

**MONDAY MORNING GROUP OF WESTERN RIVERSIDE COUNTY
ANNUAL ADVOCACY TRIP – WASHINGTON, DC
APRIL 25 – 27, 2023**

**ELIMINATE CUTS TO HOUSING COMPENSATION FOR GUARD AND RESERVE SERVICE
MEMBERS PERFORMING MISSIONS ON ACTIVE DUTY FOR 30 DAYS OR FEWER**

ISSUE: A significant discrepancy in compensation exists for members of both the National Guard and Reserve, who are put on full-time Active-Duty orders, but whose orders last for fewer than 30 days. For reasons that are unclear, when orders are fewer than 30 days a service member's housing compensation, their Basic Allowance for Housing (BAH), is cut upwards of 50% of normal. Further, this imbalance disproportionately affects enlisted service members in states with housing shortages and higher average housing costs, such as California. In fact, adjusted California housing allowance for these shorter-term operations is the third lowest in the nation (see chart below).

Guard and Reserve service members called to federal service in Active Duty in support of the same mission should be compensated at the same rate. Housing should not be dependent on length of duty. This shortcoming is not only perceived as being unfair to Reserve Component service members, but it also produces potential undue financial hardships since the BAH rate for these shorter-term operations is calculated based on the national average for housing costs and not the cost of where that service member lives, i.e., it does not change with location. Consequently, Guard and Reserve service members operating in California are particularly shortchanged for their housing. During the April 5, 2005, Senate Armed Services Committee hearing, the Military Coalition¹, a consortium of nationally prominent uniformed services and veteran's organizations, strongly advocated to eliminate this housing discrepancy. They argued that cutting housing for shorter term orders is an antiquated practice that is magnified by recent housing cost increases. It is important to remember that Reserve Component members put on orders, no matter how short, are not being paid their civilian salary. Thus, a cut to their normal BAH housing compensation represents a significant cut to their take home pay.

We respectfully request that practice of cutting a service member's housing allowance for Guard and Reserve missions that last fewer than 30 days be prohibited and replaced with the standard BAH level of housing compensation, prorated for the number of days the service member was on orders.

ACTION: We respectfully request that practice of cutting a service member's housing allowance for Guard and Reserve missions that last fewer than 30 days be prohibited and replaced with the standard BAH level of housing compensation, prorated for the number of days the service member was on orders.

BACKGROUND: Guardsmen and Reservists are required to fulfill frequent missions and training obligations for homeland operations, many of which last for 30 days or fewer. This increased operational tempo for shorter term orders, such as wildland firefighting support, has created stark financial hardships for service members and their families for one primary reason: housing cost compensation. Unfortunately, the absence of suitable housing compensation for these service members poses a serious headwind for readiness, recruitment, and retention of much needed personnel, especially at a time when operational requirements for the Reserve Components have also increased.

Specifically, the military provides service members with either military housing or a housing allowance, referred to as Basic Allowance for Housing, or BAH. Standard BAH rates are based on the Service member's geographic duty location, pay grade and dependency status (with dependents or without dependents). However, some BAH

¹Represent approximately 5.5 million current and former members of the seven uniformed services, plus their families and survivors from the following military and veterans' organizations: Air Force Association, Air Force Sergeants Association, Air Force Women Officers Associated, American Logistics Association, AMVETS (American Veterans), Army Aviation Association of America, Association of Military Surgeons of the United States, Association of the United States Army, Chief Warrant Officer and Warrant Officer Association, U.S. Coast Guard, Commissioned Officers Association of the U.S. Public Health Service, Inc., Enlisted Association of the National Guard of the United States, Fleet Reserve Association, Gold Star Wives of America, Inc., Jewish War Veterans of the United States of America, Marine Corps League, Marine Corps Reserve Association, Military Chaplains Association of the United States of America, Military Officers Association of America, Military Order of the Purple Heart, National Association for Uniformed Services, National Guard Association of the United States, National Military Family Association, National Order of Battlefield Commissions, Naval Enlisted Reserve Association, Naval Reserve Association, Navy League of the United States, Noncommissioned Officers Association, Reserve Officers Association, Society of Medical Consultants to the Armed Forces, The Retired Enlisted Association, United Armed Forces Association, United States Army Warrant Officers Association, United States Coast Guard Chief Petty Officers Association, Veterans of Foreign Wars of the United States, Veterans' Widows International Network

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rates are not tied to these parameters. In fact, there is a separate level of housing compensation for the Guard and Reserve on Active-Duty full-time orders but only when orders are fewer than 30 days. This is referred to as BAH Type II (it is also known as Basic Allowance for Housing – Reserve Component/Transient (BAH-RC/T), BAH Reserve, BAH Transit, and BAH Non-Locality). Unfortunately, the compensation levels are much lower (see chart below for housing compensation pay scale comparisons by rank).

This discrepancy in housing compensation is a relic of the old Strategic Reserve Component Pre9-11. Today’s Post-9-11 Guard and Reserve are an Operational Reserve Force with an increased operational tempo and equivalent readiness level. To this point, during a recent Senate Armed Services Committee hearing, Chairman of the Joint Chiefs General Mark Milley said of the Guard and Reserve, “The Army is dependent upon the National Guard and the U.S. Army Reserve to execute our wartime mission. It cannot be done without it.”

Despite an overall increase to BAH rates this year due to inflation, BAH Type II rates still fall dramatically short of the national average housing expenses. When comparing the 2023 BAH Type II rate to the standard 2023 BAH State-Wide average across the United States, National Guard and Reservists are often receiving less than half of the standard BAH rates (see chart).

Table 1: 2023 BAH Type II (BAH-RC/T) Chart (Non-Locality)

2023 Non-Locality BAH Rates					
Effective 1 January 2023					
Pay Grade	Partial	BAH RC/T*		Differential*	
		Without Dependents	With Dependents		
O-10	\$ 50.70	\$ 2,129.70	\$ 2,620.50	\$ 408.00	
O-9	\$ 50.70	\$ 2,129.70	\$ 2,620.50	\$ 408.00	
O-8	\$ 50.70	\$ 2,129.70	\$ 2,620.50	\$ 408.00	
O-7	\$ 50.70	\$ 2,129.70	\$ 2,620.50	\$ 408.00	
O-6	\$ 39.60	\$ 1,953.00	\$ 2,358.90	\$ 346.80	
O-5	\$ 33.00	\$ 1,880.70	\$ 2,273.70	\$ 335.10	
O-4	\$ 26.70	\$ 1,742.40	\$ 2,004.00	\$ 223.50	
O-3	\$ 22.20	\$ 1,397.40	\$ 1,658.10	\$ 223.20	
O-2	\$ 17.70	\$ 1,106.70	\$ 1,414.80	\$ 263.10	
O-1	\$ 13.20	\$ 950.40	\$ 1,266.60	\$ 284.40	
O3E	\$ 22.20	\$ 1,508.10	\$ 1,782.00	\$ 233.40	
O2E	\$ 17.70	\$ 1,282.50	\$ 1,608.30	\$ 279.30	
O1E	\$ 13.20	\$ 1,115.40	\$ 1,486.50	\$ 327.60	
W-5	\$ 25.20	\$ 1,771.20	\$ 1,935.30	\$ 139.50	
W-4	\$ 25.20	\$ 1,572.30	\$ 1,774.20	\$ 171.90	
W-3	\$ 20.70	\$ 1,322.10	\$ 1,626.30	\$ 258.90	
W-2	\$ 15.90	\$ 1,173.30	\$ 1,494.30	\$ 273.90	
W-1	\$ 13.80	\$ 984.00	\$ 1,293.60	\$ 265.20	
E-9	\$ 18.60	\$ 1,290.60	\$ 1,702.50	\$ 349.80	
E-8	\$ 15.30	\$ 1,186.50	\$ 1,570.20	\$ 327.90	
E-7	\$ 12.00	\$ 1,092.90	\$ 1,456.80	\$ 379.50	
E-6	\$ 9.90	\$ 1,010.10	\$ 1,346.40	\$ 367.20	
E-5	\$ 8.70	\$ 909.00	\$ 1,211.70	\$ 312.30	
E-4	\$ 8.10	\$ 790.50	\$ 1,053.00	\$ 269.70	
E-3	\$ 7.80	\$ 734.70	\$ 978.90	\$ 221.40	
E-2	\$ 7.20	\$ 700.80	\$ 933.30	\$ 295.80	
E-1	\$ 6.90	\$ 700.80	\$ 933.30	\$ 349.80	

*BAH RC/Transit rates are adjusted by the average change in housing costs; BAH-DIFF rates are adjusted by the amount of the basic pay raise. BAH Partial rates are constant.

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State	BAH State-Wide Average	BAH-Type II	Difference (Entitlement Loss)
West Virginia	\$1,501.50	\$1,211.70	\$289.80
Iowa	\$1,479.00	\$1,211.70	\$267.30
Indiana	\$1,478.25	\$1,211.70	\$266.55
Alabama	\$1,473.43	\$1,211.70	\$261.73
Montana	\$1,410.00	\$1,211.70	\$198.30
Louisiana	\$1,381.00	\$1,211.70	\$169.30
Missouri	\$1,358.14	\$1,211.70	\$146.44
Kentucky	\$1,356.50	\$1,211.70	\$144.80
North Dakota	\$1,335.75	\$1,211.70	\$124.05
Arkansas	\$1,319.00	\$1,211.70	\$107.30
Wyoming	\$1,314.00	\$1,211.70	\$102.30
Kansas	\$1,309.50	\$1,211.70	\$97.80
Mississippi	\$1,263.00	\$1,211.70	\$51.30
Oklahoma	\$1,205.40	\$1,211.70	-\$6.30

Table 3: 2022-2023 BAH and BAH Type II House Compensation Differences for Select State:

