgp/crs/natsec/RL33446.pdf

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