**Largest Pay Raise in 2 Decades Part of Final Defense Authorization Bill**

***Updated with details on House passage 12/12/23.***

***By*** [***MOAA’s Government Relations Team***](https://www.moaa.org/content/about-moaa/meet-our-leaders/moaa-staff/advocacy-leaders/)

The final conference report on the FY 2024 National Defense Authorization Act (NDAA) includes the largest pay raise for servicemembers in two decades and addresses more than a dozen key MOAA priorities, including TRICARE improvements and increased support for military families.

 The [3,000-plus-page report](https://armedservices.house.gov/sites/republicans.armedservices.house.gov/files/FY24%20NDAA%20Conference%20Report%20-%20%20FINAL.pdf) was released late Dec. 6. The bill passed the Senate Dec. 13 by an 87-13 margin and passed the House 310-118 on Dec. 14, and now moves to the president’s desk [for signature](https://www.whitehouse.gov/wp-content/uploads/2023/12/SAP-NDAA-Conf-Report.pdf). The NDAA would authorize $886 billion for DoD and national security elements within the Department of Energy; for comparison, the FY 2023 NDAA authorized [$816.7 billion](https://www.defense.gov/News/News-Stories/Article/Article/3252968/biden-signs-national-defense-authorization-act-into-law/).

  The authorization still requires appropriated dollars from Congress, with deadlines of Jan. 19 and Feb. 2 approaching for the current “laddered” [continuing resolutions](https://www.moaa.org/content/publications-and-media/news-articles/2023-news-articles/advocacy/latest-continuing-resolution-would-move-budget-deadlines-into-2024/). Appropriations must pass to prevent the next government shutdown and fund the NDAA.

 **[TAKE ACTION:** [**Ask Your Lawmakers to Pass Appropriations on Time**](https://moaa.quorum.us/campaign/50794/)**]**

 MOAA’s focus on the NDAA is to protect the pay, benefits, and quality of life for servicemembers past and present, as well as their families and survivors. We engage Congress year-round to advocate for our community on the Hill and through our [Legislative Action Center](https://moaa.quorum.us/).

 Here’s a look at what’s in, and [what’s out](https://www.moaa.org/content/publications-and-media/news-articles/2023-news-articles/advocacy/largest-pay-raise-in-2-decades-part-of-final-defense-authorization-bill/#fight), of the final report in terms of MOAA priorities:

**TRICARE**

**Pharmacy network report:** Senate report language directs the Comptroller General to review the beneficiary impact of TRICARE pharmacy network cuts, including effects on rural families; compound medication access; long-term care residents; and patients with chronic conditions, including children with rare complex conditions as well as cancer patients. MOAA will leverage this information as part of ongoing efforts to reverse pharmacy network cuts.

 **Partial TRICARE fixes:** MOAA has long advocated for legislation to ensure TRICARE evolves with changing technologies, treatment protocols, and commercial plan benchmarks. We appreciate efforts to address some of these parity issues in the FY 2024 NDAA but strongly opposed excluding beneficiary segments, including non-DoD services (Coast Guard/U.S. Public Health Service/NOAA) and uniformed services retirees and their families, from TRICARE coverage updates. We appreciate Congress did not include partial benefit expansions in the final bill.

 To ensure TRICARE coverage is comprehensive and up to date for all beneficiaries, Congress must find a solution to the direct spending impacts associated with funding health care for a sliver of the beneficiary population – without cutting TRICARE or reducing other military benefits and resources as an offset. Allowing TRICARE coverage to continue to lag benchmarks not only betrays our nation’s obligation to those who have earned the benefit, but it also raises the risk that servicemembers, retirees, and their families – key influencers in the recruiting process – will be less likely to recommend military service to current and future generations.

**Pay and Allowances**

The NDAA includes a 5.2% [pay raise](https://www.moaa.org/content/publications-and-media/news-articles/2023-news-articles/advocacy/will-the-2025-military-raise-keep-pace-with-civilian-pay/) consistent with the Employment Cost Index (ECI). It’s the largest boost since a 6.9% increase in 2002.

 Other compensation-related NDAA measures tracked by MOAA include:

* **Family Separation Allowance (FSA) update:** The bill would allow the monthly FSA to increase from the current $250 up to $400, with recommendation on further increases included in each Quadrennial Review of Military Compensation (QRMC) for presidential consideration.
* **Improved CONUS COLA:** Servicemembers in areas of the continental U.S. with non-housing costs 5% higher than the national average would be eligible for a cost-of-living allowance – down from the current 8%.
* **Bonus authorization for junior members:** The bill would create a bonus system for E-6s and below for 2024 that the secretary of defense can use when “prevailing economic conditions may adversely affect an eligible member.” This would be awarded as a percentage of their pay.
* **BNA modification:** The bill authorizes service secretaries additional flexibilities in determining eligibility for the Basic Needs Allowance, which has yet to reach anywhere near the number of servicemembers who could benefit from the assistance.

**Guard and Reserve**

* **Incentive pay improvements:** The legislation would modify DoD’s certification requirement for full special and incentive (S&I) pay parity for reserve-component members – instead of reporting a blanket approval, each S&I pay will be evaluated individually.
* **Parental leave parity:** The NDAA would allow parental leave for the duration of up to 12 inactive-duty training periods during the one-year period following the birth, adoption, or long-term foster placement of a child.

 **Housing**

* **Improved BAH calculation:** The bill would remove Basic Allowance for Housing calculation requirements for servicemembers E-1 to E-4. These requirements adversely affect final BAH payments.
* **Housing working group:** The legislation would establish the Military Family Readiness Working Group for Military Housing, a group tasked with recommending ways to improve awareness and promotion of accurate and timely information about military housing, as well as accommodations available through the Exceptional Family Member Program (EFMP) and other support services. It would also be asked to find ways to enhance collaboration among policy makers and targeted beneficiaries.

 **Military Families**

* **Non-medical counseling services:** The bill would allow mental health professionals at any location to provide non-medical counseling services to military families anywhere in the U.S., including Washington, D.C., and U.S. territories.
* **Impact Aid increase:** The bill would provide $50 million in assistance to local educational agencies and $20 million for local educational agencies with higher concentrations of children with severe disabilities.
* **Improved surviving spouse benefits:** The bill would open commissary and exchange privileges to remarried surviving spouses.
* **Student loan deferment for dislocated military spouses:** The bill would allow military spouses who become unemployed as a result of a PCS move to defer federal student loan debt for an aggregate period of 180 days without interest accrual.
* **Better FMLA eligibility:** The bill would ensure veterans or retirees with at least 12 months of “honorable” active services who transfer to federal employment are covered under FMLA upon hiring.

 **The Fight Continues**

While the NDAA addresses many MOAA priorities, a number of long-held goals did not make the final version. Here’s a quick update on where those priorities stand as the year ends, and what you can do to urge your lawmakers to push further toward the finish line in 2024.

* [**Concurrent receipt for combat-injured veterans**](https://www.moaa.org/content/publications-and-media/news-articles/2023-news-articles/advocacy/star-act-not-part-of-ndaa-despite-vast-support-for-combat-injured-veterans/)**:** For two years in a row, two-thirds of Congress has supported the Major Richard Star Act ([H.R. 1282](https://www.congress.gov/bill/118th-congress/house-bill/1282/cosponsors?q=%7B%22search%22%3A%5B%22H.R.1282%22%5D%7D&s=1&r=1&overview=closed#tabs) | [S. 344](https://www.congress.gov/bill/118th-congress/senate-bill/344/cosponsors?q=%7B%22search%22%3A%5B%22S.344%22%5D%7D&s=5&r=1&overview=closed#tabs)). Even the new House speaker and the Senate majority leader, representing different parties, support the legislation, which would reverse an unjust offset requiring these combat-injured retirees to give up a dollar of DoD-earned retirement pay for every dollar of VA-provided disability benefits they receive. This level of support across Congress represents an opportunity for inclusion in the next NDAA as we approach a contentious election year.

 **[TAKE ACTION:**[**Ask Your Legislators to Support Combat-Injured Veterans**](https://moaa.quorum.us/campaign/43784/)**]**

* [**BAH restoration**](https://www.moaa.org/content/publications-and-media/news-articles/2023-news-articles/advocacy/senate-bill-supports-moaas-work-to-restore-full-basic-allowance-for-housing/)**:** The BAH Restoration Act ([H.R. 2537](https://www.congress.gov/bill/118th-congress/house-bill/2537?s=1&r=9) | [S. 1823](https://www.congress.gov/bill/118th-congress/senate-bill/1823?s=1&r=2)) would restore the housing allowance to cover 100% of housing costs (It was reduced to 95% in 2019 as a cost-saving measure). BAH cuts increased the burden on our servicemembers and families. In addition to continued high rates of military spouse unemployment, skyrocketing housing costs have outpaced BAH, leaving many military families struggling to make ends meet.
* [**Arlington eligibility**](https://moaa.quorum.us/campaign/43785/)**:**Although a report is expected in March on the “next Arlington National Cemetery,” growing support for [H.R. 1413, the Expanding America's National Cemetery Act](https://moaa.quorum.us/campaign/43785/), is still needed to ensure a long-term solution is included in the next NDAA to prevent an eligibility reduction.
* [**Dental care for reservists**](https://moaa.quorum.us/campaign/49659/) **(**[**H.R. 4220**](https://www.congress.gov/bill/118th-congress/house-bill/4220?q=%7B%22search%22%3A%5B%22H.R.+4220%22%5D%7D&s=1&r=4)**|** [**S. 2046**](https://www.congress.gov/bill/118th-congress/senate-bill/2046)**):** The dental health of Selected Reserve servicemembers is a readiness issue, and enhanced coverage would allow National Guard and Reserve members to maintain their dental readiness without incurring out-of-pocket costs. The Dental Care for Our Troops Act would establish zero out-of-pocket cost dental care for reserve component servicemembers – a timely initiative as the active component relies on the Guard and Reserve to keep pace with [deployment operational tempo](https://www.wdrb.com/news/kentucky-national-guard-deploys-300-soldiers-to-southeast-asia/article_5cf7105a-96fb-11ee-86f9-d79f12f000d4.html).
* [**‘180-Day Rule’**](https://moaa.quorum.us/campaign/45010/)**:**The Retain Skilled Veterans Act ([H.R. 939](https://www.congress.gov/bill/118th-congress/house-bill/939) | [S. 334](https://www.congress.gov/bill/118th-congress/senate-bill/334)) would repeal the mandatory six-month cooling-off period for servicemembers to apply for DoD civilian positions (GS-13 and below) and support DoD civilian talent management. Most servicemembers can’t wait six months to secure a job after retirement. The current rule is particularly frustrating not only for officers who want to continue to serve, but also for members of our skilled non-commissioned officer corps who have exceptional technical skills and the security clearances to go with them.

**Advocacy Matters!**

If you’ve yet to take action:

* Use MOAA’s [Legislative Action Center](https://moaa.quorum.us/), and please customize the pre-formatted messages with your personal story to add impact.
* Get the word out – you do not need to be a MOAA member to use the action center.
* Sick of email? Use MOAA’s toll-free hotline – 866-272-MOAA (6622) – to connect with your elected officials. Ask to speak with their military legislative assistant or legislative director, and schedule a follow-up call if they are not available. These congressional staffers need to hear your voice as a constituent.

 Follow the latest on the NDAA and other key MOAA legislative priorities at [MOAA’s Advocacy News page](https://bit.ly/2T3oYkz).