

DEPARTMENT OF THE NAVY
FY 1999 AMENDED BUDGET ESTIMATES



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JUSTIFICATION OF ESTIMATES
FEBRUARY 1998

MILITARY PERSONNEL, NAVY

JUSTIFICATION OF ESTIMATES
FOR FISCAL YEAR 1999
MILITARY PERSONNEL, NAVY

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SECTION 1
SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM
(IN THOUSANDS OF DOLLARS)

TITLE	FY 1997	FY 1998	FY 1999

DIRECT PROGRAM			

PAY AND ALLOWANCES OF OFFICERS	\$4,321,838	\$4,292,873	\$4,331,786
PAY AND ALLOWANCES OF ENLISTED	11,206,475	10,874,917	10,718,631
PAY AND ALLOWANCES OF MIDSHIPMEN	36,211	35,752	35,947
SUBSISTENCE OF ENLISTED PERSONNEL	744,888	753,665	743,158
PERMANENT CHANGE OF STATION TRAVEL	618,042	651,249	625,237
OTHER MILITARY PERSONNEL COSTS	104,168	104,700	158,294
	-----	-----	-----
TOTAL DIRECT PROGRAM	17,031,622	16,713,156	16,613,053
REIMBURSABLE PROGRAM			

PAY AND ALLOWANCES OF OFFICERS	125,561	123,185	115,240
PAY AND ALLOWANCES OF ENLISTED	105,465	88,737	82,751
SUBSISTENCE OF ENLISTED PERSONNEL	47,037	48,280	52,416
PERMANENT CHANGE OF STATION TRAVEL	3,575	3,500	3,500
	-----	-----	-----
TOTAL REIMBURSABLE PROGRAM	281,638	263,702	253,907
TOTAL PROGRAM			

PAY AND ALLOWANCES OF OFFICERS	4,447,399	4,416,058	4,447,026
PAY AND ALLOWANCES OF ENLISTED	11,311,940	10,963,654	10,801,382
PAY AND ALLOWANCES OF MIDSHIPMEN	36,211	35,752	35,947
SUBSISTENCE OF ENLISTED PERSONNEL	791,925	801,945	795,574
PERMANENT CHANGE OF STATION TRAVEL	621,617	654,749	628,737
OTHER MILITARY PERSONNEL COSTS	104,168	104,700	158,294
	-----	-----	-----
TOTAL OBLIGATIONS	\$17,313,260	\$16,976,858	\$16,866,960

THE FOLLOWING LEGISLATIVE PROPOSAL IS INCLUDED IN THE ABOVE ESTIMATES AND SUBMITTED FOR APPROVAL IN FY 1999:

HAZARDOUS DUTY INCENTIVE PAY FOR FIREFIGHTERS (BA 2)

FY 1999

\$200

SECTION 2
MILITARY PERSONNEL, NAVY
INTRODUCTION

THE MILITARY PERSONNEL, NAVY (MPN) APPROPRIATION PROVIDES RESOURCES NECESSARY TO COMPENSATE ACTIVE DUTY MILITARY PERSONNEL REQUIRED TO MAN APPROVED FORCE STRUCTURE AND SUPPORT INFRASTRUCTURE, INCLUDING THOSE OFFICER AND ENLISTED PERSONNEL WITHIN THE INDIVIDUALS ACCOUNT: STUDENTS, TRAINEES, PATIENTS, PRISONERS, HOLDEES, AND MIDSHIPMEN. THE MPN MANPOWER PROGRAM DOES NOT INCLUDE RESERVE PERSONNEL, NAVY (RPN) DATA. THE NAVY'S PRIMARY FOCUS, AS WE EVOLVE INTO A SMALLER FORCE, CONTINUES TO BE PERSONNEL READINESS AND QUALITY OF LIFE. THE FY 1999 BUDGET INCLUDES FUNDING FOR THE ANNUALIZATION OF THE 2.8% FY 1998 PAY RAISE, AND A 3.1% FY 1999 PAY RAISE. OUR MAJOR OBJECTIVES INCLUDE:

- MAXIMUM READINESS THROUGH SELECTIVE RETENTION OF QUALIFIED AND EXPERIENCED PERSONNEL.
- IMPROVED QUALITY AND MIX OF PERSONNEL WITH THE REQUISITE TECHNICAL KNOWLEDGE AND EXPERIENCE LEVEL TO SUSTAIN STATE-OF-THE-ART WEAPONS AND EQUIPMENT THROUGH THE TURN OF THE CENTURY.
- IMPROVED QUALITY OF LIFE BY:
 - PROVIDING MEANINGFUL AND CHALLENGING ASSIGNMENTS
 - MAINTAINING REWARDING CAREER PATHS AND ADEQUATE ADVANCEMENT OPPORTUNITIES
 - ATTAINING EQUITABLE SEA/SHORE DUTY ASSIGNMENT ROTATIONS FOR ALL RATINGS
 - REINFORCING THE NAVY'S COMMITMENT TO PERSONNEL AND THEIR FAMILIES, BY MAINTAINING ADEQUATE COMPENSATION AND MEMBER/FAMILY SUPPORT FACILITIES (MEDICAL, CHILD CARE, HOUSING, ETC.)
- MAXIMUM CAREER OPPORTUNITIES FOR ALL SAILORS INCLUDING WOMEN AND MINORITIES WITHIN THE CONSTRAINTS OF THE LAW.

FUNDING REQUESTED IN THE FY 1999 PRESIDENT'S BUDGET SUBMISSION SUPPORTS AN END STRENGTH OF 386,894 IN FY 1998, AND 372,696 IN FY 1999. END STRENGTH REDUCTIONS OF 8,670 AND 14,198 WILL BE REALIZED IN FY 1998 AND FY 1999 RESPECTIVELY.

ONE OF OUR HIGHEST PRIORITIES IS TO ENSURE ADEQUATE FUNDING IS AVAILABLE TO SUPPORT OUR MILITARY FORCE. WE RECOGNIZE HOW PROPER FUNDING IS IMPERATIVE FOR MAINTAINING QUALITY, QUANTITY AND READINESS LEVELS. SINCE THE FY 1998 PRESIDENT'S BUDGET SUBMISSION, WE HAVE RE-EVALUATED THE EFFECTIVENESS AND THE SAILOR'S RESPONSIVENESS TO OUR VARIOUS PAY INCENTIVES. WE ALSO REASSESSED THE IMPACT OF DEMOGRAPHICS AND TURBULENCE CAUSED BY FURTHER DOWNSIZING OF OUR PROGRAMS. WE USED THE QUADRENNIAL REVIEW AS AN OPPORTUNITY TO PERFORM A "BOTTOM-UP" ASSESSMENT OF OUR MANPOWER REQUIREMENTS AND THE FUNDING NECESSARY TO SUPPORT THESE NEEDS. AS A RESULT OF OUR ASSESSMENT, WE DEVELOPED A "BASE-LINE" BUDGET THAT WOULD ALLOW THE NAVY TO ACHIEVE THE DOWNSIZING REQUIRED BY THE QUADRENNIAL DEFENSE REVIEW IN AN EQUITABLE MANNER WITHOUT COMPROMISING READINESS - SMOOTHING OUT THE END STRENGTH PROFILES BETWEEN FY 1998 AND FY 2003. TO BRIDGE THE GAP BETWEEN FY 1997 AND FY 1999 AND TO REFLECT THE CHANGING RESPONSIVENESS TO PAY INCENTIVES, DEMOGRAPHICS, TURBULENCE IN PROGRAMS, THIS BUDGET INCLUDES REPROGRAMMING FOR BOTH PAY AND ALLOWANCES AND THE PERMANENT CHANGE IN STATION PROGRAM IN FY 1998.

FY 1998 BATTLE FORCE SHIPS SHOW A NET REDUCTION OF 21 SHIPS. FY 1998 GAINS INCLUDE 1 NUCLEAR AIRCRAFT CARRIER (CVN), 1 FAST COMBAT SUPPORT SHIP (AOE), 3 ARLEIGH BURKE DESTROYERS (DDG), 1 AMPHIBIOUS ASSAULT SHIP (LHD), 1 DOCK LANDING SHIP (LSD), AND 2 MILITARY SEALIFT COMMAND AMMUNITION SHIPS (T-AE). FY 1998 REDUCTIONS INCLUDE 1 AIRCRAFT CARRIER (CV), 4 FRIGATES (FFG), 2 AMMUNITION SHIPS (AE), 2 AMPHIBIOUS ASSAULT SHIPS (LPH), 7 DESTROYERS (DD), 2 GUIDED MISSILE DESTROYERS (DDG), 1 NUCLEAR CRUISER (CGN), 1 DOCK LANDING SHIP (LSD), 2 MILITARY SEALIFT COMMAND STORES SHIPS (T-AFS), AND 8 NUCLEAR ATTACK SUBMARINES (SSN). FY 1999 CHANGES INCLUDE A NET REDUCTION OF 18 SHIPS. GAINS INCLUDE 4 ARLEIGH BURKE DESTROYERS (DDG), 1 SEAWOLF ATTACK SUBMARINE (SSN-22), 1 OCEAN SURVEILLANCE SHIP (T-AGOS), AND 1 MILITARY SEALIFT COMMAND OILER (T-AO). LOSSES INCLUDE 1 FRIGATE (FFG), 2 NUCLEAR CRUISERS (CGN), 2 GUIDED MISSILE DESTROYERS (DDG), 9 NUCLEAR ATTACK SUBMARINES (SSN), 1 AMMUNITION SHIP (AE), 1 DOCK LANDING SHIP (LSD), 5 OILERS (AOI), 2 MILITARY SEALIFT OCEAN GOING TUGS (T-ATF), AND 2 SUBMARINE TENDERS (AS). IN FY 1998, THE NAVY WILL MAINTAIN 10 ACTIVE AND 1 RESERVE AIR WING, ONE (1) TACTICAL ELECTRONIC WARFARE SQUADRON (VAQ) WILL BE COMMISSIONED. IN FY 1999, THE NAVY WILL DECOMMISSION THE VXE-6 ANTARCTIC SUPPORT SQUADRON.

IN FY 1998 OFFICER END STRENGTH REDUCTIONS WILL BE ACCOMPLISHED THROUGH NATURAL ATTRITION, SELECTIVE EARLY RETIREMENT, AND REDUCED ACCESSIONS. IN FY 1999, FORCE REDUCTIONS WILL BE ACCOMPLISHED THROUGH NATURAL ATTRITION, SELECTIVE EARLY RETIREMENT, AND AN FY 1999 TERA OFFERING FOR 410 ELIGIBLE PERSONNEL. ENLISTED FORCE REDUCTIONS IN FY 1998 AND FY 1999 WILL BE ACCOMPLISHED THROUGH ACCESSION CUTS, NATURAL ATTRITION, END OF ACTIVE OBLIGATED SERVICE (EAOS) LOSSES, AS WELL AS REGULAR CAREER AND EARLY RETIREMENTS (TERA).

ENLISTED ACCESSION PLANS ARE DEVELOPED TO ENSURE THERE ARE ENOUGH RECRUITS TO FILL BEHIND PROJECTED VACANCIES AND MEET THE ESTABLISHED END STRENGTH. AUTHORIZED ENLISTED FORCE SHAPING TOOLS FOR FY 1998 AND FY 1999 INCLUDE, BUT ARE NOT LIMITED TO, A TERA PROGRAM, AND AN ENLISTED CONTINUATION BOARD.

A TEMPORARY EARLY RETIREMENT AUTHORITY (TERA) PROGRAM OFFERS SERVICE MEMBERS BETWEEN 15 AND 20 YEARS OF SERVICE THE OPPORTUNITY TO REQUEST EARLY RETIREMENT. RETIREMENT BENEFITS ARE PROPORTIONATE TO YEARS OF SERVICE AT TIME OF SEPARATION. THE FY 1998 AND FY 1999 ENLISTED PLANS INCORPORATE TERA PROGRAMS OF 980 AND 2,000 PERSONNEL RESPECTIVELY.

A CONTINUATION BOARD IS DIRECTED TOWARD INDIVIDUALS WITH SERVICE IN EXCESS OF 20 YEARS. THE BOARD EVALUATES RETIREMENT ELIGIBLE PERSONNEL FOR CONTINUED ACTIVE DUTY SERVICE. THE POSSIBLE USE OF A FY 1999 CONTINUATION BOARD WILL BE CONTINGENT UPON FY 1998 EXECUTION AND FY 1999 FORCE REDUCTIONS.

THE ENLISTMENT BONUS (EB) AND NAVY COLLEGE FUND (NCF) ARE THE NAVY'S MOST EFFECTIVE TOOL IN ATTRACTING HIGH QUALITY PEOPLE INTO THE NAVY'S MOST TECHNICAL AND CRITICAL FIELDS. ADDITIONALLY, EB IS A KEY COMPONENT IN THE LEVEL LOADING OF ACCESSIONS TO MEET THE CONSTRAINTS OF THE SINGLE RECRUIT TRAINING COMMAND (RTC) AND TRAINING PIPELINE CAPACITY. EB HAS THE FLEXIBILITY TO MEET THESE OBJECTIVES BY TARGETING CERTAIN SKILLS AND MANAGING THE DELAYED ENTRY PROGRAM (DEP).

THE SELECTIVE REENLISTMENT BONUS (SRB) REMAINS THE MOST COST EFFECTIVE METHOD OF RETAINING TOP NOTCH, TECHNICALLY TRAINED PERSONNEL IN CRITICALLY MANNED, HIGHLY TECHNICAL SKILLS THUS PRODUCING AN ENLISTED FORCE ABLE TO MEET THE MISSION REQUIREMENTS OF THE FUTURE. MANY OF THESE SKILLS, SUCH AS NUCLEAR PROPULSION TECHNICIAN, MEDICAL TECHNICIAN SPECIALISTS, COMPUTER SPECIALISTS, AND FOREIGN LANGUAGE SPECIALISTS ARE IN GREAT DEMAND IN THE CIVILIAN SECTOR. THEREFORE, ADEQUATE REENLISTMENT INCENTIVES ARE REQUIRED TO COUNTER THE POTENTIAL LOSS OF THIS TALENT AND EXPERIENCE.

CONGRESS APPROVED IN THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THE PAYMENT OF A BASIC ALLOWANCE FOR HOUSING (BAH) TO SERVICE MEMBERS. THE BAH COMBINES HOUSING PAYMENTS FORMERLY PROVIDED BY BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA).

AS REQUIRED BY THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993, ONGOING MANAGEMENT ACTION IS IN PROGRESS TO REDUCE PERSONNEL TURBULENCE. WHERE POSSIBLE, TOUR LENGTHS HAVE BEEN INCREASED AND LOW OR NO-COST MOVES HAVE BEEN UTILIZED TO FILL REQUIREMENTS WITHIN GIVEN GEOGRAPHIC AREAS.

APPLICABLE AUDITS HAVE BEEN INCORPORATED IN THIS BUDGET.

THE PRICING POLICY USED IN THE PREPARATION OF THE APPROPRIATION REQUEST ALLOWS FOR CONSIDERATION OF INFLATION-GENERATED PRICE ADJUSTMENTS FOR GOODS AND SERVICES, CONSISTENT WITH ANNOUNCED RATE INCREASES OR INCREASES EXPECTED TO OCCUR BASED ON APPROVED ECONOMIC ASSUMPTIONS. THE PROGRAMS AFFECTED BY THIS PRICING POLICY ARE PERMANENT CHANGE OF STATION (PCS) TRAVEL, ENLISTED CLOTHING, SUBSISTENCE-IN-KIND, AND TEMPORARY LODGING ALLOWANCES.

SECTION 3
SUMMARY OF MILITARY PERSONNEL STRENGTH

	FY 1997 ACTUALS		FY 1998 PLANNED		FY 1999 PLANNED	
	WORKYEARS	END STRENGTH 30 SEPT 1997	WORKYEARS	END STRENGTH 30 SEPT 1998	WORKYEARS	END STRENGTH 30 SEPT 1999
DIRECT PROGRAM						
OFFICERS	55,169	54,768	54,145	53,574	52,986	52,418
ENLISTED	339,203	331,885	325,305	324,630	313,984	312,207
MIDSHIPMEN	3,902	4,096	3,848	4,000	3,854	4,000
SUB-TOTAL	398,274	390,749	383,298	382,204	370,824	368,625
REIMBURSABLE PROGRAM						
OFFICERS	1,573	1,433	1,489	1,544	1,485	1,425
ENLISTED	3,708	3,382	3,414	3,146	2,896	2,646
SUB-TOTAL	5,281	4,815	4,903	4,690	4,381	4,071
TOTAL PROGRAM						
OFFICERS	56,742	56,201	55,634	55,118	54,471	53,843
ENLISTED	342,911	335,267	328,719	327,776	316,880	314,853
MIDSHIPMEN	3,902	4,096	3,848	4,000	3,854	4,000
TOTAL	403,555	395,564	388,201	386,894	375,205	372,696

MILITARY PERSONNEL, NAVY
END STRENGTH BY GRADE 1/
(TOTAL PROGRAM)

	FY 1997		FY 1998		FY 1999	
	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED
COMMISSIONED OFFICERS						
O-10 ADMIRAL	8	0	8	0	8	0
O-9 VICE ADMIRAL	25	2	25	2	25	2
O-8 REAR ADMIRAL (UPPER HALF)	77	2	77	2	77	2
O-7 REAR ADMIRAL (LOWER HALF)	109	17	110	18	110	18
O-6 CAPTAIN	3,334	184	3,118	186	2,872	180
O-5 COMMANDER	7,152	339	7,197	339	6,921	329
O-4 LIEUTENANT COMMANDER	10,883	289	10,958	397	10,854	354
O-3 LIEUTENANT	19,987	514	18,990	513	18,280	458
O-2 LIEUTENANT (JG)	6,429	53	6,604	53	6,695	52
O-1 ENSIGN	6,373	7	6,326	7	6,373	8
TOTAL	54,377	1,405	53,413	1,517	52,215	1,403
WARRANT OFFICERS						
W-4 CHIEF WARRANT OFFICER	332	8	220	8	173	8
W-3 CHIEF WARRANT OFFICER	706	17	633	16	565	10
W-2 CHIEF WARRANT OFFICER	786	3	852	3	890	4
W-1 CHIEF WARRANT OFFICER	0	0	0	0	0	0
TOTAL	1,824	28	1,705	27	1,628	22
TOTAL OFFICER PERSONNEL	56,201	1,433	55,118	1,544	53,843	1,425
ENLISTED PERSONNEL						
E-9 MASTER CHIEF PETTY OFFICER	3,284	49	3,170	49	3,016	44
E-8 SENIOR CHIEF PETTY OFFICER	7,426	113	6,973	111	6,495	100
E-7 CHIEF PETTY OFFICER	26,820	486	24,701	471	23,383	404
E-6 1ST CLASS PETTY OFFICER	60,101	946	55,025	890	51,981	656
E-5 2ND CLASS PETTY OFFICER	73,737	980	71,669	911	69,500	1,139
E-4 3RD CLASS PETTY OFFICER	63,996	718	67,708	634	65,835	276
E-3 SEAMAN	52,562	90	44,974	80	45,315	27
E-2 SEAMAN APPRENTICE	27,083	0	31,868	0	27,806	0
E-1 SEAMAN RECRUIT	20,258	0	21,688	0	21,522	0
TOTAL	335,267	3,382	327,776	3,146	314,853	2,646
TOTAL OFFICER AND ENLISTED	391,468	4,815	382,894	4,690	368,696	4,071
MIDSHIPMEN						
MIDSHIPMEN	4,096	0	4,000	0	4,000	0
MIDSHIPMEN	4,096	0	4,000	0	4,000	0
TOTAL END STRENGTH	395,564	4,815	386,894	4,690	372,696	4,071

1/ INCLUDES REIMBURSABLE ACTIVE DUTY MILITARY PERSONNEL STRENGTHS, BUT EXCLUDES ACTIVE DUTY MILITARY PERSONNEL PAID FROM RESERVE APPROPRIATIONS.

MILITARY PERSONNEL, NAVY
AVERAGE STRENGTH BY GRADE 1/
(TOTAL PROGRAM)

	FY 1997		FY 1998		FY 1999	
	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED
COMMISSIONED OFFICERS						
O-10 ADMIRAL	8	0	8	0	8	0
O-9 VICE ADMIRAL	27	2	25	2	25	2
O-8 REAR ADMIRAL (UPPER HALF)	72	2	77	2	77	2
O-7 REAR ADMIRAL (LOWER HALF)	110	18	109	17	110	18
O-6 CAPTAIN	3,307	181	3,274	185	3,052	183
O-5 COMMANDER	7,179	330	7,123	338	7,123	334
O-4 LIEUTENANT COMMANDER	10,950	391	10,918	343	10,823	376
O-3 LIEUTENANT	20,201	543	19,477	514	18,621	486
O-2 LIEUTENANT (JG)	6,367	66	6,502	53	6,686	52
O-1 ENSIGN	6,544	11	6,306	7	6,235	7
TOTAL	54,765	1,544	53,829	1,461	52,760	1,460
WARRANT OFFICERS						
W-4 CHIEF WARRANT OFFICER	398	8	276	8	197	8
W-3 CHIEF WARRANT OFFICER	773	17	669	17	606	13
W-2 CHIEF WARRANT OFFICER	806	4	860	3	908	4
W-1 CHIEF WARRANT OFFICER	0	0	0	0	0	0
TOTAL	1,977	29	1,805	28	1,711	25
TOTAL OFFICER PERSONNEL	56,742	1,573	55,634	1,489	54,471	1,485
ENLISTED PERSONNEL						
E-9 MASTER CHIEF PETTY OFFICER	3,198	63	3,126	58	2,997	46
E-8 SENIOR CHIEF PETTY OFFICER	7,517	138	7,297	133	6,438	106
E-7 CHIEF PETTY OFFICER	26,466	469	24,890	481	23,246	438
E-6 1ST CLASS PETTY OFFICER	61,934	963	57,807	976	53,587	773
E-5 2ND CLASS PETTY OFFICER	76,011	1,208	73,020	910	71,234	1,025
E-4 3RD CLASS PETTY OFFICER	68,109	673	64,460	743	65,662	455
E-3 SEAMAN	54,815	194	50,088	113	45,869	53
E-2 SEAMAN APPRENTICE	25,504	0	28,698	0	29,102	0
E-1 SEAMAN RECRUIT	19,357	0	19,333	0	18,745	0
TOTAL ENLISTED	342,911	3,708	328,719	3,414	316,880	2,896
TOTAL OFFICER AND ENLISTED	399,653	5,281	384,353	4,903	371,351	4,381
MIDSHIPMEN	3,902	0	3,848	0	3,854	0
MIDSHIPMEN	3,902	0	3,848	0	3,854	0
TOTAL AVERAGE STRENGTH	403,555	5,281	388,201	4,903	375,205	4,381

1/ INCLUDES REIMBURSABLE ACTIVE DUTY MILITARY PERSONNEL STRENGTHS, BUT EXCLUDES ACTIVE DUTY MILITARY PERSONNEL PAID FROM RESERVE APPROPRIATIONS.

MILITARY PERSONNEL, NAVY
ACTIVE DUTY STRENGTHS BY MONTH 1/
(IN THOUSANDS)

	FY 1997			FY 1998			FY 1999					
	OFFICER ENLISTED MIDSHIPMEN TOTAL 2/			OFFICER ENLISTED MIDSHIPMEN TOTAL 2/			OFFICER ENLISTED MIDSHIPMEN TOTAL 2/					
SEP	57.5	355.0	4.2	416.7	56.2	335.3	4.1	395.6	55.1	327.8	4.1	387.0
OCT	57.2	352.7	4.0	413.9	55.6	331.5	4.0	391.1 4/	54.6	324.1	4.0	382.7
NOV	57.0	352.7	4.0	413.7	55.5	330.6	3.9	390.1	54.5	322.1	3.9	380.5
DEC	56.8	351.9	4.0	412.7	55.4	330.3	3.9	389.6	54.4	320.0	3.9	378.3
JAN	56.7	349.7	4.0	410.4	55.3	329.5	3.9	388.7	54.2	318.1	3.9	376.2
FEB	56.0	347.4	4.0	407.4	55.2	328.9	3.9	388.0	54.1	316.3	3.9	374.3
MAR	55.7	344.6	4.0	404.3	55.0	327.5	3.9	386.4	53.9	314.6	3.9	372.4
APR	55.5	341.5	4.0	401.0	54.9	326.8	3.9	385.6	53.8	313.6	3.9	371.3
MAY	56.5	338.5	3.0	398.0	56.3	326.2	3.0	385.5	55.2	312.2	3.0	370.4
JUN	56.4	336.8	3.0	396.3	56.3	327.2	2.9	386.5	55.2	313.2	3.0	371.4
JUL	56.2	335.3	4.1	395.6	55.8	327.1	4.0	386.9	54.6	313.5	4.0	372.1
AUG	55.5	334.5	4.0	394.0	55.4	327.0	4.0	386.4	54.2	313.7	4.0	371.9
SEP	56.2	335.3	4.1	395.6	55.1	327.8	4.0	386.9	53.8	314.9	4.0	372.7
AVG	56.7	342.9	3.9	403.6	55.6	328.7	3.8	388.2	54.5	316.9	3.9	375.3
ADSW (MANDAYS)	45.0	27.0	0.0	72.0	56.9	32.4	0.0	89.3	59.6	78.9	0.0	138.5
ADSW (\$000) 3/	11,216.5	2,871.6	0.0	14,088.1	14,434.0	3,569.2	0.0	18,003.2	15,565.3	8,941.3	0.0	24,506.6

- 1/ INCLUDES REIMBURSABLE ACTIVE DUTY MILITARY PAY STRENGTH, BUT EXCLUDES ACTIVE DUTY MILITARY PERSONNEL PAID FROM RESERVE APPROPRIATIONS.
- 2/ MONTHLY TOTALS MAY NOT ADD DUE TO ROUNDING.
- 3/ COSTED AT COMPOSITE STANDARD MILITARY RATES.
- 4/ ACTUAL STRENGTH THROUGH OCTOBER 1998.

GAINS AND LOSSES BY SOURCE AND TYPE

OFFICERS

	FY 1997	FY 1998	FY 1999
BEGIN STRENGTH	57,477	56,201	55,118

GAINS

NAVAL ACADEMY	796	805	805
RESERVE OFFICER'S TRAINING CORPS	785	917	1,050
SENIOR ROTC	(102)	(120)	(150)
SCHOLARSHIP	(683)	(797)	(900)
HEALTH PROFESSIONS SCHOLARSHIPS	233	288	288
RESERVE OFFICER CANDIDATES	0	0	0
OTHER ENLISTED COMMISSIONING PROGRAMS	1,383	1,543	1,503
VOLUNTARY ACTIVE DUTY	1,696	1,990	2,070
DIRECT APPOINTMENTS	664	724	696
WARRANT OFFICER PROGRAMS	165	242	191
OTHER	67	54	49
GAIN ADJUSTMENT	201	11	0

TOTAL GAINS 5,990 6,574 6,652

LOSSES

EXPIRATION OF CONTRACT/OBLIGATION	438	482	492
NORMAL EARLY RELEASE	110	120	123
RETIREMENT	2,248	2,452	2,918
DISABILITY	(1,796)	(120)	(120)
NON-DISABILITY	332	(2,328)	(2,388)
TERA	4	4	410
VOLUNTARY SEPARATION - VSI	0	0	0
VOLUNTARY SEPARATION - SSB	0	0	0
INVOLUNTARY SEPARATION - RESERVE OFFICERS	118	94	93
INVOLUNTARY SEPARATION - REGULAR OFFICERS	348	260	207
REDUCTION-IN-FORCE	0	0	0
ATTRITION	3,252	3,859	3,994
OTHER	140	96	100
LOSS ADJUSTMENT	612	294	0

TOTAL LOSSES 7,266 7,657 7,927

END STRENGTH 56,201 55,118 53,843

GAINS AND LOSSES BY SOURCE AND TYPE

ENLISTED

	FY 1997	FY 1998	FY 1999
BEGIN STRENGTH	355,048	335,267	327,776

GAINS			
NON-PRIOR SERVICE ENLISTMENTS	43,065	48,969	42,303
MALE	(36,701)	(40,729)	(35,903)
FEMALE	(6,364)	(8,272)	(6,400)
PRIOR SERVICE ENLISTMENT	962	1,500	800
REENLISTMENTS	40,947	42,119	37,720
RESERVES (USNR PRIOR SERVICE)	154	200	220
RESERVE (USNR NON-PRIOR SERVICE) PROGRAM	3,656	4,576	3,872
OFFICER CANDIDATE PROGRAMS	1,472	1,323	1,298
RETURNED FROM DROPPED FROM ROLLS	2,470	2,536	2,405
GAIN ADJUSTMENT	18	0	0
TOTAL GAINS	92,744	101,223	88,618

LOSSES			
ETS	24,710	20,961	19,573
NORMAL EARLY RELEASE	0	0	0
PROGRAMMED EARLY RELEASE	0	0	0
SEPARATIONS - VSI	0	0	0
SEPARATIONS - SSB	0	0	0
TO COMMISSIONED OFFICER	1,326	1,596	1,506
TO WARRANT OFFICER	165	242	191
REENLISTMENTS	40,947	42,119	37,720
RETIREMENTS	8,761	10,322	10,822
TERA	(1,418)	(987)	(2,000)
DROPPED FROM ROLLS (DEERTERS)	1,727	1,496	1,580
ATTRITION (ADVERSE CAUSES)	11,835	10,304	11,822
ATTRITION (OTHER)	17,028	16,520	14,672
RESERVE COMPONENTS	5,850	5,116	3,655
LOSS ADJUSTMENTS	176	38	0
TOTAL LOSSES	112,525	108,714	101,541

END STRENGTH	335,267	327,776	314,853

GAINS AND LOSSES BY SOURCE AND TYPE

MIDSHIPMEN

BEGIN STRENGTH	FY 1997	FY 1998	FY 1999
	4,210	4,096	4,000
GAINS			
ENTERING MIDSHIPMEN	1,275	1,212	1,212
TOTAL GAINS	1,275	1,212	1,212
LOSSES			
ATTRITION	507	403	307
GRADUATES	882	905	905
TOTAL LOSSES MIDSHIPMEN	1,389	1,308	1,212
END STRENGTH	4,096	4,000	4,000

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
1. BASIC PAY	2,383,283	6,170,563	8,553,846	2,404,872	6,058,266	8,463,138	2,419,133	5,975,635	8,394,768
2. RETIRED PAY ACCRUAL	776,950	2,008,996	2,785,946	733,485	1,845,331	2,578,816	730,578	1,802,223	2,532,801
3. BASIC ALLOWANCE FOR QUARTERS	370,009	1,014,403	1,384,412	91,358	241,464	332,822	0	0	0
A. WITH DEPENDENTS	274,914	843,450	1,118,366	67,542	195,256	262,798	0	0	0
B. WITHOUT DEPENDENTS	94,013	143,812	237,825	23,564	39,790	63,354	0	0	0
C. PARTIAL	292	9,500	9,792	65	2,267	2,332	0	0	0
D. SUBSTANDARD HOUSING	11	870	881	0	233	233	0	0	0
E. BAQ DIFF	779	16,771	17,548	187	3,918	4,105	0	0	0
4. VARIABLE HOUSING ALLOWANCE	145,703	376,345	522,048	35,765	89,642	125,407	0	0	0
4.1. BASIC ALLOWANCE FOR HOUSING	0	0	0	390,656	1,012,689	1,403,345	516,471	1,320,566	1,837,037
A. WITH DEPENDENTS	0	0	0	288,104	821,827	1,109,931	379,223	1,067,882	1,447,105
B. WITHOUT DEPENDENTS	0	0	0	101,781	171,259	273,040	136,257	226,447	362,704
C. PARTIAL	0	0	0	194	6,801	6,995	256	8,835	9,091
D. SUBSTANDARD HOUSING	0	0	0	0	720	720	0	906	906
5. SUBSISTENCE	104,192	791,925	896,117	103,690	801,945	905,635	102,537	795,574	898,111
A. BASIC ALLOWANCE FOR SUBSISTENCE	104,192	516,630	620,822	103,690	511,073	614,763	102,537	514,384	616,921
1. AUTHORIZED TO MESS SEP.	104,192	359,856	464,048	103,690	346,667	450,357	102,537	336,865	439,402
2. LEAVE RATIONS	0	66,752	66,752	0	64,959	64,959	0	63,470	63,470
3. RATIONS-IN-KIND	0	89,994	89,994	0	86,884	86,884	0	84,869	84,869
4. AUGMENTATION FOR SEPARATE MEALS	0	28	28	0	29	29	0	28	28
5. PARTIAL BAS	0	0	0	0	12,534	12,534	0	29,152	29,152
B. SUBSISTENCE-IN-KIND	0	275,295	275,295	0	290,872	290,872	0	281,190	281,190
1. SUBSISTENCE IN MESSES	0	217,214	217,214	0	226,209	226,209	0	221,649	221,649
2. OPERATIONAL RATIONS	0	1,095	1,095	0	970	970	0	958	958
3. AUGMENTATION	0	6,199	6,199	0	5,942	5,942	0	5,729	5,729
4. OTHER PROGRAMS	0	50,787	50,787	0	57,751	57,751	0	52,854	52,854

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
6. INCENTIVE PAY HAZARDOUS DUTY, AND AVIATION CAREER	106,425	84,375	190,800	109,485	88,141	197,626	113,365	88,091	201,456
A. FLYING DUTY PAY	81,838	10,720	92,558	84,507	10,904	95,411	89,168	11,184	100,352
1. AVIATION CAREER,									
1. OFFICERS	81,838	0	81,838	84,507	0	84,507	89,168	0	89,168
2. CREW MEMBERS, ENLISTED	0	10,720	10,720	0	10,904	10,904	0	11,184	11,184
B. SUBMARINE DUTY	22,530	54,332	76,862	22,233	51,788	74,021	21,368	50,498	71,866
C. PARACHUTE JUMPING PAY	744	3,212	3,956	802	4,066	4,868	824	4,255	5,079
D. DEMOLITION PAY	371	1,881	2,252	590	2,474	3,064	612	2,565	3,177
E. OTHER PAYS	942	14,230	15,172	1,353	18,909	20,262	1,393	19,589	20,982
7. SPECIAL PAYS	207,428	485,238	692,666	215,146	495,544	710,690	214,711	487,881	702,592
A. PHYSICIANS PAY	134,600	0	134,600	132,620	0	132,620	132,812	0	132,812
B. DENTISTS PAY	18,159	0	18,159	29,033	0	29,033	30,564	0	30,564
C. OPTOMETRISTS PAY	160	0	160	160	0	160	155	0	155
D. CONTINUATION PAY, NURSES	1,903	0	1,903	1,756	0	1,756	1,865	0	1,865
E. NUCLEAR OFFICER INCENTIVE PAY	26,978	0	26,978	26,872	0	26,872	25,318	0	25,318
F. NUCLEAR ACCESSION BONUS	0	1,170	1,170	0	774	774	0	774	774
G. RESPONSIBILITY PAY	950	0	950	938	0	938	922	0	922
H. SEA AND FOREIGN DUTY, TOTAL	17,227	237,607	254,834	16,235	234,897	251,132	15,828	228,684	244,512
1. SEA DUTY	17,227	235,179	252,406	16,235	231,662	247,897	15,828	225,449	241,277
2. DUTY AT CERTAIN PLACES	0	1,685	1,685	0	2,160	2,160	0	2,160	2,160
3. OVERSEAS EXTENSION PAY	0	743	743	0	1,075	1,075	0	1,075	1,075
I. DIVING DUTY PAY	2,680	9,100	11,780	2,877	9,129	12,006	2,877	9,129	12,006
J. REENLISTMENT BONUS	0	143,334	143,334	0	147,359	147,359	0	154,553	154,553
K. SPECIAL DUTY ASSIGNMENT PAY	0	52,613	52,613	0	51,540	51,540	0	50,648	50,648
L. ENLISTMENT BONUS	0	14,638	14,638	0	24,304	24,304	0	18,591	18,591
M. FOREIGN LANGUAGE PROFICIENCY PAY	182	1,166	1,348	290	1,277	1,567	298	1,294	1,592
N. PSYCH DIPLOMATE PAY	780	0	780	718	0	718	718	0	718
O. OTHER SPECIAL PAY	3,809	25,610	29,419	3,647	26,264	29,911	3,354	24,208	27,562
8. ALLOWANCES	84,647	452,771	537,418	81,390	463,565	544,955	73,643	435,031	508,674
A. UNIFORM OR CLOTHING ALLOWANCE	1,145	163,279	164,424	1,513	177,134	178,647	1,537	166,387	167,924
1. INITIAL ISSUE	863	56,998	57,861	1,220	65,667	66,887	1,225	57,408	58,633
A. MILITARY	687	56,367	57,054	909	64,822	65,731	909	56,563	57,472
B. CIVILIAN	176	631	807	311	845	1,156	316	845	1,161

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
2. ADDITIONAL	282	0	282	293	0	293	312	0	312
3. BASIC MAINTENANCE	0	21,121	21,121	0	23,998	23,998	0	23,807	23,807
4. STANDARD MAINTENANCE	0	70,978	70,978	0	73,015	73,015	0	71,404	71,404
5. SUPPLEMENTARY	0	1,479	1,479	0	1,640	1,640	0	1,640	1,640
6. CIVILIAN CLOTHING	0	11,703	11,703	0	10,814	10,814	0	10,128	10,128
7. INVENTORY PREPURCH	0	1,000	1,000	0	2,000	2,000	0	2,000	2,000
B. STATION ALLOWANCES									
OVERSEAS	77,976	259,350	337,326	73,360	250,225	323,585	65,534	232,520	298,054
1. COST-OFF-LIVING	44,063	155,345	199,408	40,748	149,125	189,873	34,801	136,304	171,105
2. HOUSING	25,716	78,438	104,154	24,267	75,084	99,351	22,213	69,720	91,933
3. TEMPORARY LODGING	8,197	25,567	33,764	8,345	26,016	34,361	8,520	26,496	35,016
C. CONUS COLA	1,650	3,850	5,500	1,677	3,852	5,529	1,693	3,846	5,539
D. FAMILY SEPARATION ALLOWANCE									
ALLOWANCE	3,840	26,292	30,132	4,805	32,354	37,159	4,844	32,278	37,122
1. ON PCS, NO GOV'T	507	968	1,475	517	725	1,242	515	722	1,237
2. ON PCS, DEPENDENTS	302	3,326	3,628	384	3,797	4,181	388	3,791	4,179
3. AFLOAT	1,838	14,486	16,324	2,367	18,543	20,910	2,351	18,490	20,841
4. ON TDY	1,193	7,512	8,705	1,537	9,289	10,826	1,590	9,275	10,865
E. GENERAL AND FLAG OFFICERS PERSONAL MONEY ALLOWANCE									
ALLOWANCE	36	0	36	35	0	35	35	0	35
9. SEPARATION PAYMENTS									
A. TERMINAL LEAVE PAY	69,948	173,220	243,168	45,286	142,854	188,140	71,505	175,754	247,259
B. LUMP-SUM READJUSTMENT	26,478	49,257	75,735	27,953	42,944	70,897	29,896	42,256	72,152
C. SEVERANCE PAY, DISABILITY	7,824	0	7,824	4,319	0	4,319	4,405	0	4,405
D. SEVERANCE PAY, NON-PROMOTION	3,190	50,808	53,998	3,281	51,003	54,284	3,380	48,773	52,153
E. SEVERANCE PAY, NON-DISABILITY	11,908	0	11,908	9,487	0	9,487	7,843	0	7,843
1. INVOL-HALF PAY	0	34,202	34,202	0	21,049	21,049	0	26,536	26,536
2. INVOL-FULL PAY	0	19,312	19,312	0	10,785	10,785	0	11,026	11,026
3. VOL -SSB	0	10,490	10,490	0	5,864	5,864	0	5,996	5,996
4. VOL -VSI	0	4,400	4,400	0	4,400	4,400	0	9,514	9,514
F. DONATIONS									
G. 15-YEAR RETIREMENT	20,548	10	20,558	246	10	247	45	10	55
		38,943	59,491		27,848	28,094		58,179	84,115

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	OFFICERS	ENLISTED	OFFICERS	ENLISTED	OFFICERS	ENLISTED
		TOTAL		TOTAL		TOTAL
10. SOCIAL SECURITY TAX PAYMENTS	198,814	744,843	204,925	731,083	205,083	721,284
A. GOV'T CONTRIBUTION	180,447	647,492	182,225	640,683	183,647	635,784
B. MIL SERVICE CREDIT	18,367	97,351	22,700	90,400	21,436	85,500
11. PERMANENT CHANGE OF STATION TRAVEL	185,989	621,617	201,324	654,749	195,137	628,737
12. OTHER MILITARY PERSONNEL COSTS	1,368	104,168	1,301	104,700	22,569	158,294
A. APPREHENSION OF DESERTERS	0	718	0	807	0	826
B. INTEREST ON SAVINGS	44	80	30	24	22	18
C. DEATH GRATUITIES	156	1,488	192	1,614	168	1,806
D. UNEMPLOYMENT COMPENSATION	0	73,633	0	66,931	0	62,922
E. SURVIVOR'S BENEFITS	1,039	4,158	940	2,820	885	2,655
F. EDUCATION BENEFITS	0	23,839	0	31,070	0	19,888
G. ADOPTION EXPENSES	129	252	139	133	139	272
H. ADVANCE PAY	0	0	0	0	21,355	47,645
13. MIDSHIPMEN	36,211	36,211	35,752	35,752	35,947	35,947
MIDSHIPMEN	36,211	36,211	35,752	35,752	35,947	35,947
TOTAL, MILITARY PERSONNEL, NAVY	4,670,967	17,313,260	4,654,435	16,976,858	4,700,679	16,866,960
14. LESS REIMBURSABLES	127,313	281,638	124,900	263,702	116,955	253,907
RETIRED PAY ACCRUAL	24,522	45,465	22,860	40,968	21,386	45,465
OTHER	102,791	236,173	102,040	222,734	95,569	216,742
TOTAL, MILITARY PERSONNEL, NAVY, DIRECT	4,543,654	17,031,622	4,529,534	16,713,156	4,583,724	16,613,053

ANALYSIS OF APPROPRIATION CHANGES
MILITARY PERSONNEL, NAVY
(IN THOUSANDS OF DOLLARS)

	FY 1998 PRESIDENT'S BUDGET	CONGRESSIONAL ACTION	SUB-TOTAL	INTERNAL REALIGNMENT/ REPROG.	SUB-TOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1998 COLUMN FY 99 PRES BUDGET
PAY AND ALLOWANCES OF OFFICERS							
BASIC PAY	2,273,822	2,361	2,276,183	53,491	2,329,674	0	2,329,674
RETIRE PAY ACCRUAL	693,592	719	694,311	16,314	710,625	0	710,625
INCENTIVE PAY	108,924	0	108,924	561	109,485	0	109,485
SPECIAL PAY	205,235	606	205,841	9,340	215,181	0	215,181
BASIC ALLOWANCE FOR QUARTERS	357,680	522	358,202	2,665	360,867	-272,726	88,141
VARIABLE HOUSING ALLOWANCE	142,269	0	142,269	-1,440	140,829	-108,281	32,548
BASIC ALLOWANCE FOR HOUSING	0	0	0	0	0	381,007	381,007
BASIC ALLOWANCE FOR SUBSISTENCE	98,144	85	98,229	2,116	100,345	0	100,345
STATION ALLOWANCES OVERSEAS	78,028	-4,057	73,971	-611	73,360	0	73,360
CONUS COLA	3,100	0	3,100	-1,423	1,677	0	1,677
UNIFORM ALLOWANCES	1,521	0	1,521	1,513	3,034	0	3,034
FAMILY SEPARATION ALLOWANCE	3,891	1,110	5,001	-196	4,805	0	4,805
SEPARATION PAYMENTS	43,208	0	43,208	2,078	45,286	0	45,286
SOCIAL SECURITY TAX -							
EMPLOYER'S CONTRIBUTION	195,257	0	195,257	3,969	199,226	0	199,226
REIMBURSABLES	123,185	0	123,185	0	123,185	0	123,185
TOTAL OBLIGATIONS	4,327,856	1,346	4,329,202	86,856	4,416,058	0	4,416,058
LESS REIMBURSABLES	123,185	0	123,185	0	123,185	0	123,185
TOTAL DIRECT OBLIGATIONS	4,204,671	1,346	4,206,017	86,856	4,292,873	0	4,292,873

	FY 1998 PRESIDENT'S BUDGET	CONGRESSIONAL ACTION	SUB-TOTAL	INTERNAL REALIGNMENT/ REPROG.	SUB-TOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1998 COLUMN FY 99 PRES BUDGET
PAY AND ALLOWANCES OF ENLISTED PERSONNEL							
BASIC PAY	6,021,333	-4,846	6,016,487	-17,864	5,998,623	0	5,998,623
RETIRE PAY ACCRUAL	1,834,150	-1,476	1,832,674	-5,451	1,827,223	0	1,827,223
INCENTIVE PAY	82,025	0	82,025	6,116	88,141	0	88,141
SPECIAL PAY	271,088	388	271,476	865	272,341	0	272,341
SPECIAL DUTY ASSIGNMENT PAY	52,540	0	52,540	-1,000	51,540	0	51,540
REENLISTMENT BONUS	132,226	0	132,226	15,133	147,359	0	147,359
ENLISTMENT BONUS	19,098	0	19,098	5,206	24,304	0	24,304
BASIC ALLOWANCE FOR QUARTERS	982,762	-658	982,104	-5,500	976,604	-737,680	238,924
VARIABLE HOUSING ALLOWANCE	363,160	-373	362,787	-2,069	360,718	-273,616	87,102
BASIC ALLOWANCE FOR HOUSING	0	0	0	0	0	1,011,296	1,011,296
STATION ALLOWANCES OVERSEAS	258,159	-7,943	250,216	9	250,225	0	250,225
CONUS COLA	2,600	0	2,600	1,252	3,852	0	3,852
CLOTHING ALLOWANCES	161,383	0	161,383	15,751	177,134	0	177,134
FAMILY SEPARATION ALLOWANCE	26,291	8,190	34,481	-2,127	32,354	0	32,354
SEPARATION PAYMENTS	120,421	0	120,421	22,433	142,854	0	142,854
SOCIAL SECURITY TAX -							
EMPLOYER'S CONTRIBUTION	523,382	-538	522,844	-1,199	521,645	0	521,645
REIMBURSABLES	94,963	0	94,963	0	94,963	-6,226	88,737
TOTAL OBLIGATIONS	10,945,581	-7,256	10,938,325	31,555	10,969,880	-6,226	10,963,654
LESS REIMBURSEMENTS	94,963	0	94,963	0	94,963	-6,226	88,737
TOTAL DIRECT OBLIGATIONS	10,850,618	-7,256	10,843,362	31,555	10,874,917	0	10,874,917

	FY 1998 PRESIDENT'S BUDGET	CONGRESSIONAL ACTION	SUB-TOTAL	INTERNAL REALIGNMENT/ REPROG.	SUB-TOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1998 COLUMN FY 99 PRES BUDGET
PAY AND ALLOWANCES OF MIDSHIPMEN							
MIDSHIPMEN	35,792	-1,000	34,792	960	35,752	0	35,752
TOTAL OBLIGATIONS	35,792	-1,000	34,792	960	35,752	0	35,752
LESS REIMBURSEMENTS	0	0	0	0	0	0	0
TOTAL DIRECT OBLIGATIONS	35,792	-1,000	34,792	960	35,752	0	35,752

ANALYSIS OF APPROPRIATION CHANGES
MILITARY PERSONNEL, NAVY
FY 1998
(IN THOUSANDS OF DOLLARS)

	FY 1998 PRESIDENT'S BUDGET	CONGRESSIONAL ACTION	SUB-TOTAL	INTERNAL/ REALIGNMENT/ REPROG.	SUB-TOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1998 COLUMN FY 99 PRES BUDGET
PAY AND ALLOWANCES OF OFFICERS							
SUBSISTENCE OF ENLISTED PERSONNEL							
BASIC ALLOWANCE FOR SUBSISTENCE	512,923	150	513,073	-6,938	506,135	0	506,135
SUBSISTENCE-IN-KIND	218,242	0	218,242	29,288	247,530	0	247,530
REIMBURSABLES	43,754	0	43,754	4,526	48,280	0	48,280
TOTAL OBLIGATIONS	774,919	150	775,069	26,876	801,945	0	801,945
LESS REIMBURSABLES	43,754	0	43,754	4,526	48,280	0	48,280
TOTAL DIRECT OBLIGATIONS	731,165	150	731,315	22,350	753,665	0	753,665
PERMANENT CHANGE OF STATION TRAVEL							
ACCESSION TRAVEL	52,997	0	52,997	-2,189	50,808	0	50,808
TRAINING TRAVEL	42,357	0	42,357	16,519	58,876	0	58,876
OPERATIONAL TRAVEL	119,994	0	119,994	31,423	151,417	0	151,417
ROTATIONAL TRAVEL	224,426	160	224,586	4,354	228,940	0	228,940
SEPARATION TRAVEL	105,893	0	105,893	4,834	110,727	0	110,727
TRAVEL OF ORGANIZED UNITS	16,305	0	16,305	11,835	28,140	0	28,140
IPCOT/OEIP	1,749	0	1,749	0	1,749	0	1,749
NON-TEMPORARY STORAGE	12,263	0	12,263	2,001	14,264	0	14,264
TEMPORARY LODGING EXPENSE	5,954	0	5,954	374	6,328	0	6,328
REIMBURSABLES	3,500	0	3,500	0	3,500	0	3,500
TOTAL OBLIGATIONS	585,438	160	585,598	69,151	654,749	0	654,749
LESS REIMBURSABLES	3,500	0	3,500	0	3,500	0	3,500
TOTAL DIRECT OBLIGATIONS	581,938	160	582,098	69,151	651,249	0	651,249
OTHER MILITARY PERSONNEL COSTS							
APPREHENSION OF MILITARY DESERTERS, ABSENTEES AND ESCAPED MILITARY							
PRISONERS	807	0	807	0	807	0	807
INTEREST ON SAVINGS	20	0	20	34	54	0	54
DEATH GRATUITIES	1,806	0	1,806	0	1,806	0	1,806
UNEMPLOYMENT COMPENSATION	80,036	-10,000	70,036	-3,105	66,931	0	66,931
SURVIVORS' BENEFITS	3,633	0	3,633	127	3,760	0	3,760
EDUCATION BENEFITS	19,360	0	19,360	11,710	31,070	0	31,070
ADOPTION EXPENSES	272	0	272	0	272	0	272
REIMBURSABLES	0	0	0	0	0	0	0
TOTAL OBLIGATIONS	105,934	-10,000	95,934	8,766	104,700	0	104,700
LESS REIMBURSABLES	0	0	0	0	0	0	0
TOTAL DIRECT OBLIGATIONS	105,934	-10,000	95,934	8,766	104,700	0	104,700
TOTAL DIRECT OBLIGATIONS	16,510,118	-16,600	16,493,518	219,638	16,713,156	0	16,713,156

SCHEDULE OF INCREASES AND DECREASES
(IN THOUSANDS OF DOLLARS)

	AMOUNT
FY 1998 DIRECT PROGRAM-----	
INCREASES:	
CONUS COLA-----	10
-INCREASE IN RATES DUE TO INFLATION	158
-DECREASE IN NUMBER ENTITLED	-148
APPREHENSION OF DESERTERS-----	19
-INCREASE DUE TO COST GROWTH.	19
ADVANCE PAY-----	69,000
-ADVANCE PAY IMPLEMENTATION	69,000
INCENTIVE PAY-----	3,830
-DECREASE IN OFFICER NUMBER ENTITLED (-1,539) AND INCREASED RATES (+5,419)	3,880
-DECREASE IN ENLISTED NUMBER ENTITLED (-1,084) AND INCREASED RATES (+1,034)	-50
REENLISTMENT BONUS-----	7,194
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	539
-FY 1999 PAY RAISE 3.1%	1,856
-INCREASE IN ANNIVERSARY PAYMENT LEVELS (\$3,188) AND NUMBER ENTITLED (\$1,895)	5,083
-DECREASE IN NEW PAYMENTS	-284
SEPARATION PAY-----	59,119
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	579
-FY 1999 PAY RAISE 3.1%	1,954
-INCREASE IN ENLISTED SEVERANCE PAY	373
-INCREASE IN TERA PAYMENTS	56,021
-DECREASE IN LUMP SUM PAYMENTS	-822
-DECREASE IN ENLISTED NUMBER ENTITLED TO DISABILITY SEVERANCE PAY	-2,230
-INCREASE IN VSI TRUST FUND PAYMENT	5,159
-DECREASE IN OFFICER RADS AND FAIL TO PROMOTE	-1,915
BASIC ALLOWANCE FOR HOUSING-----	384,086
-INCREASE REFLECTS FULL YEAR COSTS	384,086
TOTAL INCREASES-----	523,258
DECREASES	
BASIC PAY-----	-55,810
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	57,026
-FY 1999 PAY RAISE 3.1%	187,147
-DECREASE IN WORKYEARS	-253,677
-DECREASE IN PAYGRADE MIX	-46,306
RETIRED PAY ACCRUAL-----	-42,212
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	17,267
-FY 1999 PAY RAISE 3.1%	56,674
-REDUCTION IN NORMAL COST PERCENTAGE FROM 30.5% IN FY 1998 TO 30.2% IN FY 1999	-25,390
-DECREASE IN WORKYEARS	-76,740
-DECREASE IN PAYGRADE MIX	-14,023

SCHEDULE OF INCREASES AND DECREASES
(IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED) :		
SPECIAL PAY-----		-8,687
-DECREASE IN ENLISTED NUMBER ENTITLED	-8,252	
-DECREASE IN OFFICERS; NUMBER ENTITLED (-1,938) AND INCREASED RATES (1,503)	-435	
ENLISTMENT BONUS-----		-5,713
-DECREASE IN RESIDUAL PAYMENTS	-989	
-DECREASE IN INITIAL PAYMENTS	-4,724	
SPECIAL DUTY ASSIGNMENT PAY-----		-892
-INCREASE IN INITIAL PAYMENTS DUE TO RATES	645	
-DECREASE IN NUMBER TO RECEIVE PAYMENTS	-1,537	
FAMILY SEPARATION ALLOWANCE-----		-37
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	9	
-FY 1999 PAY RAISE 3.1%	26	
-DECREASE IN NUMBERS	-72	
OVERSEAS STATION ALLOWANCE-----		-25,531
-COLA INCREASES DUE TO ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	1,301	
-COLA INCREASES DUE TO FY 1999 PAY RAISE 3.1%	6,419	
-INCREASE IN TLA COST GROWTH AND NUMBERS ENTITLED	655	
-DECREASE IN COLA NUMBER ENTITLED	-7,068	
-DECREASE IN HOUSING NUMBERS AND RATES	-7,418	
-DECREASE IN COLA DUE TO FOREIGN CURRENCY EXCHANGE RATES	-19,420	
SUBSISTENCE-IN-KIND-----		-9,682
-INCREASE IN BDFA RATES DUE TO DPSC PRICES	3,302	
-INCREASE IN ALTERNATIVE FEEDING DUE TO DAILY RATE	76	
-DECREASE IN BDFA RATES DUE TO SURVEYS/SPOILAGE	-75	
-DECREASE IN NUMBER ENTITLED TO OPERATIONAL RATIONS	-12	
-DECREASE IN SALE OF MEAL RATE/BDFA COST OF FOOD VARIANCE	-2,997	
-DECREASE IN SIK WORKYEARS	-8,266	
-DECREASE IN INVENTORY ADJUSTMENTS DUE TO COMMISSIONINGS AND DECOMMISSIONINGS	-1,710	
BASIC ALLOWANCE FOR SUBSISTENCE-----		-1,610
-ANNUALIZATION OF FY 1998 1% INCREASE	1,289	
-FY 1999 1% INCREASE	3,858	
-PARTIAL BAS RATE GROWTH AND DECREASED NUMBER ENTITLED	16,618	
-MIDSHIPMEN INCREASE DUE TO INFLATION (\$5.15 to \$5.25)	140	
-DECREASE IN WORKYEARS	-23,515	
BASIC ALLOWANCE FOR QUARTERS-----		-296,877
-DECREASE RESULTS FROM BAQ MERGING INTO THE BAH ENTITLEMENT	-296,877	
VARIABLE HOUSING ALLOWANCE-----		-115,302
-DECREASE RESULTS FROM VHA MERGING INTO THE BAH ENTITLEMENT	-115,302	
UNIFORM AND CLOTHING ALLOWANCES-----		-10,723
-INCREASE IN CIVILIAN CLOTHING GROWTH RATE OF 1.5%	5	
-INCREASE IN OFFICER NUMBER ENTITLED	19	
-INCREASE IN ENLISTED CLOTHING RATES AND UNIFORM CHANGES	1,650	
-DECREASE IN ENLISTED NUMBER ENTITLED	-12,397	

SCHEDULE OF INCREASES AND DECREASES
(IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED):		
FICA		-8,848
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	4,349	
-FY 1999 PAY RAISE 3.1%	14,269	
-DECREASE IN WORKYEARS	-19,026	
-DECREASE IN PAYGRADE MIX	-3,540	
-DECREASE IN SERVICE WAGE CREDITS	-4,900	
SURVIVOR'S BENEFITS		-220
-ESTIMATE REVISED BY VETERANS ADMINISTRATION	-220	
INTEREST ON SAVINGS		-14
-DECREASE IN PARTICIPANTS	-14	
UNEMPLOYMENT COMPENSATION		-4,009
-INCREASE IN RATE	1,510	
-DECREASE IN NUMBER RECEIVING BENEFITS	-5,519	
PERMANENT CHANGE OF STATION (PCS) TRAVEL		-26,012
-INDUSTRIALLY FUNDED SERVICES	-3,340	
-COMMERCIALLY PROCURED SERVICES	5,281	
-PROGRAM INCREASES	812	
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	432	
-FY 1999 PAY RAISE 3.1%	1,444	
-FEWER PLANNED TRAINING, OPERATIONAL, ROTATIONAL, SEP, AND ORG UNIT MOVES	-23,196	
-IMPACT OF UNSCHEDULED ORGANIZED UNIT MOVES INCLUDING THE USS JOHN C STENNIS	-12,404	
-RESULTS FROM MOVING UPFRONT PORT/CARGO COSTS FROM RATES TO REIMBURSABLES	4,959	
EDUCATION BENEFITS		-11,182
-INCREASE IN DOD BOARD OF ACTUARY RATE (30K PROGRAM)	1,291	
-INCREASE REFLECTS APPROVED MONTGOMERY GI BILL AND AMORTIZATION PAYMENT	3,119	
-DECREASE IN DOD BOARD OF ACTUARY RATE (40K PROGRAM)	-143	
-DECREASE IN NUMBER OF MEMBERS RECEIVING BENEFITS (30K PROGRAM)	-11,604	
-DECREASE IN NUMBER OF MEMBERS RECEIVING BENEFITS (40K PROGRAM)	-3,845	
TOTAL DECREASES		-623,361
FY 1999 DIRECT PROGRAM		\$16,613,053

SECTION 4
 PAY AND ALLOWANCES OF OFFICER PERSONNEL
 SCHEDULE OF INCREASES AND DECREASES
 (IN THOUSANDS OF DOLLARS)

AMOUNT
 \$4,292,873

FY 1998 DIRECT PROGRAM-----			
INCREASES:			
BASIC PAY-----		19,111	
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%		15,437	
-FY 1999 PAY RAISE 3.1%		52,860	
-RESULT OF DECREASE IN WORKYEARS		-43,679	
-DECREASE IN PAYGRADE MIX		-5,507	
BASIC ALLOWANCE FOR HOUSING (BAH)-----		101,120	
-INCREASE REFLECTS FULL YEAR COSTS			
INCENTIVE PAY-----		3,880	
-INCREASED RATES IN ACIP		5,315	
-INCREASED RATES IN PARACHUTE PAY		22	
-INCREASED RATES IN DEMOLITION PAY		22	
-INCREASED RATES IN FLIGHT DECK PAY		42	
-DECREASED NUMBER ENTITLED (-10) AND INCREASED RATES (+8) IN PRESSURE CHAMBER DUTY PAY		-2	
-DECREASE IN AVIATION CONTINUATION PAY		-654	
-DECREASE IN NUMBER ENTITLED TO SUBMARINE DUTY PAY		-865	
CONUS COLA-----		16	
-INCREASE IN RATES DUE TO INFLATION		48	
-DECREASE IN NUMBER ENTITLED		-32	
UNIFORM ALLOWANCE-----		24	
-INCREASE IN CIVILIAN RATE DUE TO COST GROWTH OF 1.5%		5	
-INCREASE IN NUMBER OF ADDITIONAL CLOTHING ALLOWANCES		19	
FAMILY SEPARATION ALLOWANCE-----		39	
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%		4	
-FY 1999 PAY RAISE 3.0%		11	
-INCREASE IN RATE IN FSA TYPE 2, 3, AND 4		144	
-DECREASE IN NUMBER ENTITLED		-120	
SEPARATION PAYMENTS-----		26,219	
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%		284	
-FY 1999 PAY RAISE 3.1%		1,100	
-INCREASE IN LUMP SUM PAYMENTS		1,015	
-INCREASE IN TERA		25,690	
-INCREASE IN VSI TRUST		45	
-DECREASE IN RADS (-46) AND FAIL TO PROMOTE (-1,869)		-1,915	
FICA-----		526	
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%		1,167	
-FY 1999 PAY RAISE 3.1%		3,995	
-DECREASE IN WORKYEARS		-2,955	
-DECREASE IN GRADE MIX		-417	
-DECREASE IN SERVICE WAGE CREDITS		-1,264	
TOTAL INCREASES-----		150,935	

PAY AND ALLOWANCES OF OFFICER PERSONNEL
 SCHEDULE OF INCREASES AND DECREASES
 (IN THOUSANDS OF DOLLARS)

DECREASES:		
BASIC ALLOWANCE FOR QUARTERS (BAQ)		-71,383
-DECREASE RESULTS FROM BAQ MERGING INTO THE BAH ENTITLEMENT		
RETIRED PAY ACCRUAL		-1,433
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	4,708	
-FY 1999 PAY RAISE 3.1%	16,122	
-DECREASE IN THE NORMAL COST PERCENTAGE FROM 30.5 IN FY 1998 TO 30.2 IN 1999	-7,215	
-DECREASE IN WORKYEARS	-13,322	
-DECREASE IN PAYGRADE MIX	-1,726	
VARIABLE HOUSING ALLOWANCE (VHA)		-30,008
-DECREASE RESULTS FROM VHA MERGING INTO THE NEW BAH		
BASIC ALLOWANCE FOR SUBSISTENCE (BAS)		-937
-ANNUALIZATION OF FY 1998 1% INCREASE	250	
-FY 1999 1.0% INCREASE	740	
-DECREASE IN WORKYEARS	-1,927	
SPECIAL PAY		-435
-INCREASE IN MEDICAL INCENTIVE PAY DUE TO RATE	1,200	
-INCREASE IN DENTAL BOARD CERTIFIED PAY DUE TO RATE (-1) AND NUMBER (15)	14	
-INCREASE IN NUMBER ENTITLED IN DENTAL MULTI-SPECIAL PAY	973	
-INCREASE IN LINGUIST PAY DUE TO NUMBER ENTITLED	8	
-INCREASE IN NURSES ACCESSION PAY DUE TO NUMBER (+75) AND INCENTIVE RATE (+34)	109	
-INCREASE IN DENTIST VARIABLE SPECIAL PAY DUE TO RATE	544	
-DECREASE IN MEDICAL VARIABLE SPECIAL PAY DUE TO RATE (+28) AND NUMBER (-431)	-403	
-DECREASE IN MEDICAL ADDITIONAL SPECIAL PAY DUE TO NUMBER ENTITLED	-510	
-DECREASE IN MEDICAL BOARD CERTIFIED DUE TO NUMBER (-97) AND RATES (+2)	-95	
-DECREASE IN NUCLEAR OFFICER INCENTIVE PAY DUE TO RATE (-304), NUMBER (-1,250)	-1,554	
-DECREASE IN OPTOMETRIST PAY DUE TO NUMBER ENTITLED	-5	
-DECREASE IN IMMINENT DANGER PAY DUE TO NUMBER ENTITLED	-293	
-DECREASED NUMBER ENTITLED TO SEA PAY	-407	
-DECREASED NUMBER ENTITLED IN RESPONSIBILITY PAY	-16	
OVERSEAS STATION ALLOWANCE		-7,826
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	279	
-FY 1999 PAY RAISE 3.1%	1,055	
-TLA REFLECTS INCREASE IN COST GROWTH	175	
-HOUSING DECREASE IN NUMBER ENTITLED (-350) AND RATES (-1,704)	-2,054	
-COLA DECREASE DUE TO FEWER WORKYEARS (-633) AND CURRENCY RATES (-6,648)	-7,281	
TOTAL DECREASES		-112,022
FY 1999 DIRECT PROGRAM		\$4,331,786

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-A BASIC PAY

-FY 1999 ESTIMATE \$2,419,133
 -FY 1998 ESTIMATE \$2,404,872
 -FY 1997 ACTUAL \$2,383,283

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE BASIC COMPENSATION FOR OFFICERS ON ACTIVE DUTY ACCORDING TO RANK AND LENGTH OF SERVICE UNDER PROVISIONS OF (37 U.S.C. 201, 203, 204, 205, AND P.L. 97-37). THE ESTIMATE EXCLUDES THOSE OFFICERS ON ACTIVE DUTY AT THE SEAT OF GOVERNMENT AND AT HEADQUARTERS RESPONSIBLE FOR RESERVE AFFAIRS (10 U.S.C. 265) AND THOSE OFFICERS OF THE RESERVE COMPONENT ON ACTIVE DUTY SERVING IN CONNECTION WITH THE ORGANIZING, ADMINISTERING, RECRUITING, INSTRUCTING, AND TRAINING OF THE RESERVE COMPONENTS (10 U.S.C. 672D AND 678).

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE FY 1999 OFFICER PROGRAM IS BASED ON A BEGINNING STRENGTH OF 55,118 AND AN END STRENGTH OF 53,843 FOR 54,471 WORKYEARS. COSTS ARE CALCULATED ON THE BASIS OF GRADE DISTRIBUTION AND AVERAGE RATES EXPERIENCED IN FY 1997 ADJUSTED FOR A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998, AND A 3.1% PAY RAISE EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ADMIRAL (CNO)	1	\$108,329.75	\$108	1	\$110,421.15	\$110	1	\$113,763.09	\$114
ADMIRAL	7	108,329.75	758	7	110,421.15	773	7	113,763.09	796
VICE ADMIRAL	27	108,320.37	2,925	25	109,660.45	2,742	25	112,982.61	2,825
REAR ADMIRAL (UH)	72	97,205.39	6,999	77	99,334.61	7,649	77	102,341.97	7,880
REAR ADMIRAL (LH)	110	85,412.36	9,395	109	87,658.56	9,555	110	90,293.46	9,932
CAPTAIN	3,307	71,796.33	237,430	3,274	73,851.40	241,789	3,052	75,986.14	231,910
COMMANDER	7,179	57,060.76	409,639	7,133	58,729.78	418,920	7,123	60,423.63	430,398
LIEUTENANT COMMANDER	10,950	46,327.16	507,282	10,918	47,635.89	520,089	10,823	49,020.38	530,548
LIEUTENANT	20,201	38,591.40	779,585	19,477	39,636.87	772,007	18,621	40,846.43	760,601
LIEUTENANT (JG)	6,367	31,531.38	200,760	6,502	32,353.11	210,360	6,686	33,365.82	223,084
ENSIGN	6,544	23,625.54	154,606	6,306	24,278.70	153,101	6,235	25,014.08	155,963
WARRANT OFFICER W-4	398	46,129.16	18,359	276	47,354.09	13,070	197	48,806.24	9,615
WARRANT OFFICER W-3	773	38,057.90	29,419	669	39,110.67	26,165	606	40,290.98	24,416
WARRANT OFFICER W-2	806	32,280.50	26,018	860	33,188.84	28,542	908	34,197.00	31,051
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL 1-A	56,742		2,383,283	55,634		2,404,872	54,471		2,419,133

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-B RETIRED PAY ACCRUAL

 -FY 1999 ESTIMATE \$730,578
 -FY 1998 ESTIMATE \$733,485
 -FY 1997 ACTUAL \$776,950

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR THE DEPARTMENT OF DEFENSE'S CONTRIBUTION TO ITS MILITARY RETIREMENT FUND, IN ACCORDANCE WITH 10 U.S.C. 1466.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE BUDGETARY ESTIMATES ARE DERIVED AS A PRODUCT OF:

- (A) NORMAL COST PERCENTAGE OF 32.6% IN FY 1997, 30.5% IN FY 1998 AND 30.2% IN FY 1999.
- (B) THE TOTAL AMOUNT OF BASIC PAY EXPECTED TO BE PAID DURING THE FISCAL YEAR TO MEMBERS OF THE ARMED FORCES.

COST COMPUTATIONS ARE AS FOLLOWS:

	FY 1997	FY 1998	FY 1999
BASE PAY (1-A)	\$2,383,283	\$2,404,872	\$2,419,133
LESS FINES & FORFEITURES	0	0	0
BASE PAY SUBJECT TO RPA	\$2,383,283	\$2,404,872	\$2,419,133

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
RPA	56,742	\$13,692.68	\$776,950	55,634	\$13,184.11	\$733,485	54,471	\$13,412.24	\$730,578
TOTAL 1-B	56,742		\$776,950	55,634		\$733,485	54,471		\$730,578

(IN THOUSANDS OF DOLLARS)

FY 1999 ESTIMATE \$113,365
FY 1998 ESTIMATE \$109,485
FY 1997 ACTUAL \$106,425

PROJECT: 1-C INCENTIVE PAY FOR HAZARDOUS DUTY

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE PAYMENT TO OFFICERS FOR THE FOLLOWING TYPES OF DUTY (37 U.S.C. 301).

- (1) (A), (B), (C) FLYING DUTY AS CREW MEMBER INVOLVING FREQUENT AND REGULAR PERFORMANCE OF OPERATIONAL OR PROFICIENCY FLYING DUTY REQUIRED BY ORDERS. FREQUENT AND REGULAR PARTICIPATION IN AERIAL FLIGHTS AS A NON-CREW MEMBER.
- (2) DUTY INVOLVING OPERATIONAL FLYING IN WHICH AN AVIATOR IS PAID A RETENTION BONUS IN ADDITION TO ACIP FOR AGREEING TO REMAIN ON ACTIVE DUTY IN AVIATION SERVICE FOR AT LEAST ONE YEAR.
- (3) DUTY INVOLVING FREQUENT AND REGULAR PERFORMANCE OF OPERATIONAL SUBMARINE DUTY, RESTRICTED TO MEMBERS WHO HOLD OR ARE IN TRAINING FOR SUBMARINE DUTY DESIGNATOR AND REMAIN IN THE SUBMARINE SERVICE ON A CAREER BASIS.
- (4) DUTY INVOLVING PARACHUTE JUMPING AS AN ESSENTIAL PART OF MILITARY DUTY.
- (5) DUTY INSIDE A HIGH OR LOW PRESSURE CHAMBER; DUTY INVOLVING ACCELERATION OR DECELERATION EXPERIMENTS, OR THERMAL STRESS EXPERIMENTS.
- (6) DUTY INVOLVING THE DEMOLITION OF EXPLOSIVES AS A PRIMARY DUTY INCLUDING TRAINING FOR SUCH DUTY.
- (7) DUTY INVOLVING PARTICIPATION IN FLIGHT OPERATIONS ON SHIPS FROM WHICH AIRCRAFT ARE LAUNCHED.
- (7) DUTY INVOLVING EXPOSURE TO HIGHLY TOXIC FUELS, PESTICIDES OR LABORATORY WORK THAT UTILIZES LIVE, DANGEROUS VIRUSES OR BACTERIA.

PART II - JUSTIFICATION OF FUNDS REQUESTED

HAZARDOUS DUTY PAY IS COMPUTED ON THE AVERAGE NUMBER OF OFFICERS ELIGIBLE FOR EACH TYPE PAYMENT. AVERAGE RATES FOR FLYING DUTY FOR CREW MEMBERS ARE BASED ON STATUTORY RATES CATEGORIZED BY YEARS OF AVIATION/COMMISSIONED SERVICE. AVIATION CONTINUATION PAY (ACP) COMPUTED AT A RATE NO GREATER THAN \$12,000 PER YEAR IF THE OFFICER AGREES TO REMAIN ON ACTIVE DUTY TO COMPLETE 14 YEARS OF COMMISSIONED SERVICE; OR, AT A RATE NO GREATER THAN \$6,000 PER YEAR FOR EACH YEAR OF THE CONTRACT IF THE OFFICER AGREES TO REMAIN ON ACTIVE DUTY FOR ONE OR TWO YEARS AND THE AVERAGE RATE REFLECTS PAYMENT IN LUMP SUM FOR CERTAIN PILOTS. CREW AND NON CREW MEMBERS UNDER COMPETENT ORDERS TO PARTICIPATE IN REGULAR AND FREQUENT AERIAL FLIGHTS ARE ENTITLED TO FLYING PAY BASED ON STATUTORY RATES BY PAY GRADE. AVERAGE RATES FOR SUBMARINE DUTY ARE BASED ON STATUTORY RATES BY PAY GRADE WITHIN EACH LONGEVITY STEP. ALL OTHER HAZARDOUS DUTY IS COMPUTED AT THE STATUTORY RATE OF \$1,320 / \$1,800 AS OF NOVEMBER 1997 PER ANNUM FOR EACH WORKYEAR, EXCEPT FOR THOSE OFFICERS WHO RECEIVE \$2,700 PER YEAR FOR PERFORMING HIGH ALTITUDE/LOW OPENING PARACHUTE JUMPS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

FY 1997

FY 1998

FY 1999

(1) FLYING DUTY

(A) (1) COMMISSIONED OFFICERS
(MONTHLY RATE)

	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
2 YEARS	1,683	\$1,500.00	\$2,525	1,685	\$1,500.00	\$2,528	1,682	\$1,500.00	\$2,523
2-3 YEARS	643	1,872.00	1,204	640	1,872.00	1,198	639	1,872.00	1,196
3-4 YEARS	977	2,256.00	2,204	970	2,256.00	2,188	969	2,256.00	2,186
4-6 YEARS	1,751	2,472.00	4,328	1,758	2,472.00	4,346	1,755	2,472.00	4,338
6-14 YEARS	6,941	7,800.00	54,140	6,992	7,800.00	54,538	5,623	7,800.00	43,859
14-22 YEARS	547	7,020.00	3,840	547	7,020.00	3,840	2,290	9,510.00	21,778
> 22 YEARS	385	5,940.00	2,287	386	5,940.00	2,293	136	6,420.00	873
> 23 YEARS	377	4,620.00	1,742	379	4,620.00	1,751	126	5,610.00	707
> 24 YEARS	59	3,000.00	177	59	3,000.00	177	116	4,620.00	536
> 25 YEARS	0	0	0	0	0	0	59	3,000	177
TOTAL (1) (A) (1)	13,363		72,447	13,416		72,859	13,395		78,173

(A) (2) WARRANT OFFICERS

2 YEARS	4	1,500.00	6	4	1,500.00	6	4	1,500.00	6
2-3 YEARS	6	1,872.00	11	6	1,872.00	11	6	1,872.00	11
3-4 YEARS	2	2,256.00	5	2	2,256.00	5	2	2,256.00	5
4-6 YEARS	5	2,472.00	12	5	2,472.00	12	5	2,472.00	12
6-18 YEARS	16	7,800.00	125	16	7,800.00	125	16	7,800.00	125
TOTAL (1) (A) (2)	33		159	33		159	33		159
TOTAL (1) (A)	13,396		72,606	13,449		73,018	13,428		78,332

(B) CREW MEMBERS

(B) CREW MEMBERS	64	2,280.90	146	69	2,280.90	157	69	2,280.90	157
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(C) NON-CREW MEMBERS

(C) NON-CREW MEMBERS	10	1,320.00	13	20	1,735.88	35	20	1,800.00	36
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(D) CONTINUATION PAY

(D) CONTINUATION PAY	843	8,481.61	7,150	783	11,832.69	9,265	837	10,037.04	8,401
PILOTS	157	12,248.41	1,923	140	14,514.29	2,032	115	19,495.65	2,242
FLIGHT OFFICERS									
TOTAL (1) (D)	1,000		9,073	923		11,297	952		10,643

TOTAL (1)

TOTAL (1)	14,470		\$81,838	14,461		\$84,507	14,469		\$89,168
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(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) SUBMARINE DUTY									
VICE ADMIRAL	1	\$4,260.00	\$4	1	\$4,260.00	\$4	1	\$4,260.00	\$4
REAR ADMIRAL (UH)	1	4,260.00	4	3	4,260.00	13	3	4,260.00	13
REAR ADMIRAL (IH)	5	4,260.00	21	5	4,260.00	21	5	4,260.00	21
CAPTAIN	197	7,165.00	1,412	203	7,165.00	1,454	201	7,165.00	1,440
COMMANDER	413	7,163.00	2,958	491	7,163.00	3,517	493	7,163.00	3,531
LIEUTENANT COMMANDER	606	7,158.00	4,338	479	7,158.00	3,429	450	7,158.00	3,221
LIEUTENANT	1,559	6,520.00	10,165	1,518	6,520.00	9,897	1,432	6,520.00	9,337
LIEUTENANT (JG)	691	3,036.00	2,098	620	3,036.00	1,882	592	3,036.00	1,797
ENSIGN	483	2,390.00	1,154	631	2,390.00	1,508	631	2,390.00	1,508
WARRANT OFFICER W-4	11	4,301.00	47	11	4,301.00	47	11	4,301.00	47
WARRANT OFFICER W-3	34	4,263.00	145	38	4,263.00	162	40	4,263.00	171
WARRANT OFFICER W-2	43	4,270.00	184	70	4,270.00	299	65	4,270.00	278
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL (2)	4,044		22,530	4,070		22,233	3,924		21,368
(3) PARACHUTE JUMPING									
(4) DUTY INSIDE A HIGH OR LOW PRESSURE CHAMBER, INSIDE OBSERVER, HUMAN ACCELERATION OR DECELERATION EXPERIMENTAL OBSERVER AND TEST SUBJECT IN THERMAL STRESS EXPERIMENTS:	413	1,801.45	744	415	1,932.66	802	415	1,986.66	824
(5) DEMOLITION DUTY	80	1,320.00	106	123	1,735.88	214	118	1,800.00	212
(6) FLIGHT DECK DUTY	281	1,320.00	371	340	1,735.88	590	340	1,800.00	612
(7) TOXIC MATERIAL PAY	633	1,320.00	836	656	1,735.88	1,139	656	1,800.00	1,181
TOTAL 1-C	0	1,320.00	0	0	1,735.88	0	0	1,800.00	0
			\$106,425			\$109,485			\$113,365

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE	\$214,746
-FY 1998 ESTIMATE	\$215,181
-FY 1997 ACTUAL	\$207,464

PROJECT: 1-D SPECIAL PAY

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR THE FOLLOWING SPECIAL PAY:

- (1) PHYSICIANS PAY (37 U.S.C. 302):
 - (A) VARIABLE SPECIAL PAY - MONTHLY PAYMENT TO MEDICAL CORPS OFFICERS ON ACTIVE DUTY UNDER A CALL OR ORDER TO ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN ONE YEAR. AMOUNT PAID VARIES WITH TOTAL LENGTH OF CREDITABLE SERVICE.
 - (B) ADDITIONAL SPECIAL PAY - AN ANNUAL PAYMENT WHICH VARIES WITH LENGTH OF CREDITABLE SERVICE WHICH IS PAID TO MEDICAL CORPS OFFICERS WHO EXECUTE A WRITTEN AGREEMENT TO REMAIN ON ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN ONE YEAR AND WHO ARE NOT UNDERGOING MEDICAL OR OSTEOPATHIC INTERNSHIP, OR INITIAL RESIDENCY.
 - (C) BOARD CERTIFIED PAY - A MONTHLY PAYMENT WHICH VARIES WITH LENGTH OF CREDITABLE SERVICE PAID TO MEDICAL CORPS OFFICERS WHO BECOME BOARD CERTIFIED OR RECERTIFIED AS HAVING SUCCESSFULLY MET SPECIFIED POST-GRADUATE EDUCATION, TRAINING AND EXPERIENCE REQUIREMENTS IN A MEDICAL OR OSTEOPATHIC SPECIALTY.
 - (D) MEDICAL INCENTIVE PAY - FOR MEDICAL CORPS OFFICERS, O-6 AND BELOW, WHO MEET CERTAIN CRITERIA, AND WHO AGREE TO REMAIN ON ACTIVE DUTY FOR A PERIOD OF ONE YEAR AND WHO ARE NOT UNDERGOING MEDICAL OR OSTEOPATHIC INTERNSHIP, INITIAL RESIDENCY, SUBSPECIALTY OR FELLOWSHIP TRAINING.
 - (E) MEDICAL RETENTION BONUS - A BONUS PAYABLE TO MEDICAL CORPS OFFICERS, WHO HAVE AT LEAST 8 YEARS CREDITABLE SERVICE, IN A SPECIALTY WITH SEVERE SHORTAGES, BELOW PAY GRADE O-7, COMPLETED ACTIVE DUTY SERVICE FOR MEDICAL EDUCATION AND TRAINING AND EXECUTES A WRITTEN AGREEMENT TO REMAIN ON ACTIVE DUTY FOR AT LEAST TWO YEARS.
 - (F) MULTIYEAR SPECIALTY PAY (MSP) (P.L.101-510) - MSP IS A BONUS PAYABLE TO MEDICAL CORPS OFFICERS WHO HAVE 8 YEARS OF CREDITABLE SERVICE OR NO FURTHER POST GRADUATE MEDICAL TRAINING OBLIGATION AND EXECUTES AN AGREEMENT TO SERVE AN ADDITIONAL TWO TO FOUR YEARS ON ACTIVE DUTY.
- (2) DENTISTS PAY (37 U.S.C. 302B):
 - (A) VARIABLE SPECIAL PAY - MONTHLY PAYMENT TO DENTAL CORPS OFFICERS ON ACTIVE DUTY UNDER A CALL OR ORDER TO ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN ONE YEAR. AMOUNT PAID VARIES WITH TOTAL LENGTH OF CREDITABLE SERVICE.
 - (B) ADDITIONAL SPECIAL PAY - AN ANNUAL PAYMENT WHICH VARIES WITH LENGTH OF CREDITABLE SERVICE WHICH IS PAID TO DENTAL CORPS OFFICERS WHO EXECUTE A WRITTEN AGREEMENT TO REMAIN ON ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN ONE YEAR AND WHO ARE NOT UNDERGOING DENTAL INTERNSHIPS OR RESIDENCY TRAINING.
 - (C) BOARD CERTIFIED PAY - A MONTHLY PAYMENT WHICH VARIES WITH LENGTH OF CREDITABLE SERVICE PAID TO DENTAL CORPS OFFICERS WHO ATTAIN BOARD CERTIFICATION OR BOARD CERTIFICATION EQUIVALENCY REQUIREMENTS.
 - (D) ACCESSION BONUS - A BONUS PAID TO A DENTAL SCHOOL GRADUATE WHO AGREES TO ACCEPT A COMMISSION AS AN OFFICER AND REMAIN ON ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN FOUR YEARS.
 - (E) MULTIYEAR SPECIALTY PAY (MSP) - MSP IS A BONUS PAYABLE TO DENTAL CORPS OFFICERS WHO HAVE AT LEAST 8 YEARS OF CREDITABLE SERVICE, OR HAS COMPLETED ANY ACTIVE DUTY SERVICE COMMITMENT INCURRED FOR DENTAL EDUCATION AND TRAINING, HAS COMPLETED SPECIALTY TRAINING, AND EXECUTES AN AGREEMENT TO SERVE AN ADDITIONAL TWO TO FOUR YEARS ON ACTIVE DUTY.
- (3) OPTOMETRISTS PAY (37 U.S.C. 302A) - \$100 PER MONTH PAYABLE TO OFFICERS ON ACTIVE DUTY DESIGNATED AS OPTOMETRISTS.
- (4) NURSE PAY (37 U.S.C. 302D AND 302E):
 - (A) ACCESSION BONUS - A BONUS PAID TO A PERSON WHO IS A REGISTERED NURSE WHO AGREES TO ACCEPT A COMMISSION AS AN OFFICER AND REMAIN ON ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN FOUR YEARS.
 - (B) INCENTIVE - FOR NURSE ANESTHETISTS WHO AGREES TO REMAIN ON ACTIVE DUTY FOR A PERIOD OF ONE YEAR OR MORE.

- (5) PERSONAL MONEY ALLOWANCES (37 U.S.C. 414):
 (A) PERSONAL MONEY ALLOWANCES - PAID TO FLAG OFFICERS ON ACTIVE DUTY WHO ARE SERVING AS CHAIRMAN JOINT CHIEFS OF STAFF, VICE ADMIRALS, SENIOR MEMBERS OF THE MILITARY STAFF COMMITTEE OF THE UNITED NATIONS, ADMIRAL, OR CHIEF OF NAVAL OPERATIONS.
 (B) SPECIAL ALLOWANCES (37 U.S.C. 414B) - PAID TO OFFICERS ON ACTIVE DUTY SERVING AS COMMANDANT OF MIDSHPMEN, U.S. NAVAL ACADEMY; SUPERINTENDANT, NAVAL POST GRADUATE SCHOOL; PRESIDENT, NAVAL WAR COLLEGE; SUPERINTENDENT, U.S. NAVAL ACADEMY, OR DIRECTOR OF NAVAL INTELLIGENCE.
- (6) RESPONSIBILITY PAY (37 U.S.C. 306) - AN AMOUNT WHICH VARIES BY PAY GRADE, PAYABLE TO OFFICERS ON ACTIVE DUTY SERVING IN SECRETARY OF THE NAVY DESIGNATED POSITIONS OF UNUSUAL RESPONSIBILITY WHICH ARE OF A CRITICAL NATURE TO THE NAVY.
- (7) DIVING DUTY PAY (37 U.S.C. 304) - A MONTHLY AMOUNT NOT TO EXCEED \$200 PAID TO OFFICERS ON ACTIVE DUTY ASSIGNED TO DIVING DUTY. RECIPIENTS OF DIVING DUTY PAY ARE REQUIRED TO MAINTAIN PROFICIENCY AS DIVERS AND MUST ACTUALLY PERFORM DIVING DUTY.
- (8) NUCLEAR OFFICER INCENTIVE PAY (37 U.S.C. 312, 312B AND 312C):
 (A) AN ANNUAL BONUS NOT TO EXCEED \$12,000 PAID TO OFFICERS BELOW THE PAY GRADE OF O-7 WHO ARE QUALIFIED TO SUPERVISE, OPERATE, AND MAINTAIN NAVAL NUCLEAR PROPULSION PLANTS AND AGREE TO REMAIN ON ACTIVE DUTY.
 (B) A BONUS NOT TO EXCEED \$8,000 PAID TO OFFICERS WHO COMPLETE NUCLEAR POWER TRAINING.
 (C) AN ANNUAL BONUS NOT TO EXCEED \$10,000 PAID TO OFFICERS BELOW THE PAY GRADE OF O-7 WHO ARE QUALIFIED TO SUPERVISE, OPERATE, AND MAINTAIN NAVAL NUCLEAR PROPULSION PLANTS.
- (9) SEA PAY (37 U.S.C. 305A):
 (A) CAREER SEA PAY - A VARIABLE AMOUNT PAID MONTHLY TO OFFICERS ON ACTIVE DUTY WHO ARE PERMANENTLY OR TEMPORARILY SERVING ON A SHIP, THE PRIMARY MISSION OF WHICH IS ACCOMPLISHED WHILE UNDERWAY, OR WHILE SERVING AS A MEMBER OF THE OFF CREW OF A TWO-CREWED SUBMARINE; OR WHEN SERVING ON A SHIP, THE PRIMARY MISSION OF WHICH IS ACCOMPLISHED WHILE IN PORT, CAREER SEA PAY IS EARNED ONLY DURING A PERIOD THAT THE SHIP IS AWAY FROM ITS HOMEPORT FOR 30 CONSECUTIVE DAYS OR MORE.
 (B) PREMIUM SEA PAY - \$100 PER MONTH PAID TO OFFICERS WHO ARE ENTITLED TO CAREER SEA PAY WHO HAVE SERVED MORE THAN 36 CONSECUTIVE MONTHS ON SEA DUTY PAYABLE ON THE 37TH CONSECUTIVE MONTH.
- (10) IMMINENT DANGER PAY (37 U.S.C. 310) - A MONTHLY PAYMENT OF \$150 TO OFFICERS ON ACTIVE DUTY WHO ARE IN DESIGNATED AREAS OR TO MEMBERS WHO ARE EXPOSED TO HOSTILE FIRE OR EXPLOSION OF HOSTILE MINES, OR MEMBERS WHO ARE IN A FOREIGN COUNTRY IN WHICH MEMBER WAS SUBJECT TO THE THREAT OF PHYSICAL HARM OR IMMINENT DANGER ON THE BASIS OF CIVIL INSURRECTION, CIVIL WAR, TERRORISM, OR WARTIME CONDITIONS.
- (11) FOREIGN LANGUAGE PROFICIENCY PAY (37 U.S.C. 316) - A MONTHLY PAYMENT NOT TO EXCEED \$100 MADE TO QUALIFIED OFFICERS WHOSE MILITARY SPECIALTY REQUIRES PROFICIENCY IN A FOREIGN LANGUAGE.
- (12) PSYCHOLOGIST DIPLOMATE PAY/NON PHYSICIAN BOARD CERTIFIED PAY (37 U.S.C. 302C) - AN ANNUAL PAYMENT FOR MEDICAL SERVICE CORPS OFFICERS WHO ARE HEALTH CARE PROVIDERS, CERTIFIED BY A PROFESSIONAL BOARD OF THEIR SPECIALTY OR AWARDED A DIPLOMA AS A DIPLOMATE IN PSYCHOLOGY.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SPECIAL PAY FOR PHYSICIANS AND DENTISTS IS COMPUTED BY MULTIPLYING THE STATUTORY RATES FOR MEMBERS WITHIN EACH APPLICABLE LONGEVITY STEP. COSTS FOR CAREER SEA PAY ARE BASED ON AVERAGE RATES AND GRADE DISTRIBUTION EXPERIENCED IN FY 1997. OTHER SPECIAL PAYS ARE BASED ON STATUTORY RATES PRESCRIBED FOR EACH ENTITLEMENT AS APPLICABLE.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) PHYSICIANS PAY									
(A) VARIABLE	4,036	\$7,671.70	\$30,963	4,050	\$7,701.23	\$31,190	3,994	\$7,708.31	\$30,787
(B) ADDITIONAL	3,074	15,000.00	46,110	3,016	15,000.00	45,240	2,982	15,000.00	44,730
(C) BOARD CERTIFIED	1,859	3,932.76	7,311	1,815	3,871.07	7,026	1,790	3,872.07	6,931
(D) MEDICAL INCENTIVE	2,231	17,747.20	39,594	1,932	20,090.06	38,814	1,932	20,711.00	40,014
(E) MED RETENTION BONUS	0	0.00	0	0	0.00	0	0	0.00	0
(F) MULTI YEAR PAY	1,008	10,537.70	10,622	991	10,444.00	10,350	991	10,444.00	10,350
TOTAL (1)			134,600			132,620			132,812
(2) DENTISTS PAY									
(A) VARIABLE	1,313	4,762.38	6,253	1,376	7,291.42	10,033	1,376	7,686.77	10,577
(B) ADDITIONAL	1,328	6,608.43	8,776	1,376	10,187.50	14,018	1,376	10,187.50	14,018
(C) BOARD CERTIFIED	230	5,104.35	1,174	232	5,008.62	1,162	235	5,004.26	1,176
(D) ACCESSION BONUS	63	30,000.00	1,890	96	30,000.00	2,880	96	30,000.00	2,880
(E) SAVED PAY	0	0.00	66	0	0.00	250	0	0.00	250
(F) MULTI YEAR PAY	0	0.00	0	56	12,321.14	690	135	12,318.52	1,663
TOTAL (2)			18,159			29,033			30,564
(3) OPTOMETRISTS PAY	133	1,200.00	160	133	1,200.00	160	129	1,200.00	155
(4) NURSES PAY									
(A) ACCESSION BONUS	71	5,000.00	355	50	5,000.00	250	65	5,000.00	325
(B) INCENTIVE	144	10,750.00	1,548	137	10,992.70	1,506	137	11,242.00	1,540
TOTAL (4)			1,903			1,756			1,865
TOTAL (1) (2) (3) (4)			154,822			163,569			165,396
(5) PERSONAL MONEY ALLOWANCE									
(A) FLAG OFFICERS									
ADMIRAL (CNO)	0	4,000.00	0	1	4,000.00	4	1	4,000.00	4
ADMIRAL	0	2,200.00	0	7	2,200.00	15	7	2,200.00	15
VICE ADMIRAL (UN)	8	2,700.00	22	1	2,700.00	3	1	2,700.00	3
VICE ADMIRAL	27	500.00	14	25	500.00	13	25	500.00	13
TOTAL (5) (A)	35		36	34		35	34		35
(B) SPECIAL ALLOWANCES	5	2,520.00	13	5	2,520.00	13	5	2,520.00	13
TOTAL (5)			\$49			\$48			\$48

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(6) RESPONSIBILITY PAY	694	\$1,368.88	\$950	684	\$1,371.35	\$938	671	\$1,374.07	\$922
(7) DIVING DUTY PAY	1,138	2,355.01	2,680	1,230	2,339.02	2,877	1,230	2,339.02	2,877
(8) NUCLEAR OFFICER INCENTIVE PAY	3,293	8,192.53	26,978	3,202	8,392.25	26,872	3,053	8,292.83	25,318
(9) SEA PAY									
(A) CAREER SEA PAY									
CAPTAIN	243	3,493.92	849	232	3,493.92	811	227	3,493.92	793
COMMANDER	758	2,908.56	2,205	722	2,908.56	2,100	704	2,908.56	2,048
LIEUTENANT COMMANDER	1,368	2,504.40	3,426	1,307	2,504.40	3,273	1,275	2,504.40	3,193
LIEUTENANT	2,128	2,109.24	4,488	2,012	2,109.24	4,244	1,961	2,109.24	4,136
LIEUTENANT (JG)	554	2,284.08	1,265	509	2,284.08	1,163	496	2,284.08	1,133
ENSIGN	402	2,204.88	886	375	2,204.88	827	366	2,204.88	807
WARRANT OFFICER W-4	69	4,738.92	327	72	4,738.92	341	70	4,738.92	332
WARRANT OFFICER W-3	228	4,257.24	971	221	4,257.24	941	215	4,257.24	915
WARRANT OFFICER W-2	375	3,306.96	1,240	350	3,306.96	1,157	341	3,306.96	1,128
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0	0	0.00	0
SUB-TOTAL	6,125		15,657	5,800		14,857	5,655		14,485
(B) PREMIUM SEA PAY	1,308	1,200.00	1,570	1,148	1,200.00	1,378	1,119	1,200.00	1,343
TOTAL (9)			17,227			16,235			15,828
(10) IMMINENT DANGER PAY	2,109	1,800.00	3,796	2,019	1,800.00	3,634	1,856	1,800.00	3,341
(11) FOREIGN LANGUAGE PROFICIENCY PAY	196	928.57	182	350	828.57	290	360	827.78	298
(12) PSYCH DIPLOMATE/ NON PHYSICIAN PAY	324	2,407	780	298	2,410	718	298	2,410	718
TOTAL 1-D			\$207,464			\$215,181			\$214,746

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$0
 -FY 1998 ESTIMATE \$91,358
 -FY 1997 ACTUAL \$370,009

PROJECT: 1-E BASIC ALLOWANCE FOR QUARTERS

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR BASIC ALLOWANCE FOR QUARTERS (37 U.S.C. 403), (37 U.S.C. 1009), AND (EXECUTIVE ORDER NO. 11157, AS AMENDED), TO MILITARY MEMBERS WITH OR WITHOUT DEPENDENTS, TO INCLUDE PARTIAL PAYMENT TO BACHELORS IN GOVERNMENT QUARTERS, ON SEA DUTY OR ON FIELD DUTY; AND TO MILITARY MEMBERS OCCUPYING INADEQUATE FAMILY HOUSING UNDER THE PROVISIONS OF SECTION 2830 OF THE FY 1983 MILITARY CONSTRUCTION CODIFICATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONGRESS APPROVED IN THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THE PAYMENT OF A BASIC ALLOWANCE FOR HOUSING (BAH) TO SERVICE MEMBERS. THE BAH COMBINES HOUSING PAYMENTS FORMERLY PROVIDED BY BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA). THE FY 1998 BAQ AMOUNTS REFLECT PAYMENTS FOR 3 MONTHS (OCTOBER - DECEMBER 1997). EFFECTIVE 1 JANUARY 1998, THE PAYMENTS ARE INCLUDED UNDER BAH.

BASIC ALLOWANCE FOR QUARTERS IS COMPUTED BY MULTIPLYING THE NUMBER OF ELIGIBLE OFFICERS BY PAY GRADE BY THE STATUTORY RATES. THE RATES REFLECT A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998	
	NUMBER	RATE	NUMBER	RATE
(1) WITH DEPENDENTS		AMOUNT		AMOUNT
FLAG OFFICERS	93	\$12,110.78	89	\$3,045.60
CAPTAIN	2,394	10,847.20	2,335	2,742.30
COMMANDER	5,376	10,464.30	5,336	2,643.30
LIEUTENANT COMMANDER	7,366	9,214.50	7,293	2,330.10
LIEUTENANT	10,767	7,768.82	10,201	1,964.20
LIEUTENANT (JG)	2,500	6,854.34	2,624	1,733.15
ENSIGN	1,889	6,357.70	1,759	1,606.91
WARRANT OFFICER W-4	331	8,152.60	215	2,061.90
WARRANT OFFICER W-3	585	7,470.44	471	1,889.10
WARRANT OFFICER W-2	557	6,871.90	590	1,737.90
WARRANT OFFICER W-1	0	0.00	0	0.00
TOTAL (1)	31,858	\$274,914	30,913	\$67,542
BAQ DIFF	556	779	533	187
TOTAL	32,414	275,693	31,446	67,729

FY 1997

FY 1998

	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) WITHOUT DEPENDENTS						
FLAG OFFICERS	4	\$9,681.50	\$39	3	\$2,474.10	\$7
CAPTAIN	249	8,999.08	2,241	248	2,269.80	563
COMMANDER	851	8,643.00	7,355	833	2,186.10	1,821
LIEUTENANT COMMANDER	1,751	8,012.02	14,029	1,743	2,025.90	3,531
LIEUTENANT	6,035	6,464.06	39,011	5,817	1,656.05	9,633
LIEUTENANT (JG)	2,861	5,159.26	14,761	2,882	1,377.24	3,969
ENSIGN	3,637	4,352.98	15,832	3,475	1,114.78	3,874
WARRANT OFFICER W-4	17	7,194.24	122	10	1,827.90	18
WARRANT OFFICER W-3	50	6,073.96	304	42	1,536.30	65
WARRANT OFFICER W-2	59	5,412.71	319	61	1,364.40	83
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0
TOTAL (2)	15,514		94,013	15,114		23,564

	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(3) PARTIAL ALLOWANCE - BACHELOR						
FLAG OFFICERS	0	0.00	0	0	0.00	0
CAPTAIN	13	475.20	6	13	118.80	2
COMMANDER	38	396.00	15	28	99.00	3
LIEUTENANT COMMANDER	103	320.40	33	89	80.10	7
LIEUTENANT	442	266.40	118	366	66.60	24
LIEUTENANT (JG)	195	212.40	41	129	53.10	7
ENSIGN	484	158.40	77	516	39.60	20
WARRANT OFFICER W-4	0	302.40	0	0	75.60	0
WARRANT OFFICER W-3	3	248.40	1	11	62.10	1
WARRANT OFFICER W-2	7	190.80	1	24	47.70	1
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0
TOTAL (3)	1,285		292	1,176		65

	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(4) SUBSTANDARD FAMILY HOUSING						
CAPTAIN	0	2,711.80	0	0	685.55	0
COMMANDER	0	2,616.07	0	0	660.85	0
LIEUTENANT COMMANDER	1	2,303.62	2	0	582.58	0
LIEUTENANT	1	1,942.21	2	0	490.15	0
LIEUTENANT (JG)	3	1,713.58	5	0	433.29	0
ENSIGN	0	1,589.43	0	0	401.73	0
WARRANT OFFICER W-4	0	2,038.15	0	0	514.90	0
WARRANT OFFICER W-3	1	1,867.61	2	0	472.14	0
WARRANT OFFICER W-2	0	1,717.97	0	0	434.49	0
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0
TOTAL (4)	6		11	0		0
TOTAL 1-E	49,219		\$370,009	47,736		\$91,358

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-F VARIABLE HOUSING ALLOWANCE

 -FY 1999 ESTIMATE \$0
 -FY 1998 ESTIMATE \$35,765
 -FY 1997 ACTUAL \$145,703

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE PAY FOR OFFICERS ON ACTIVE DUTY, OR THEIR DEPENDENTS, BASED ON PAY GRADE AND DUTY ASSIGNMENT IN HIGH COST HOUSING AREAS IN THE CONTINENTAL UNITED STATES, ALASKA AND HAWAII (37 U.S.C. 403A).

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONGRESS APPROVED IN THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THE PAYMENT OF A BASIC ALLOWANCE FOR HOUSING (BAH) TO SERVICE MEMBERS. THE BAH COMBINES HOUSING PAYMENTS FORMERLY PROVIDED BY BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA). THE FY 1998 BAQ AMOUNTS REFLECT PAYMENTS FOR 3 MONTHS (OCTOBER - DECEMBER 1997). EFFECTIVE 1 JANUARY 1998, THE PAYMENTS ARE INCLUDED UNDER BAH.

VARIABLE HOUSING ALLOWANCE IS COMPUTED BY MULTIPLYING THE NUMBER ELIGIBLE BY THE PERCENTAGE EXPERIENCED DURING FY 1997. THE RATES ARE BASED ON ACTUAL EXPERIENCE WITH A 2.1% INCREASE FOR COST GROWTH IN FY 1998. WORKYEARS ARE DIRECTLY RELATED TO BASIC ALLOWANCE FOR QUARTERS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

VARIABLE HOUSING	FY 1997		FY 1998	
	NUMBER	RATE	NUMBER	RATE
FLAG OFFICERS	96	\$4,197.92	92	\$1,102.21
CAPTAIN	2,551	4,364.95	2,380	1,153.57
COMMANDER	5,810	4,112.22	5,605	1,061.08
LIEUTENANT COMMANDER	8,407	3,823.60	8,079	981.75
LIEUTENANT	15,417	3,170.53	14,328	836.25
LIEUTENANT (JG)	4,837	2,698.78	4,712	701.81
ENSIGN	4,763	2,202.60	4,452	570.47
WARRANT OFFICER W-4	343	3,705.54	211	935.50
WARRANT OFFICER W-3	594	3,668.35	476	883.67
WARRANT OFFICER W-2	563	4,001.78	586	1,012.63
WARRANT OFFICER W-1	0	0.00	0	0.00
TOTAL 1-F	43,381	\$145,703	40,921	\$35,765

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-E BASIC ALLOWANCE FOR HOUSING

 -FY 1999 ESTIMATE \$516,471
 -FY 1998 ESTIMATE \$390,656

PART I - PURPOSE AND SCOPE

CONGRESS APPROVED IN THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THE PAYMENT OF A BASIC ALLOWANCE FOR HOUSING (BAH) TO SERVICE MEMBERS. THE BAH COMBINES HOUSING PAYMENTS FORMERLY PROVIDED BY BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA). PAYMENT TO SERVICE MEMBERS IS AUTHORIZED BY REVISIONS TO 37 USC 403.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE FY 1998 AMOUNTS FOR BAH REFLECT THE 1 JANUARY 98 START DATE FOR BAH AND INCLUDES A 2.5 PERCENT INCREASE WHICH IS THE COMPOSITE OF THE 2.8 PERCENT RATE APPLICABLE TO BAQ AND THE 1.4 PERCENT RATE APPLICABLE TO VHA. THE FY 1999 AMOUNTS REFLECT A FULL YEAR'S COST AND INCLUDES A 2.8 PERCENT INCREASE. THIS INCREASE IS THE ESTIMATED HOUSING RATE INCREASE THAT WILL RESULT FROM THE CONTRACTOR GENERATED SURVEYS OF ACTUAL HOUSING COSTS WHICH WILL BE COMPLETED DURING 1998.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) WITH DEPENDENTS						
FLAG OFFICERS	89	\$12,938.87	\$1,152	89	\$17,348.31	\$1,544
CAPTAIN	2,335	11,732.92	27,396	2,119	15,981.12	33,864
COMMANDER	5,336	11,146.55	59,478	5,303	15,169.15	80,442
LIEUTENANT COMMANDER	7,293	9,901.69	72,213	7,181	13,470.69	96,733
LIEUTENANT	10,201	8,403.99	85,729	9,585	11,459.57	109,840
LIEUTENANT (JG)	2,624	7,425.06	19,483	2,715	10,069.24	27,338
ENSIGN	1,759	6,832.97	12,019	1,726	9,312.28	16,073
WARRANT OFFICER W-4	215	8,868.83	1,907	139	12,273.38	1,706
WARRANT OFFICER W-3	471	8,283.65	3,902	413	11,305.08	4,669
WARRANT OFFICER W-2	590	8,178.03	4,825	631	11,115.69	7,014
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0
TOTAL (1)	30,913		\$288,104	29,901		\$379,223
BAH DIFF	533		577	512		735
TOTAL	31,446		288,681	30,413		379,958

(IN THOUSANDS OF DOLLARS)

	FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE
(2) WITHOUT DEPENDENTS				
FLAG OFFICERS	3	\$11,200.10	4	\$14,250.00
CAPTAIN	248	9,998.44	231	13,610.39
COMMANDER	833	9,477.37	833	12,883.55
LIEUTENANT COMMANDER	1,743	8,870.47	1,730	12,057.80
LIEUTENANT	5,817	7,271.54	5,568	9,908.23
LIEUTENANT (JG)	2,882	5,684.47	2,967	7,789.35
ENSIGN	3,475	4,720.94	3,436	6,431.32
WARRANT OFFICER W-4	10	8,978.47	8	11,500.00
WARRANT OFFICER W-3	42	7,517.04	38	10,289.47
WARRANT OFFICER W-2	61	6,854.14	65	9,276.92
WARRANT OFFICER W-1	0	0.00	0	0.00
TOTAL (2)	15,114	101,781	14,880	136,257
(3) PARTIAL ALLOWANCE - BACHELOR				
FLAG OFFICERS	0	0.00	0	0.00
CAPTAIN	13	356.40	12	475.20
COMMANDER	28	297.00	31	396.00
LIEUTENANT COMMANDER	89	240.30	89	320.40
LIEUTENANT	366	199.80	350	266.40
LIEUTENANT (JG)	129	159.30	132	212.40
ENSIGN	516	118.80	510	158.40
WARRANT OFFICER W-4	0	226.80	0	302.40
WARRANT OFFICER W-3	11	186.30	10	248.40
WARRANT OFFICER W-2	24	143.10	26	190.80
WARRANT OFFICER W-1	0	0.00	0	0.00
TOTAL (3)	1,176	194	1,160	256
(4) SUBSTANDARD FAMILY HOUSING				
CAPTAIN	0	2,114.23	0	2,884.11
COMMANDER	0	2,038.08	0	2,780.24
LIEUTENANT COMMANDER	0	1,796.66	0	2,451.36
LIEUTENANT	0	1,514.40	0	2,066.19
LIEUTENANT (JG)	0	1,336.26	0	1,822.94
ENSIGN	0	1,238.93	0	1,690.37
WARRANT OFFICER W-4	0	1,587.96	0	2,167.49
WARRANT OFFICER W-3	0	1,456.10	0	1,986.32
WARRANT OFFICER W-2	0	1,339.98	0	1,828.48
WARRANT OFFICER W-1	0	0.00	0	0.00
TOTAL (4)	0	0	0	0
TOTAL 1-E	47,736	\$390,656	46,453	\$516,471

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$102,537
 -FY 1998 ESTIMATE \$103,690
 -FY 1997 ACTUAL \$104,192

PROJECT: 1-G BASIC ALLOWANCE FOR SUBSISTENCE

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED WILL PROVIDE FOR A CASH ALLOWANCE, PAYABLE BY LAW TO OFFICERS AT ALL TIMES, TO REIMBURSE THEM FOR THE EXPENSE OF SUBSISTING THEMSELVES (37 U.S.C. 402).

PART II - JUSTIFICATION OF FUNDS REQUESTED

BASIC ALLOWANCE FOR SUBSISTENCE IS COMPUTED BY MULTIPLYING THE TOTAL OFFICER WORKYEAR AVERAGE BY THE STATUTORY RATE OF \$1,849.92 PER ANNUM EFFECTIVE 01 JANUARY 1997 PLUS A 1.0% PAY RAISE EFFECTIVE 01 JANUARY 1998 AND 1.0% EFFECTIVE 01 JANUARY 1999.

STARTING IN FY 1998, BAS REFORM IS INITIATED BY AUTHORIZING A PARTIAL BAS PAYMENT. PARTIAL BAS IS A COST NEUTRAL EFFORT TO PROVIDE ALL ELIGIBLE ENLISTED PERSONNEL WITH A BAS PAYMENT AND LIMITS THE GROWTH OF BAS TO ONE PERCENT PER YEAR IN ORDER TO ALLOW THE DEPARTMENT TO MAKE A PARTIAL BAS PAYMENT WITH THE REMAINING PAY RAISE RESOURCES TO MEMBERS RECEIVING SUBSISTENCE-IN-KIND PAYMENTS. PROJECTED INCREASES IN COST GROWTH WILL ALLOW THE U.S. DEPARTMENT OF AGRICULTURE (USDA) FOOD PLANS TO CATCH-UP WITH THE BAS PAYMENT IN APPROXIMATELY SIX YEARS AT WHICH TIME ALL ENLISTED PERSONNEL WILL BE ENTITLED TO A BAS PAYMENT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
BASIC ALLOWANCE FOR SUBSISTENCE	56,742	\$1,836.24	\$104,192	55,634	\$1,863.79	\$103,690	54,471	\$1,882.42	\$102,537
TOTAL 1-G	56,742		\$104,192	55,634		\$103,690	54,471		\$102,537

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-H STATION ALLOWANCES, OVERSEAS

 -FY 1999 ESTIMATE \$65,534
 -FY 1998 ESTIMATE \$73,360
 -FY 1997 ACTUAL \$77,976

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR PAYMENTS OF A PER DIEM ALLOWANCE TO MEMBERS AND THEIR DEPENDENTS ON DUTY OUTSIDE THE UNITED STATES FOR INCREASED COST OF LIVING, HOUSING AND TEMPORARY LODGING ALLOWANCES. AUTHORIZATION IS PROVIDED UNDER PROVISION OF (37 U.S.C. 405) AND THE JOINT TRAVEL REGULATIONS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE NUMBERS FOR COST OF LIVING ALLOWANCE (COLA) AND HOUSING ALLOWANCE ARE BASED ON ACTUAL EXPERIENCE ADJUSTED TO REFLECT CHANGES IN OVERSEAS STRENGTH. THESE RATES REFLECT THE LATEST FOREIGN CURRENCY RATE GUIDANCE. THE RATES FOR COLA REFLECT A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998 AND A 3.1% PAY RAISE EFFECTIVE 01 JANUARY 1999. IN FY 1997, MPN RE-JOINED THE FOREIGN CURRENCY FLUCTUATIONS, DEFENSE ACCOUNT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) COST OF LIVING	7,625	\$5,778.75	\$44,063	7,588	\$5,370.12	\$40,748	7,470	\$4,658.77	\$34,801
(2) HOUSING	2,506	10,261.77	25,716	2,493	9,734.08	24,267	2,457	9,040.70	22,213
(3) TEMPORARY LODGING			8,197			8,345			8,520
TOTAL 1-H			\$77,976			\$73,360			\$65,534

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE 1,693
 -FY 1998 ESTIMATE 1,677
 -FY 1997 ACTUAL 1,650

PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA)

PART I - PURPOSE AND SCOPE

THE FUNDS REQUESTED WILL PROVIDE FOR PAYMENT OF A COST OF LIVING ALLOWANCE (COLA) TO SAILORS WHO ARE ASSIGNED TO HIGH COST AREAS IN THE CONTINENTAL UNITED STATES (CONUS). HIGH COST AREAS ARE GROUPED AS MILITARY HOUSING AREAS (MHA) WHERE THE COST OF GOODS AND SERVICES EXCEED 108 PERCENT OF THE NATIONAL COST OF LIVING AVERAGE. THE AMOUNT OF COLA PAYABLE IS THE PRODUCT OF SPENDABLE INCOME (BASED ON REGULAR MILITARY COMPENSATION) TIMES THE DIFFERENCE BETWEEN THE COLA INDEX FOR THE INDIVIDUAL'S HIGH COST AREA AND THE THRESHOLD PERCENTAGE. THIS ALLOWANCE WAS AUTHORIZED BY THE FY 1995 DOD AUTHORIZATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONUS COLA PAYMENTS ARE DETERMINED MULTPLYING THE PROJECTED NUMBER OF PERSONNEL ELIGIBLE BY AN ESTIMATED RATE.

DETAILED COST COMPUTATIONS ARE PROVIDED BY THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
(1) COST OF LIVING	2,260	730.13	2,225	753.72	2,182	775.97
		\$1,650		\$1,677		\$1,693
TOTAL		\$1,650		\$1,677		\$1,693

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$1,537
 -FY 1998 ESTIMATE \$1,513
 -FY 1997 ACTUAL \$1,145

PROJECT: 1-I UNIFORM ALLOWANCES

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED WILL PROVIDE FOR PAYMENT OF AN INITIAL CLOTHING ALLOWANCE (37 U.S.C. 415 AND 416) TO OFFICERS UPON COMMISSIONING AND AN ACTIVE DUTY DUTY CLOTHING ALLOWANCE TO RESERVES UPON ENTRY OR REENTRY ON ACTIVE DUTY FOR A PERIOD OF 90 DAYS OR MORE. CIVILIAN CLOTHING ALLOWANCES ARE AUTHORIZED BY THE FY 1988 DOD AUTHORIZATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

UNIFORM ALLOWANCES ARE COMPUTED BY MULTIPLYING THE NUMBER OF PERSONNEL ELIGIBLE IN EACH CATEGORY BY THE AUTHORIZED RATES.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(1) INITIAL	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(A) AVIATION OFFICER CANDIDATES	526	\$200.00	\$105	377	\$200.00	\$75	437	\$200.00	\$87
(B) OTHER RESERVISTS	2,155	200.00	431	2,433	200.00	487	2,533	200.00	507
(C) REGULAR	754	200.00	151	1,736	200.00	347	1,576	200.00	315
TOTAL (1)	3,435		687	4,546		909	4,546		909
(2) ADDITIONAL	2,820	100.00	282	2,930	100.00	293	3,120	100.00	312
(3) CIVILIAN	133	1,323.30	176	216	1,441.49	311	216	1,465.25	316
TOTAL 1-I			\$1,145			\$1,513			\$1,537

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$4,844
 -FY 1998 ESTIMATE \$4,805
 -FY 1997 ACTUAL \$3,840

PROJECT: 1-J FAMILY SEPARATION ALLOWANCE

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE AN ALLOWANCE TO OFFICERS WITH DEPENDENTS (37 U.S.C. 427) FOR ADDED SEPARATION EXPENSES WHEN THE REQUIREMENTS LISTED BELOW ARE MET:

- (1) THE MOVEMENT OF DEPENDENTS TO AN OVERSEAS PERMANENT DUTY STATION IS NOT AUTHORIZED AND THE MEMBER MUST MAINTAIN TWO HOMES.
- (2) THE MOVEMENT OF DEPENDENTS TO THE PERMANENT DUTY STATION OR A PLACE NEAR THE STATION IS NOT AUTHORIZED AT GOVERNMENT EXPENSE UNDER THE JOINT TRAVEL REGULATIONS AND THE MEMBER'S DEPENDENTS DO NOT RESIDE AT OR NEAR THAT STATION.
- (3) THE MEMBER IS ON DUTY ON BOARD A SHIP AWAY FROM THE HOME PORT OF THE SHIP FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS.
- (4) THE MEMBER IS ON TEMPORARY DUTY OR TEMPORARY ADDITIONAL DUTY AWAY FROM HIS PERMANENT STATION FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS AND THE MEMBER'S DEPENDENTS DO NOT RESIDE AT OR NEAR THE MEMBER'S TEMPORARY OR TEMPORARY ADDITIONAL DUTY STATION.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FAMILY SEPARATION ALLOWANCES ARE DETERMINED BY MULTIPLYING THE PLANNED NUMBER OF MEMBERS ELIGIBLE BY THE STATUTORY RATES. THE RATES, WHERE APPLICABLE, INCLUDE A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998 AND 3.1% EFFECTIVE 01 JANUARY 1999.

THE NAVY SUPPORTS THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THAT INCREASED THE FSA PAYMENTS FROM \$75 TO \$100 FOR THOSE MEMBERS IN TEMPORARY DUTY AND PERMANENT CHANGE OF STATION STATUS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
(1) ON PERMANENT CHANGE OF STATION WITH DEPENDENTS NOT AUTHORIZED GOVERNMENT QUARTERS NOT AVAILABLE						
CAPTAIN	7	\$8,979.05	7	\$9,269.86	7	\$9,550.42
COMMANDER	17	8,647.59	17	8,928.03	17	9,198.24
LIEUTENANT COMMANDER	19	8,014.48	18	8,273.78	16	8,524.18
LIEUTENANT	16	6,465.58	16	6,764.07	16	6,968.79
LIEUTENANT (JG)	6	5,156.53	6	5,394.59	6	5,557.86
ENSIGN	0	0.00	0	0.00	0	0.00
WARRANT OFFICER W-4	0	0.00	0	0.00	0	0.00
WARRANT OFFICER W-3	0	0.00	0	0.00	0	0.00
WARRANT OFFICER W-2	2	5,396.37	2	5,572.21	2	5,740.85
WARRANT OFFICER W-1	0	0.00	0	0.00	0	0.00
SUB-TOTAL (1)	67	\$507	66	\$517	64	\$515

(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
(2) ON PERMANENT CHANGE OF STATION WITH DEPENDENTS NOT AUTHORIZED	336	\$900.00	331	\$1,159.96	323	\$1,200.00
(3) ON BOARD SHIP FOR MORE THAN 30 DAYS	2,042	900.00	2,041	1159.96	1,959	1200.00
(4) ON TEMPORARY DUTY FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TEMPORARY DUTY STATION	1,325	900.00	1,325	1159.96	1,325	1200.00
TOTAL 1-J		\$3,840		\$4,805		\$4,844
		=====		=====		=====

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-K SEPARATION PAYMENTS

-FY 1999 ESTIMATE	\$71,505
-FY 1998 ESTIMATE	\$45,286
-FY 1997 ACTUAL	\$69,948

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE:

- (1) LUMP SUM TERMINAL LEAVE PAYMENTS FOR UNUSED ACCRUED LEAVE AT TIME OF DISCHARGE, OR DEATH UNDER PROVISIONS OF (37 U.S.C. 501), AND (10 U.S.C. 701).
- (2) LUMP SUM PAYMENT TO RESERVISTS WHO ARE INVOLUNTARILY RELEASED FROM ACTIVE DUTY AFTER HAVING COMPLETED AT LEAST SIX YEARS OF ACTIVE DUTY AS PROVIDED UNDER PROVISIONS OF (10 U.S.C. 687).
- (3) SEVERANCE PAY FOR FAILURE OF PROMOTION OR FOR REASONS OTHER THAN PHYSICAL DISABILITY UNDER PROVISIONS OF (10 U.S.C. 6383).
- (4) SEVERANCE PAY DISABILITY FOR MEMBERS ON ACTIVE DUTY AND TEMPORARY DISABILITY RETIRED LIST WHO ARE SEPARATED FOR PHYSICAL REASONS UNDER THE PROVISIONS OF (10 U.S.C. 1212).
- (5) INVOLUNTARY - HALF SEVERANCE PAY IS 5% OF THE PRODUCT OF MEMBERS YEARS ACTIVE SERVICE PLUS FRACTIONS OF YEARS BASED ON FULL MONTHS AND 12 TIMES MONTHLY BASIC PAY IS AUTHORIZED TO MEMBERS NOT FULLY QUALIFIED FOR RETENTION AND ARE DENIED REENLISTMENT OR CONTINUATION.
INVOLUNTARY - FULL SEVERANCE PAY IS 10% OF THE PRODUCT OF MEMBERS YEARS ACTIVE SERVICE PLUS FRACTIONS OF YEARS BASED ON FULL MONTHS AND 12 TIMES MONTHLY BASIC PAY IS AUTHORIZED TO MEMBERS INVOLUNTARILY SEPARATED FROM ACTIVE DUTY BUT WHO ARE FULLY QUALIFIED FOR RETENTION, BUT ARE DENIED REENLISTMENT OR CONTINUATION.
- (6) VOLUNTARY - SPECIAL SEPARATION BENEFITS ((SSB) 10 USC 1174a) WILL PAY MEMBERS A LUMP-SUM AMOUNT EQUAL TO 15% OF THEIR ANNUAL BASIC PAY MULTIPLIED BY THEIR YEARS OF SERVICE.
VOLUNTARY SEPARATION INCENTIVE ((VSI) 10 USC 1175) WILL PAY MEMBERS 2.5% OF THEIR ANNUAL BASIC PAY, MULTIPLIED BY THEIR YEARS OF SERVICE. PAYMENTS WILL BE ANNUAL AND LAST FOR TWICE THE NUMBER OF YEARS OF SERVICE.
- (7) 15 YEAR EARLY RETIREMENT PROGRAM (ERP) FOR MEMBERS ON ACTIVE DUTY WITH MORE THAN 15 BUT LESS THAN 20 YEARS OF SERVICE. THE FY 1993 DEFENSE AUTHORIZATION ACT APPROVED AN ACTIVE DUTY EARLY RETIREMENT PROGRAM FOR USE DURING THE FORCE DRAWDOWN. THE EARLY RETIREMENT PROGRAM IS NECESSARY TO SHAPE THE 15-20 YEAR SEGMENT OF THE FORCE. IT WILL ASSIST THE SERVICES IN ACHIEVING THEIR DRAWDOWN GOALS OF MAINTAINING READINESS AND TREATING PEOPLE FAIRLY. THE CRITERIA FOR EARLY RETIREMENT WILL INCLUDE SUCH FACTORS AS GRADE, YEARS OF SERVICE, AND SKILL, WITH A FOCUS ON THE POPULATION WHERE THE INVENTORY EXCEEDS REQUIREMENTS. MEMBERS APPROVED FOR EARLY RETIREMENT WILL RECEIVE THE SAME BENEFITS AS INDIVIDUALS WITH 20 OR MORE YEARS OF SERVICE. HOWEVER, THEIR RETIRED PAY WILL BE REDUCED ONE PERCENT FOR EACH YEAR THAT THEY ARE SHORT OF 20 YEARS OF ACTIVE DUTY. THE EARLY RETIREMENT AMOUNT IS THE PRODUCT OF 2.5 PERCENT X THE YEARS OF SERVICE X BASIC PAY (ADJUSTED FOR COLA) X REDUCTION FACTOR. FOR MEMBERS WHO LEAVE UNDER THE EARLY RETIREMENT PROGRAM, THE NAVY IS REQUIRED TO ESTABLISH A SUBACCOUNT WITHIN MPN TO FUND UP FRONT ALL EARLY RETIREMENT PAYMENTS INCLUDING COST OF LIVING ADJUSTMENTS, WHICH WILL COVER THE ENTIRE INITIAL PERIOD. THIS PERIOD IS DEFINED AS EQUAL TO THE DIFFERENCE BETWEEN 20 YEARS AND THE NUMBER OF YEARS COMPLETED BY THE MEMBER. THE AUTHORITY TO USE THE EARLY RETIREMENT PROGRAM EXPIRES ON 1 OCTOBER 1999.

PART II - JUSTIFICATION OF FUNDS REQUESTED

LUMP SUM TERMINAL LEAVE PAYMENTS ARE COMPUTED ON THE BASIS OF THE NUMBER OF MEMBERS SEPARATED FROM THE SERVICE AT AVERAGE RATES EXPERIENCED DURING FY 1997. OTHER SEPARATION PAYMENTS ARE COMPUTED ON THE BASIS OF THE NUMBER OF MEMBERS ELIGIBLE FOR EACH APPLICABLE SEPARATION PAYMENT AT RATES EXPERIENCED DURING FY 1997. THESE RATES REFLECT THE 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998 AND 3.1% PAY RAISE EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	FY 1997				FY 1998				FY 1999			
	NUMBER	DAYS	RATE	AMOUNT	NUMBER	DAYS	RATE	AMOUNT	NUMBER	DAYS	RATE	AMOUNT
(1) LUMP SUM TERMINAL LEAVE PAYMENTS												
FLAG OFFICERS	41	60	\$16,693.42	\$684	46	60	\$16,840.93	\$775	47	60	\$17,353.00	\$816
CAPTAIN	460	54	10,534.12	4,846	752	54	11,020.51	8,287	698	54	11,368.85	7,935
COMMANDER	642	47	7,833.73	5,029	873	47	7,620.56	6,653	931	47	7,869.72	7,327
LIEUTENANT COMMANDER	964	33	5,058.15	4,876	600	33	4,334.15	2,600	1,034	33	4,487.34	4,640
LIEUTENANT	2,530	29	3,845.24	9,222	2,358	29	3,171.83	7,479	2,209	29	3,270.97	7,226
LIEUTENANT (JG)	237	26	2,917.97	692	294	26	2,328.50	685	351	26	2,396.76	841
ENSIGN	45	20	1,172.17	53	77	20	1,343.09	103	81	20	1,382.37	112
WARRANT OFFICER W-4	130	43	5,486.79	713	192	43	5,623.28	1,080	128	43	5,794.53	742
WARRANT OFFICER W-3	119	20	2,261.91	269	104	20	2,160.86	225	91	20	2,234.25	203
WARRANT OFFICER W-2	48	15	1,952.66	94	48	15	1,375.80	66	38	15	1,425.73	54
WARRANT OFFICER W-1	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0
TOTAL (1)	5,216		\$26,478		5,344		\$27,953		5,608		\$29,896	
(2) LUMP SUM PAYMENTS TO RESERVISTS	149		52,510.07	7,824	94		45,946.81	4,319	93		47,365.59	4,405
(3) SEVERANCE PAY, FAILURE OF PROMOTION	349		34,120.34	11,908	260		36,488.46	9,487	207		37,888.89	7,843
(4) SEVERANCE PAY, DISABILITY	66		48,328.17	3,190	66		49,704.99	3,281	66		51,209.34	3,380
(5) SEVERANCE PAY, NON-DISABILITY	0		0.00	0	0		0.00	0	0		0.00	0
INVOL-HALF PAY(5%)	0		0.00	0	0		0.00	0	0		0.00	0
INVOL-FULL PAY(10%)	0		0.00	0	0		0.00	0	0		0.00	0
(6) VOLUNTARY SEPARATION												
SSB	0		0	0	0		0	0	0		0	0
VSI	2		0.00	0	0		0.00	0	0		0.00	0
VSI TRUST FUND *	0		0.00	0	0		0.00	0	0		0.00	45
(7) 15 YR RETIREMENT PROGRAM	340		60,435.29	20,548	4		61,432.00	246	410		63,258.54	25,936
TOTAL 1-K			\$69,948				\$45,286				\$71,505	

* VSI recipients after 31 December 1992 - Payments made from the Military Personnel Appropriation to the VSI Fund. Funding represents present value cost for recipients.

MILITARY PERSONNEL, NAVY
SEPARATION COSTS and TRANSITION BENEFITS

OFFICERS	FY 1997		FY 1998		FY 1999	
	NUMBER	TOTAL	NUMBER	TOTAL	NUMBER	TOTAL
Special Separation Benefits (SSB)	0	0	0	0	0	0
Voluntary Separation Incentive (VSI) 1/	2	0	0	0	0	45
15 Year Early Retirement Authority	340	20,548	4	246	410	25,936
Total Officer, MPN	342	20,548	4	\$246	410	25,981

OFFICERS	FY 2000		FY 2001		FY 2002	
	NUMBER	TOTAL	NUMBER	TOTAL	NUMBER	TOTAL
Special Separation Benefits (SSB)	0	0	0	0	0	0
Voluntary Separation Incentive (VSI)	0	0	0	0	0	0
15 Year Early Retirement Authority	0	0	0	0	0	0
Total Officer, MPN	0	\$0	0	\$0	0	\$0

1/ NUMBER OF TAKERS ONLY

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$205,083
 -FY 1998 ESTIMATE \$204,925
 -FY 1997 ACTUAL \$198,814

PROJECT: 1-L SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED REPRESENT THE GOVERNMENT'S CONTRIBUTION (AS AN EMPLOYER) AS REQUIRED BY THE FEDERAL INSURANCE CONTRIBUTION ACT UNDER PROVISION OF (26 U.S.C. 3101, 3111), AND P.L. 98-21 "SOCIAL SECURITY AMENDMENT OF 1983." FUNDS REQUESTED FOR MILITARY SERVICE CREDITS REFLECT THE ADMINISTRATIONS'S DECISION TO HAVE DOD RATHER THAN HEALTH AND HUMAN SERVICES FUND MILITARY SERVICE SOCIAL SECURITY WAGE CREDITS FOR NON-WAGE INCOME EFFECTIVE 1 OCTOBER 1987.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SOCIAL SECURITY COSTS ARE BASED ON THE PERCENTAGE RATE SET BY LAW ON A MEMBER'S SALARY FOR A CALENDAR YEAR. P.L. 98-21, "SOCIAL SECURITY AMENDMENT OF 1983" DATED 20 APRIL 1983 ESTABLISHED THE TAX RATE WHILE THE MAXIMUM TAXABLE INCOME IS DETERMINED BY THE SOCIAL SECURITY ADMINISTRATION. THE OLD AGE, SURVIVOR AND DISABILITY INCOME (OASDI) RATE IS 6.2% AND THE HOSPITAL INSURANCE (HI) IS 1.45%. THERE IS NO WAGE CAP ON THE 1.45% MEDICAL CONTRIBUTION. THE GOVERNMENT'S CONTRIBUTION IS BASED ON THE PERCENTAGE RATE SET BY LAW ON MEMBER'S SALARY FOR A CALENDAR YEAR. TAXABLE INCOME CEILINGS FOR OASDI ARE AS FOLLOWS:

CALENDAR YEAR 1997 - 7.65% ON FIRST \$65,400
 CALENDAR YEAR 1998 - 7.65% ON FIRST \$68,100
 CALENDAR YEAR 1999 - 7.65% ON FIRST \$71,100

FUNDING FOR FY 1997, FY 1998, AND FY 1999 INCLUDES EMPLOYER'S CONTRIBUTION TO SOCIAL SECURITY FOR WHICH MILITARY MEMBERS RECEIVE WAGE CREDIT BUT NO SOCIAL SECURITY TAX (I.E., QUARTERS AND SUBSISTENCE ALLOWANCES). DOD MAKES DIRECT PAYMENTS TO THE SOCIAL SECURITY TRUST FUNDS BASED ON HEALTH AND HUMAN SERVICES (HHS) ESTIMATES TO COVER THE COST OF THESE ADDITIONAL CREDITS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION	56,742	\$3,180.13	\$180,447	55,634	\$3,275.43	\$182,225	54,471	\$3,371.46	\$183,647
MILITARY SERVICE CREDITS			18,367			22,700			21,436
TOTAL 1-L			198,814			204,925			205,083
TOTAL OBLIGATIONS			4,447,399			4,416,058			4,447,026
LESS REIMBURSABLES			125,561			123,185			115,240
TOTAL DIRECT OBLIGATIONS			\$4,321,838			\$4,292,873			\$4,331,786

PAY AND ALLOWANCES OF ENLISTED PERSONNEL
 SCHEDULE OF INCREASES AND DECREASES
 (IN THOUSANDS OF DOLLARS)

\$10,874,917

FY 1998 DIRECT PROGRAM-----		
INCREASES:		
BASIC ALLOWANCE FOR HOUSING (BAH)-----		282,966
-INCREASE REFLECTS FULL YEAR COSTS		
SEPARATION PAY-----		32,900
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	295	
-FY 1999 PAY RAISE 3.1%	854	
-INCREASE IN ENLISTED SEVERANCE PAY	373	
-DECREASE IN LUMP SUM PAYMENTS	-1,837	
-DECREASE IN NUMBER ENTITLED DISABILITY SEVERANCE PAY (-3307) & INCREASE IN RATES (+1077)	-2,230	
-INCREASE IN TERA PROGRAM	30,331	
-INCREASE IN VSI TRUST FUND PAYMENT	5,114	
REENLISTMENT BONUS-----		7,194
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	539	
-FY 1999 PAY RAISE 3.1%	1,856	
-INCREASE IN ANNIVERSARY PAYMENT LEVELS (\$+3,188) AND INCREASE NUMBER ENTITLED (\$+1,895)	5,083	
-DECREASE IN NEW PAYMENTS	-284	
TOTAL INCREASES-----		323,060
DECREASES:		
BASIC PAY-----		-74,961
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	41,589	
-FY 1999 PAY RAISE 3.1%	134,287	
-DECREASE IN WORKYEARS	-210,038	
-DECREASE IN PAYGRADE MIX	-40,799	
RETIRED PAY ACCRUAL-----		-40,779
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	12,559	
-FY 1999 PAY RAISE 3.1%	40,552	
-REDUCTION IN NORMAL COST PERCENTAGE FROM 30.5% IN FY 1998 TO 30.2% IN FY 1999	-18,175	
-DECREASE IN WORKYEARS	-63,418	
-DECREASE IN PAYGRADE MIX	-12,297	
INCENTIVE PAY-----		-50
-INCREASE IN PARACHUTE JUMPING	189	
-DECREASE IN NUMBER ENTITLED SUBMARINE DUTY	-1,290	
-DECREASE IN NUMBER ENTITLED: HI/ LO PRESSURE (-17) AND INCREASE IN RATE(+24)	7	
-INCREASE IN FLY CREW NUMBER AND RATE	274	
-INCREASE IN NON FLY CREW RATE	6	
-INCREASE IN DEMOLITION DUE TO RATE	91	
-INCREASE IN FLIGHT DECK DUE TO RATE	673	
SPECIAL PAY-----		-8,252
-INCREASE IN NUMBER ENTITLED AND IN LINGUIST PAY	17	
-DECREASE IN NUMBER ENTITLED IN HOSTILE FIRE PAY/IMMINENT DANGER PAY	-2,056	
-DECREASE IN NUMBER ENTITLED CAREER SEA PAY	-5,822	
-DECREASE IN NUMBER ENTITLED PREMIUM SEA PAY	-391	

PAY AND ALLOWANCES OF ENLISTED PERSONNEL
 SCHEDULE OF INCREASES AND DECREASES
 (IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED):		
ENLISTMENT BONUS-----		-5,713
-DECREASE IN RESIDUAL PAYMENTS	-989	
-DECREASE IN NUMBER TO RECEIVE NEW PAYMENTS	-4,724	
SPECIAL DUTY ASSIGNMENT PAY-----		-892
-INCREASE IN INITIAL PAYMENTS DUE TO RATES	645	
-DECREASE IN NUMBER TO RECEIVE PAYMENTS	-1,537	
BASIC ALLOWANCE FOR QUARTERS-----		-225,494
-DECREASE RESULTS FROM BAQ MERGING INTO THE BAQ ENTITLEMENT		
VARIABLE HOUSING ALLOWANCE-----		-85,294
-DECREASE RESULTS FROM BAQ MERGING INTO THE BAQ ENTITLEMENT		
OVERSEAS STATION ALLOWANCE-----		-17,705
-COLA INCREASES DUE TO ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	1,022	
-COLA INCREASES DUE TO FY 1999 PAY RAISE 3.1%	5,364	
-TIA INCREASED RATE DUE TO INFLATION	480	
-COLA DECREASED NUMBER ENTITLED	-6,435	
-COLA DECREASED DUE TO FOREIGN CURRENCY FLUCTUATION	-12,772	
-HOUSING DECREASED NUMBER ENTITLED AND RATE	-5,364	
CONUS COLA-----		-6
-INCREASE IN RATES DUE TO INFLATION	110	
-DECREASE IN NUMBER ENTITLED	-116	
UNIFORM ALLOWANCES-----		-10,747
-INCREASE IN RATES AND UNIFORM CHANGES	1,650	
-DECREASE IN NUMBER ENTITLED	-12,397	
FAMILY SEPARATION ALLOWANCE-----		-76
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	5	
-FY 1999 PAY RAISE 3.1%	15	
-DECREASE IN NUMBER ENTITLED (\$-1149) AND INCREASE IN RATE (\$+1053)	-96	
FICA-----		-9,377
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	3,182	
-FY 1999 PAY RAISE 3.1%	10,274	
-DECREASE IN WORKYEARS	-16,074	
-DECREASE IN PAYGRADE MIX	-3,123	
-DECREASE IN SERVICE CREDITS	-3,636	
TOTAL DECREASES-----		-479,346
FY 1999 DIRECT PROGRAM-----		\$10,718,631

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-A BASIC PAY

 -FY 1999 ESTIMATE \$5,975,635
 -FY 1998 ESTIMATE \$6,058,266
 -FY 1997 ACTUAL \$6,170,563

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR BASIC COMPENSATION (37 U.S.C.) OF ENLISTED PERSONNEL ON ACTIVE DUTY, ACCORDING TO PAY GRADE AND LENGTH OF SERVICE INCREMENTS. THE ESTIMATE EXCLUDES THOSE ENLISTED MEMBERS OF THE RESERVE COMPONENT ON ACTIVE DUTY SERVING IN CONNECTION WITH THE ORGANIZING, ADMINISTERING, RECRUITING, INSTRUCTING AND TRAINING OF THE RESERVE COMPONENTS (10 U.S.C. 672D AND 678).

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE FY 1999 ENLISTED PROGRAM IS BASED ON A BEGINNING STRENGTH OF 327,776 AND AN END STRENGTH OF 314,853 FOR 316,880 WORKYEARS. THE RATES ARE BASED ON FY 1997 ACTUAL EXPERIENCE, AND INCLUDE A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998, AND 3.1% PAY RAISE EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

PAY GRADE	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
E-9	3,198	\$38,758.60	\$123,950	3,126	\$39,864.13	\$124,615	2,997	\$41,044.92	\$123,012
E-8	7,517	31,634.80	237,799	7,297	32,582.82	237,757	6,438	33,540.42	215,933
E-7	26,466	26,844.39	710,464	24,890	27,624.93	687,585	23,246	28,436.93	661,045
E-6	61,934	22,796.98	1,411,908	57,807	23,447.13	1,355,408	53,587	24,135.18	1,293,332
E-5	76,011	18,669.56	1,419,092	73,020	19,201.84	1,402,118	71,234	19,760.82	1,407,642
E-4	68,109	15,314.36	1,043,046	64,460	15,749.30	1,015,200	65,662	16,199.56	1,063,696
E-3	54,815	13,052.60	715,478	50,088	13,420.75	672,219	45,869	13,809.50	633,428
E-2	25,504	12,055.40	307,461	28,698	12,402.50	355,927	29,102	12,743.93	370,874
E-1	19,357	10,402.70	201,365	19,333	10,729.67	207,437	18,745	11,025.49	206,673
TOTAL 2-A	342,911		6,170,563	328,719		6,058,266	316,880		5,975,635

(IN THOUSANDS OF DOLLARS)

ESTIMATE \$1,802,223
 ESTIMATE \$1,845,331
 ACTUAL \$2,008,996

PROJECT: 2-B RETIRED PAY ACCRUAL

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR THE DEPARTMENT OF DEFENSE'S CONTRIBUTION TO ITS MILITARY RETIREMENT FUND IN ACCORDANCE WITH 10 U.S.C. 1466.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE BUDGETARY ESTIMATES ARE DERIVED AS A PRODUCT OF:

- (A) NORMAL COST PERCENTAGE OF 32.6% IN FY 1997, 30.5% IN FY 1998 AND 30.2% IN FY 1999.
- (B) THE TOTAL AMOUNT OF BASIC PAY EXPECTED TO BE PAID DURING THE FISCAL YEAR TO MEMBERS OF THE ARMED FORCES.

COST COMPUTATIONS ARE AS FOLLOWS:

	FY 1997	FY 1998	FY 1999
BASE PAY (1-A)	\$6,170,563	\$6,058,266	\$5,975,635
LESS FINES & FORFEITURES	8,000	8,000	8,000
BASE PAY SUBJECT TO RPA	\$6,162,563	\$6,050,266	\$5,967,635

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
RPA	342,911	\$5,858.65	\$2,008,996	328,719	\$5,613.71	\$1,845,331	316,880	\$5,687.40	\$1,802,223
TOTAL 2-B	342,911		\$2,008,996	328,719		\$1,845,331	316,880		\$1,802,223

(IN THOUSANDS OF DOLLARS)

-FY 1999	ESTIMATE	\$88,091
-FY 1998	ESTIMATE	\$88,141
-FY 1997	ACTUAL	\$84,375

PROJECT: 2-C INCENTIVE PAY FOR HAZARDOUS DUTY

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR PAY TO ENLISTED PERSONNEL FOR THE FOLLOWING TYPES OF DUTY (37 U.S.C. 301):

- (1) DUTY INVOLVING FREQUENT AND REGULAR PARTICIPATION IN AERIAL FLIGHT AS A CREW OR NON-CREW MEMBER.
- (2) DUTY INVOLVING FREQUENT AND REGULAR PERFORMANCE OF OPERATIONAL SUBMARINE DUTY, RESTRICTED TO MEMBERS WHO HOLD OR ARE IN TRAINING FOR SUBMARINE DUTY DESIGNATOR AND REMAIN IN THE SUBMARINE SERVICE ON A CAREER BASIS.
- (3) DUTY INVOLVING PARACHUTE JUMPING AS AN ESSENTIAL PART OF MILITARY DUTY.
- (4) DUTY INSIDE A HIGH OR LOW PRESSURE CHAMBER; DUTY INVOLVING ACCELERATION OR DECELERATION EXPERIMENTS, OR HUMAN TEST SUBJECT IN THERMAL STRESS EXPERIMENTS.
- (5) DUTY INVOLVING THE DEMOLITION OF EXPLOSIVES AS A PRIMARY DUTY, INCLUDING TRAINING.
- (6) DUTY INVOLVING PARTICIPATION IN FLIGHT OPERATIONS ON SHIPS FROM WHICH AIRCRAFT ARE LAUNCHED.
- (7) DUTY INVOLVING EXPOSURE TO HIGHLY TOXIC FUELS, PESTICIDES OR LABORATORY WORK THAT UTILIZES LIVE DANGEROUS VIRUSES OR BACTERIA.

PART II - JUSTIFICATION OF FUNDS REQUESTED

HAZARDOUS DUTY PAY IS COMPUTED ON THE BASIS OF THE AVERAGE NUMBER OF ENLISTED PERSONNEL WHO ARE ELIGIBLE FOR PAYMENT. AVERAGE RATES FOR SUBMARINE DUTY ARE THOSE PRESCRIBED BY LAW, BASED ON AVERAGE YEARS OF SERVICE BY PAY GRADE. RATES FOR FLYING DUTY CREW MEMBERS ARE PRESCRIBED BY PAY GRADE AND ALL OTHER HAZARDOUS PAYS ARE COMPUTED AT THE STATUTORY RATE OF \$1,320 PER WORKYEAR IN FY97; EFFECTIVE 18 NOV 97 THESE RATES WERE INCREASED TO \$1800.00 FOR E4 AND BELOW. MEMBERS PERFORMING HIGH ALTITUDE/LOW OPENING JUMPS ARE ENTITLED TO \$1980.00 IN FY 97 AND \$2700.00 EFFECTIVE 18 NOV 97.

SUBMARINE SERVICE ENTRY DATE (SSED) FOR NUCLEAR TRAINED PERSONNEL HAS BEEN ESTABLISHED AS THE DATE THE MEMBER STARTED NUCLEAR FIELD "A" SCHOOL. THIS ASSIGNMENT OCCURS UPON GRADUATION FROM NUCLEAR POWER TRAINING UNIT (ABOUT 14 MONTHS AFTER STARTING NUCLEAR FIELD "A" SCHOOL). THIS RESULTS IN AN INCREASE IN ENTITLEMENT (DISPLAYED AS STUDENT MEMBERS) TO SUBMARINE DUTY PAY FOR APPROXIMATELY 800 MEMBERS AT THE E-4 AND E-5 LEVEL. THE PAY ACCRUES WHILE ATTENDING NUCLEAR POWER OPERATOR PIPELINE SCHOOLS AND IS PAID UPON COMPLETION OF TRAINING.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) FLYING DUTY									
(A) CREW									
PAY GRADE E-9	20	\$2,400.00	\$48	30	\$2,400.00	\$72	30	\$2,400.00	\$72
E-8	123	2,400.00	295	125	2,400.00	300	125	2,400.00	300
E-7	555	2,400.00	1,332	514	2,400.00	1,234	510	2,400.00	1,224
E-6	1,594	2,100.00	3,347	1,250	2,100.00	2,625	1,268	2,100.00	2,663
E-5	1,897	1,800.00	3,415	1,761	1,800.00	3,170	1,802	1,800.00	3,244
E-4	1,203	1,500.00	1,805	1,510	1,735.88	2,621	1,531	1,800.00	2,756
E-3	213	1,320.00	281	305	1,735.88	529	309	1,800.00	556
E-2	72	1,320.00	95	107	1,735.88	186	109	1,800.00	196
E-1	0	1,320.00	0	0	1,735.88	0	0	1,800.00	0
SUB-TOTAL (1) (A)	5,677		10,618	5,602		10,737	5,684		11,011
(B) NON-CREW	77	1,320.00	102	96	1,735.88	167	96	1,800.00	173
TOTAL (1)	5,754		10,720	5,698		10,904	5,780		11,184
(2) SUBMARINE DUTY									
PAY GRADE E-9	284	4,260.00	1,210	260	4,260.00	1,108	251	4,260.00	1,069
E-8	755	4,080.00	3,080	804	4,080.00	3,280	777	4,080.00	3,170
E-7	2,772	3,660.00	10,146	2,556	3,660.00	9,355	2,469	3,660.00	9,037
E-6	5,678	3,060.00	17,375	5,289	3,060.00	16,184	5,110	3,060.00	15,637
E-5	5,734	2,172.00	12,453	6,206	2,172.00	13,479	5,996	2,172.00	13,023
E-4	3,820	1,392.00	5,317	3,664	1,392.00	5,100	3,540	1,392.00	4,928
E-3	1,573	1,020.00	1,604	1,142	1,020.00	1,165	1,104	1,020.00	1,126
E-2	1,330	912.00	1,213	747	912.00	681	721	912.00	658
E-1	584	900.00	526	288	900.00	259	278	900.00	250
STUDENT	760		1,408	650		1,177	870		1,600
TOTAL (2)	23,290		\$54,332	21,606		\$51,788	21,116		\$50,498

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(3) PARACHUTE JUMPING	1,829	\$1,756.17	\$3,212	1,808	\$2,248.90	\$4,066	1,808	\$2,353.42	\$4,255
(4) DUTY INSIDE A HIGH OR LOW PRESSURE CHAMBER HUMAN ACCELERATION OR DECELERATION EXPERIMENTAL OBSERVER AND TEST SUBJECT IN THERMAL STRESS EXPERIMENTS	272	1,320.00	359	385	1,735.88	668	375	1,800.00	675
(5) DEMOLITION DUTY	1,425	1,320.00	1,881	1,425	1,735.88	2,474	1,425	1,800.00	2,565
(6) FLIGHT DECK DUTY	10,500	1,320.00	13,860	10,500	1,735.88	18,227	10,500	1,800.00	18,900
(7) TOXIC MATERIAL PAY	8	1,320.00	11	8	1,735.88	14	8	1,800.00	14
TOTAL 2-C			\$84,375			\$88,141			\$88,091

(IN THOUSANDS OF DOLLARS)

	ESTIMATE	\$264,089
-FY 1999	ESTIMATE	\$272,341
-FY 1998	ACTUAL	\$274,653
-FY 1997		

PROJECT: 2-D SPECIAL PAY

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR SPECIAL PAY TO ENLISTED PERSONNEL AS FOLLOWS:

- (1) SEA PAY (37 U.S.C. 305A):
 - (A) CAREER SEA PAY - A VARIABLE AMOUNT PAID MONTHLY TO ENLISTED PERSONNEL IN PAY GRADES E-4 THROUGH E-9 WHO ARE PERMANENTLY OR TEMPORARILY SERVING ON A SHIP OR WHILE SERVING AS A MEMBER OF THE OFF-CREW OF A TWO-CREW SUBMARINE.
 - (B) PREMIUM SEA PAY - \$100 PER MONTH PAID TO ENLISTED PERSONNEL WHO ARE ENTITLED TO CAREER SEA PAY; HAVE LESS THAN FIVE YEARS OF SEA DUTY AND HAVE SERVED MORE THAN 36 CONSECUTIVE MONTHS ON SEA DUTY.
- (2) DUTY AT CERTAIN PLACES (37 U.S.C. 305) - A MONTHLY AMOUNT PAYABLE TO ENLISTED PERSONNEL ON DUTY AT CERTAIN PLACES, DESIGNATED BY THE SECRETARY OF DEFENSE, OUTSIDE THE CONTIGUOUS 48 STATES AND THE DISTRICT OF COLUMBIA.
- (3) DIVING DUTY PAY (37 U.S.C. 304) - A MONTHLY AMOUNT WHICH VARIES DEPENDING ON SKILL/CLASS OF DIVER NOT TO EXCEED \$300, PAYABLE TO MEMBERS ASSIGNED TO DIVING DUTY WHO MAINTAIN THEIR PROFICIENCY AS DIVERS.
- (4) NUCLEAR ACCESSION BONUS (37 U.S.C. 312B) - A BONUS OF \$4000/\$6000 PAID TO AN INDIVIDUAL UPON ACCEPTANCE FOR NAVAL NUCLEAR POWER TRAINING WHO AGREES TO PARTICIPATE IN A PROGRAM OF TRAINING FOR DUTY IN CONNECTION WITH THE SUPERVISION, OPERATION AND MAINTENANCE OF NAVAL NUCLEAR PROPULSION PLANTS.
- (5) OVERSEAS EXTENSION PAY (37 U.S.C. 314) - A MONTHLY AMOUNT OF \$80 PAYABLE TO ENLISTED MEMBERS IN CERTAIN SPECIALTIES WHO HAVE COMPLETED A TOUR OF DUTY AT AN OVERSEAS LOCATION AND EXECUTED AN AGREEMENT TO EXTEND THAT TOUR FOR A PERIOD OF NOT LESS THAN 1 YEAR.
- (6) IMMINENT DANGER PAY (37 U.S.C. 310) - A MONTHLY AMOUNT OF \$150 PAYABLE TO MEMBERS IN DESIGNATED HOSTILE AREAS OR TO MEMBERS WHO ARE EXPOSED TO HOSTILE FIRE OR EXPLOSION OF HOSTILE MINES, OR MEMBERS WHO ARE IN A FOREIGN COUNTRY IN WHICH MEMBER WAS SUBJECT TO THE THREAT OF PHYSICAL HARM OR IMMINENT DANGER ON THE BASIS OF CIVIL INSURRECTION, CIVIL WAR, TERRORISM, OR WARTIME CONDITIONS.
- (7) FOREIGN LANGUAGE PROFICIENCY PAY (37 U.S.C. 316) - A MONTHLY PAYMENT NOT TO EXCEED \$100 MADE TO QUALIFIED ENLISTED PERSONNEL WHOSE MILITARY SPECIALTY REQUIRES PROFICIENCY IN A FOREIGN LANGUAGE.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SPECIAL PAY IS COMPUTED BY APPLYING STATUTORY RATES TO THE AVERAGE NUMBER OF PERSONNEL WHO ARE ELIGIBLE FOR PAYMENT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) SEA DUTY AND DUTY AT CERTAIN PLACES									
(A) SEA DUTY									
(1) CAREER SEA PAY									
PAY GRADE E-9	820	\$4,781.42	\$3,921	784	\$4,787.52	\$3,753	763	\$4,787.52	\$3,653
E-8	2,082	4,409.61	9,181	2,070	4,402.20	9,113	2,015	4,402.20	8,870
E-7	8,293	4,128.89	34,241	8,188	4,115.88	33,701	7,968	4,115.88	32,795
E-6	20,766	3,397.90	70,561	20,360	3,383.16	68,881	19,814	3,383.16	67,034
E-5	25,988	2,396.57	62,282	25,709	2,376.84	61,106	25,020	2,376.84	59,469
E-4	30,375	1,313.86	39,908	30,909	1,312.68	40,574	30,080	1,312.68	39,485
SUB-TOTAL	88,324		220,094	88,020		217,128	85,660		211,306
(2) PREMIUM SEA	12,571	1,200.00	15,085	12,112	1,200.00	14,534	11,786	1,200.00	14,143
TOTAL (1) (A)			235,179			231,662			225,449
(B) DUTY AT CERTAIN PLACES									
PAY GRADE E-9	57	270.00	15	102	270.00	28	102	270.00	28
E-8	162	270.00	44	265	270.00	72	265	270.00	72
E-7	683	270.00	184	878	270.00	237	878	270.00	237
E-6	1,836	240.00	441	2,290	240.00	550	2,290	240.00	550
E-5	2,325	192.00	446	3,161	192.00	607	3,161	192.00	607
E-4	1,765	156.00	275	2,554	156.00	398	2,554	156.00	398
E-3	1,725	108.00	186	1,671	108.00	180	1,671	108.00	180
E-2	781	96.00	75	732	96.00	70	732	96.00	70
E-1	201	96.00	19	192	96.00	18	192	96.00	18
TOTAL (1) (B)	9,535		1,685	11,845		2,160	11,845		2,160
TOTAL (1)			\$236,864			\$233,822			\$227,609

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) DIVING DUTY PAY	4,450	\$2,044.94	\$9,100	4,475	\$2,040.00	\$9,129	4,475	\$2,040.00	\$9,129
(3) NUCLEAR ACCESSION	195	6,000.00	1,170	129	6,000.00	774	129	6,000.00	774
(4) OVERSEAS EXTENSION	774	960.00	743	1,120	960.00	1,075	1,120	960.00	1,075
(5) IMMINENT DANGER PA	14,228	1,800.00	25,610	14,591	1,800.00	26,264	13,449	1,800.00	24,208
(6) FOREIGN LANGUAGE PROFICIENCY PAY	1,388	840.00	1,166	1,520	840.00	1,277	1,540	840.00	1,294
TOTAL 2-D			\$274,653			\$272,341			\$264,089

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$50,648
 -FY 1998 ESTIMATE \$51,540
 -FY 1997 ACTUAL \$52,613

PROJECT: 2-E SPECIAL DUTY ASSIGNMENT PAY

PART I - PURPOSE AND SCOPE

SPECIAL DUTY ASSIGNMENT PAY (37 U.S.C. 307) - PROVIDES FOR PAYMENTS TO ENLISTED PERSONNEL TO OBTAIN A SUFFICIENT NUMBER OF QUALIFIED VOLUNTEERS TO SUSTAIN ADEQUATE MANNING LEVELS IN DESIGNATED SPECIAL DUTY ASSIGNMENTS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE ESTIMATE IS BASED ON THE AVERAGE NUMBER OF PERSONNEL PLANNED IN THE FOLLOWING SKILLS:

NUCLEAR PROPULSION PLANT SUPERVISOR	OPERATION DEEP FREEZE PERSONNEL	HARBOR DOCKING PILOTS
NUCLEAR PROPULSION OPERATOR	HELICOPTER MINE COUNTERMEASURES AIRCREWMAN	RECRUITERS
C-130 FLIGHT ENGINEERS	SUBMARINE ASSISTANT NAVIGATOR	DIVERS
ACOUSTIC INTELLIGENCE SPECIALIST	INDEPENDENT DUTY HOSPITAL CORPSMEN	HELICOPTER RESCUE AIR CREWMAN
ASM/AIR INTERCEPT CONTROLLERS	E-6A FLIGHT ENGINEER	JCS COMMUNICATIONS PERSONNEL
SUAFES PERSONNEL	P-3 FLIGHT ENGINEER	SURFACE RESCUE SWIMMER
LCAC OPERATOR/SUPERVISOR	EOD TECHNICIAN	NAVAL TEST PARACHUTISTS
COXSWAIN	DCS COURIER	WHITE HOUSE COMMUNICATIONS PERSONNEL
ON-SITE INSPECTION PERSONNEL	SDV PILOT/NAVIGATOR	COMBATANT CRAFT BOAT SUPERVISOR
JOINT SPECIAL OPERATIONS PERSONNEL	CORRECTIONAL CUSTODY SPECIALIST	

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLES:

SPECIAL DUTY ASSIGNMENT (SDAP)	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
TOTAL SDAP	19,897		33,384	18,510		32,060	18,375		31,419
RECRUITER SDAP (\$375)	4,273	4,500.00	19,229	4,273	4,500.00	19,229	4,273	4,500.00	19,229
(\$220)	0	3,840.00	0	0	3,840.00	0	0	3,840.00	0
(\$165)	0	1,980.00	0	0	1,980.00	0	0	1,980.00	0
TOTAL RECRUITER SDAP	4,273		19,229	4,273		19,229	4,273		19,229
TERMINATION PAY	0	200	0	561	446.88	251	0	200	0
TOTAL 2-E	24,170		52,613	23,344		51,540	22,648		50,648

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-F REENLISTMENT BONUS

 -FY 1999 ESTIMATE \$154,553
 -FY 1998 ESTIMATE \$147,359
 -FY 1997 ACTUAL \$143,334

PART I - PURPOSE AND SCOPE

REENLISTMENT BONUS (37 U.S.C. 308) - PROVIDES A BONUS TO ENLISTED PERSONNEL WHO REENLIST IN A SKILL CHARACTERIZED BY INADEQUATE MANNING, LOW RETENTION, AND HIGH REPLACEMENT COSTS. PAYABLE TO AN INDIVIDUAL WITH BETWEEN TWENTY-ONE MONTHS AND FOURTEEN YEARS OF ACTIVE SERVICE. PAYMENT IS BASED ON MONTHLY BASIC PAY TIMES A SPECIFIED AWARD LEVEL (NOT TO EXCEED 10) TIMES THE NUMBER OF ADDITIONAL YEARS OF OBLIGATED SERVICE (NOT TO EXCEED 6). OBLIGATED SERVICE IN EXCESS OF SIXTEEN YEARS IS NOT USED IN THE COMPUTATION. THE MAXIMUM PAYMENT IS \$45,000 (NO MORE THAN TEN PERCENT OF THE BONUSES CAN EXCEED \$20,000).

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE RATES INCLUDE A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998, AND 3.1% EFFECTIVE 01 JANUARY 1999.

TEN MOST UNDERMANNED CRITICAL SKILLS

RADIOMAN (RM/SW)
 FIRE CONTROLMAN (AEGIS WEAPONS SYSTEM) (FC AEGIS)
 AVIATION ELECTRONIC TECHNICIAN (AT)
 AVIATION ELECTRICIAN'S MATE (AE)
 DATA SYSTEMS TECHNICIAN (DS)
 ELECTRONICS TECHNICIAN, SURFACE WARFARE (ETSW)
 CRYPTOLOGIC TECHNICIAN (COLLECTION) (CTR)
 SONAR TECHNICIAN, SURFACE (STG)
 CRYPTOLOGIC TECHNICIAN (INTERPRETIVE) (CTI)
 ELECTRONIC WARFARE TECHNICIAN (EW)

TEN MOST OVERMANNED CRITICAL SKILLS

MACHINIST'S MATE (SURFACE WARFARE) (MMSW)
 BOATSWAIN'S MATE (BM)
 MESS MANAGEMENT SPECIALIST (MS)
 YEOMAN (YN)
 HULL TECHNICIAN (HT)
 PERSONNELMAN (PN)
 ELECTRICIAN'S MATE (SURFACE WARFARE) (EMSW)
 ENGINEER (AUXILIARIES AND MAIN PROPULSION) (EN-AUX+MN)
 HOSPITAL CORPSEMAN (HM)
 SHIP'S SERVICEMAN (SH)

SELECTIVE	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
INITIAL PAYMENTS	11,580	\$6,763.90	\$78,326	11,552	\$6,925.21	\$80,000	11,511	\$7,133.26	\$82,111
ANNIVERSARY PAYMENTS	41,818	1,554.55	65,008	42,395	1,588.84	67,359	43,588	1,661.97	72,442
TOTAL 2-F	53,398		\$143,334	53,947		\$147,359	55,099		\$154,553

REENLISTMENT BONUS
MILITARY PERSONNEL, NAVY
(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
PRIOR OBLIGATIONS	39,687	61,385	29,243	44,950	19,186	29,909	10,967	16,512	4,813	6,886
ACCELERATED PAYMENTS	2,131	3,623	2,131	3,623	2,131	3,623	2,131	3,623	2,131	3,623
FY 1997										
NEW ANNIVERSARY ADV/REM	11,580	78,326	11,021	18,786	11,278	19,403	9,645	17,136	6,594	11,603
FY 1998										
NEW ANNIVERSARY ADV/REM			11,552	80,000	10,993	19,507	10,954	19,400	9,620	17,521
FY 1999										
NEW ANNIVERSARY ADV/REM					11,511	82,111	10,952	20,043	10,913	19,936
FY 2000										
NEW ANNIVERSARY ADV/REM							9,520	69,945	8,962	16,936
TOTAL										
INITIAL PAYMENTS	11,580	78,326	11,552	80,000	11,511	82,111	9,520	69,945	9,582	72,512
ANNIVERSARY PAYMENTS	41,818	65,008	42,395	67,359	43,588	72,442	44,649	76,714	43,033	76,505
TOTAL SRB	53,398	143,334	53,947	147,359	55,099	154,553	54,169	146,659	52,615	149,017

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE 18,591
 -FY 1998 ESTIMATE 24,304
 -FY 1997 ACTUAL 14,638

PROJECT: 2-G ENLISTMENT BONUS

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR AN ENLISTMENT BONUS (37 U.S.C. 308A) PAYABLE TO A MEMBER WHO ENLISTS FOR A MINIMUM OF FIVE YEARS OR EXTENDS ACTIVE DUTY OBLIGATION AT LEAST ONE YEAR BEYOND THE NORMAL ENLISTMENT IN A DESIGNATED SKILL. ELIGIBLE SKILLS ARE CHARACTERIZED BY AN ENLISTMENT RATE LESS THAN THAT REQUIRED TO ENSURE ADEQUATE FIRST TERM MANNING. THE ENLISTMENT BONUS PROGRAM IS UNIQUE IN THAT THE BONUS IS CONTRACTUALLY OBLIGATED AT THE TIME OF ENLISTMENT INTO THE DELAYED ENTRY PROGRAM (DEP), BUT IS NOT PAID UNTIL THE SUCCESSFUL COMPLETION OF ALL TRAINING LEADING TO DESIGNATION IN THE SKILL. IN THE CASE OF NUCLEAR FIELD CANDIDATES, PAYMENT OF THE BONUS OCCURS 24 TO 36 MONTHS AFTER ENLISTMENT IN THE DEP.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THIS BONUS IS PAYABLE UPON COMPLETION OF TRAINING. MOST TRAINING PIPELINES FOR ENLISTMENT BONUS RECIPIENTS ARE APPROXIMATELY TWO YEARS. EXPANDED ENLISTMENT BONUS PROGRAM IN FY 98/99 REQUIRED TO COVER MORE CRITICALLY UNDERMANNED OR DIFFICULT TO RECRUIT RATINGS IN AN AUSTERE RECRUITING ENVIRONMENT. RECRUITING FACED WITH: 1) SMALLEST 17-21 YEAR OLD MARKET EVER, 2) STIFFER CIVILIAN COMPETITION AS ECONOMY CONTINUES TO IMPROVE, 3) PUBLIC PERCEPTION THAT NAVY NOT HIRING, ETC.

COMPUTATION OF FUNDING REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

NEW PAYMENTS	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
\$1,000	393	\$1,000.00	\$393	1,601	\$1,000.00	\$1,601	359	\$1,000.00	\$359
\$1,500	110	1,500.00	165	400	1,500.00	600	120	1,500.00	180
\$2,000	138	2,000.00	276	450	2,000.00	900	142	2,000.00	284
\$2,500	312	2,500.00	780	157	2,500.00	392	372	2,500.00	930
\$2,750	0	2,750.00	0	0	2,750.00	0	0	2,750.00	0
\$3,000	0	3,000.00	0	294	3,000.00	882	0	3,000.00	0
\$3,750	0	3,750.00	0	30	3,750.00	113	0	3,750.00	0
\$4,000	0	4,000.00	0	156	4,000.00	624	0	4,000.00	0
\$5,000	6	5,000.00	30	80	5,000.00	400	0	5,000.00	0
\$6,000	6	6,000.00	36	14	6,000.00	84	7	6,000.00	42
\$7,500	0	7,500.00	0	4	7,500.00	30	0	7,500.00	0
\$8,000	0	8,000.00	0	39	8,000.00	312	0	8,000.00	0
\$9,000	0	9,000.00	0	35	9,000.00	315	0	9,000.00	0
\$9,500	0	9,500.00	0	28	9,500.00	266	0	9,500.00	0
\$12,000	0	12,000.00	0	0	12,000.00	0	0	12,000.00	0
SUB-TOTAL	959		1,650	3,288		6,519	1,000		1,795

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
RESIDUAL PAYMENTS									
\$500	0	500.00	0	0	500.00	0	0	500.00	0
\$1,000	204	1,000.00	204	98	1,000.00	98	664	1,000.00	664
\$1,500	100	1,500.00	150	33	1,500.00	50	150	1,500.00	225
\$2,000	46	2,000.00	92	81	2,000.00	162	185	2,000.00	370
\$2,500	4	2,500.00	10	41	2,500.00	102	152	2,500.00	380
\$2,750	0	2,750.00	0	20	2,750.00	55	104	2,750.00	286
\$3,000	226	3,000.00	678	545	3,000.00	1,635	609	3,000.00	1,827
\$3,250	0	3,250.00	0	0	3,250.00	0	316	3,250.00	1,027
\$3,500	296	3,500.00	1,036	0	3,500.00	0	0	3,500.00	0
\$3,750	0	3,750.00	0	6	3,750.00	23	124	3,750.00	465
\$4,000	314	4,000.00	1,256	608	4,000.00	2,432	95	4,000.00	380
\$4,500	386	4,500.00	1,737	0	4,500.00	0	24	4,500.00	108
\$5,000	397	5,000.00	1,985	58	5,000.00	290	69	5,000.00	345
\$6,000	640	6,000.00	3,840	214	6,000.00	1,284	166	6,000.00	996
\$7,000	0	7,000.00	0	124	7,000.00	868	0	7,000.00	0
\$7,500	0	7,500.00	0	147	7,500.00	1,102	48	7,500.00	360
\$8,000	250	8,000.00	2,000	566	8,000.00	4,528	134	8,000.00	1,072
\$9,000	0	9,000.00	0	64	9,000.00	576	523	9,000.00	4,707
\$9,500	0	9,500.00	0	0	9,500.00	0	132	9,500.00	1,254
\$10,000	0	10,000.00	0	458	10,000.00	4,580	233	10,000.00	2,330
\$12,000	0	12,000.00	0	0	12,000.00	0	0	12,000.00	0
SUB-TOTAL	2,863		12,988	3,063		17,785	3,728		16,796
TOTAL 2-G			\$14,638			\$24,304			\$18,591

ENLISTMENT BONUS
MILITARY PERSONNEL, NAVY
(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
PRIOR OBLIGATIONS	2,863	12,988	2,195	15,818						
FY 1997										
INITIAL AND RESIDUAL PAYMENTS	959	1,650	868	1,967	2,671	14,938				
INSTALLMENTS										
FY 1998										
INITIAL AND RESIDUAL PAYMENTS	3,288	6,519			1,057	1,858	1,706	10,272		
INSTALLMENTS										
FY 1999										
INITIAL AND RESIDUAL PAYMENTS					1,000	1,795	675	1,278	1,373	10,128
INSTALLMENTS										
FY 2000										
INITIAL AND RESIDUAL PAYMENTS							214	303	543	1,260
INSTALLMENTS										
TOTAL										
INITIAL PAYMENTS	959	1,650	3,288	6,519	1,000	1,795	214	303	189	276
RESIDUAL PAYMENTS	2,863	12,988	3,063	17,785	3,728	16,796	2,381	11,550	1,916	11,388
INSTALLMENTS	0	0	0	0	0	0	0	0	0	0
TOTAL EB	3,822	14,638	6,351	24,304	4,728	18,591	2,595	11,853	2,105	11,664

(IN THOUSANDS OF DOLLARS)

-FY 1999	ESTIMATE	\$0
-FY 1998	ESTIMATE	\$241,464
-FY 1997	ACTUAL	\$1,014,403

PROJECT: 2-H BASIC ALLOWANCE FOR QUARTERS

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR BASIC ALLOWANCE FOR QUARTERS (37 U.S.C. 403), (37 U.S.C. 1009), AND (EXECUTIVE ORDER NO. 11157, AS AMENDED), TO MILITARY MEMBERS WITH OR WITHOUT DEPENDENTS, TO INCLUDE PARTIAL PAYMENT TO BACHELORS IN GOVERNMENT QUARTERS, ON SEA DUTY OR ON FIELD DUTY; AND TO MILITARY MEMBERS OCCUPYING INADEQUATE FAMILY HOUSING UNDER THE PROVISIONS OF SECTION 2830 OF THE FY 1983 MILITARY CONSTRUCTION CODIFICATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONGRESS APPROVED IN THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THE PAYMENT OF A BASIC ALLOWANCE FOR HOUSING (BAH) TO SERVICE MEMBERS. THE BAH COMBINES HOUSING PAYMENTS FORMERLY PROVIDED BY BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA). THE FY 1998 BAQ AMOUNTS REFLECT PAYMENTS FOR 3 MONTHS (OCTOBER - DECEMBER 1997). EFFECTIVE 1 JANUARY 1998, THE PAYMENTS ARE INCLUDED UNDER BAH.

BASIC ALLOWANCE FOR QUARTERS IS COMPUTED BY MULTIPLYING THE NUMBER OF ELIGIBLE ENLISTED PERSONNEL BY THE STATUTORY RATE FOR EACH PAY GRADE. THE NUMBER OF ELIGIBLE ENLISTED PERSONNEL IS CALCULATED BY DIVIDING THE ACTUAL NUMBER BY PAY GRADE ENTITLED TO BASIC ALLOWANCE FOR QUARTERS BY THE NUMBER ENTITLED TO BASIC PAY BY PAY GRADE TO DETERMINE PERCENT ENTITLED, WHICH IS THEN APPLIED TO THE FY 1997 THRU FY 1999 NUMBERS BY PAYGRADE ENTITLED TO BASIC PAY. THIS CALCULATION IS ADJUSTED FOR PLANNED CHANGES IN THE NUMBER LIVING IN GOVERNMENT FAMILY HOUSING. THE RATES REFLECT A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998	
	NUMBER	RATE	NUMBER	RATE
(1) WITH DEPENDENTS		AMOUNT		AMOUNT
PAYGRADE E-9	2,527	\$7,830.30	2,452	\$1,979.10
E-8	5,639	7,213.46	5,400	1,824.30
E-7	18,541	6,699.84	16,861	1,693.80
E-6	39,142	6,191.87	34,972	1,565.10
E-5	40,430	5,567.59	37,038	1,407.60
E-4	24,283	4,840.35	22,268	1,224.00
E-3	11,926	4,503.12	10,859	1,139.40
E-2	3,191	4,288.76	3,695	1,084.50
E-1	1,488	4,285.61	1,371	1,084.50
TOTAL (1)	147,167	\$843,450	134,916	\$195,256
(1B) BAQ DIFF	10,346	16,771	10,219	3,918
TOTAL (1)	157,513	860,221	145,135	199,174

(IN THOUSANDS OF DOLLARS)

		FY 1997			FY 1998		
		NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) WITHOUT DEPENDENTS							
PAYGRADE	E-9	231	\$5,939.40	\$1,372	220	\$1,501.20	\$330
	E-8	608	5,448.76	3,313	579	1,377.90	798
	E-7	2,438	4,656.54	11,353	2,248	1,177.20	2,646
	E-6	7,500	4,215.69	31,618	6,815	1,065.60	7,262
	E-5	10,752	3,887.52	41,799	16,094	982.80	15,817
	E-4	9,521	3,381.46	32,195	8,818	855.00	7,539
	E-3	5,942	3,315.82	19,703	5,540	838.80	4,647
	E-2	854	2,694.50	2,301	1,053	681.30	717
	E-1	66	2,401.41	158	56	607.50	34
TOTAL (2)		37,912		143,812	41,423		39,790

		NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(3) PARTIAL ALLOWANCE - BACHELOR							
PAYGRADE	E-9	16	223.20	4	21	55.80	1
	E-8	53	183.60	10	55	45.90	3
	E-7	302	144.00	43	314	36.00	11
	E-6	1,561	118.80	185	1,722	29.70	51
	E-5	9,190	104.40	959	6,811	26.10	178
	E-4	23,913	97.20	2,324	22,441	24.30	545
	E-3	31,546	93.60	2,953	28,270	23.40	662
	E-2	19,352	86.40	1,672	22,120	21.60	478
	E-1	16,301	82.80	1,350	16,352	20.70	338
TOTAL (3)		102,234		9,500	98,106		2,267

		NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(4) SUBSTANDARD FAMILY HOUSING							
PAYGRADE	E-9	1	2,033.02	2	0	0.00	0
	E-8	1	1,874.01	2	1	456.07	0
	E-7	7	1,739.95	12	8	423.45	3
	E-6	40	1,607.74	64	44	391.28	17
	E-5	117	1,445.95	169	131	351.90	46
	E-4	173	1,257.35	218	197	306.00	60
	E-3	251	1,175.89	295	269	284.85	77
	E-2	83	1,114.05	92	91	271.13	25
	E-1	14	1,114.05	16	19	271.13	5
TOTAL (4)		687		870	760		233

TOTAL 2-H							\$241,464
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(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$0
 -FY 1998 ESTIMATE \$89,642
 -FY 1997 ACTUAL \$376,345

PROJECT: 2-I VARIABLE HOUSING ALLOWANCE

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE PAY FOR ENLISTED ON ACTIVE DUTY, OR THEIR DEPENDENTS, BASED ON PAY GRADE AND DUTY ASSIGNMENT IN HIGH COST HOUSING AREAS IN THE CONTINENTAL UNITED STATES, ALASKA AND HAWAII (37 U.S.C. 403A).

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONGRESS APPROVED IN THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THE PAYMENT OF A BASIC ALLOWANCE FOR HOUSING (BAH) TO SERVICE MEMBERS. THE BAH COMBINES HOUSING PAYMENTS FORMERLY PROVIDED BY BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA). THE FY 1998 BAQ AMOUNTS REFLECT PAYMENTS FOR 3 MONTHS (OCTOBER - DECEMBER 1997). EFFECTIVE 1 JANUARY 1998, THE PAYMENTS ARE INCLUDED UNDER BAH.

VARIABLE HOUSING ALLOWANCE IS COMPUTED BY MULTIPLYING THE NUMBER ELIGIBLE BY THE PERCENTAGE EXPERIENCED DURING FY 1997. THE RATES ARE BASED ON ACTUAL EXPERIENCE WITH A 2.1% INCREASE FOR COST GROWTH IN FY 1998. WORKYEARS ARE DIRECTLY RELATED TO BASIC ALLOWANCE FOR QUARTERS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

VARIABLE HOUSING	FY 1997			FY 1998		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
PAYGRADE E-9	2,599	\$3,250.39	\$8,448	2,518	\$822.37	\$2,071
E-8	5,860	3,087.68	18,094	5,609	781.61	4,384
E-7	19,455	2,919.33	56,796	17,687	738.54	13,063
E-6	42,314	2,536.03	107,310	37,875	641.40	24,293
E-5	44,964	2,193.48	98,628	46,656	543.09	25,338
E-4	29,082	1,875.52	54,544	26,565	474.65	12,609
E-3	15,143	1,676.10	25,381	13,859	423.27	5,866
E-2	3,169	1,658.73	5,257	3,770	418.11	1,576
E-1	1,130	1,669.88	1,887	1,041	424.85	442
TOTAL 2-I	163,716		\$376,345	155,580		\$89,642

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-H BASIC ALLOWANCE FOR HOUSING

 -FY 1999 ESTIMATE \$1,320,566
 -FY 1998 ESTIMATE \$1,012,689
 -FY 1997 ESTIMATE \$0

PART I - PURPOSE AND SCOPE

CONGRESS APPROVED IN THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THE PAYMENT OF A BASIC ALLOWANCE FOR HOUSING (BAH) TO SERVICE MEMBERS. THE BAH COMBINES HOUSING PAYMENTS FORMERLY PROVIDED BY BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA). PAYMENT TO SERVICE MEMBERS IS AUTHORIZED BY REVISIONS TO 37 USC 403.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE FY 1998 AMOUNTS FOR BAH REFLECT THE 1 JANUARY 98 START DATE FOR BAH AND INCLUDE A 2.5 PERCENT INCREASE WHICH IS THE COMPOSITE RATE OF THE 2.8 PERCENT RATE APPLICABLE TO BAQ AND THE 1.4 PERCENT RATE APPLICABLE TO VHA. THE FY 1999 AMOUNTS REFLECT A FULL YEAR'S COST AND INCLUDE A 2.8 PERCENT INCREASE. THIS INCREASE IS THE ESTIMATED HOUSING RATE INCREASE THAT WILL RESULT FROM THE CONTRACTOR GENERATED SURVEYS OF ACTUAL HOUSING COSTS WHICH WILL BE COMPLETED DURING 1998.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(1) WITH DEPENDENTS	FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE
PAYGRADE E-9	2,452	\$8,439.75	2,327	\$11,557.37
E-8	5,400	7,885.46	4,601	10,750.49
E-7	16,861	7,383.68	15,590	10,028.42
E-6	34,972	6,642.06	31,908	9,078.54
E-5	37,038	5,843.36	36,337	8,037.21
E-4	22,268	5,040.36	23,224	6,975.07
E-3	10,859	4,721.04	9,595	6,390.10
E-2	3,695	4,311.98	3,756	6,004.26
E-1	1,371	4,308.16	1,297	5,861.22
TOTAL (1)	134,916	\$821,827	128,635	\$1,067,882
BAH DIFF	10,219	12,082	10,219	16,496
TOTAL	145,135	833,909	138,854	1,084,378

(IN THOUSANDS OF DOLLARS)

	FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) WITHOUT DEPENDENTS						
PAYGRADE E-9	220	\$6,822.64	\$1,501	211	\$9,341.23	\$1,971
E-8	579	6,220.90	3,602	511	8,493.15	4,340
E-7	2,248	5,341.44	12,008	2,099	7,272.99	15,266
E-6	6,815	4,722.54	32,184	6,318	6,464.86	40,845
E-5	16,094	4,216.34	67,858	15,700	5,800.76	91,072
E-4	8,818	3,558.95	31,383	8,983	4,916.95	44,169
E-3	5,540	3,530.57	19,559	5,073	4,795.98	24,330
E-2	1,053	2,874.75	3,027	1,068	4,000.00	4,272
E-1	56	2,451.76	137	54	3,370.37	182
TOTAL (2)	41,423		171,259	40,017		226,447

(3) PARTIAL ALLOWANCE - BACHELOR						
PAYGRADE E-9	21	167.40	4	20	223.20	4
E-8	55	137.70	8	49	183.60	9
E-7	314	108.00	34	293	144.00	42
E-6	1,722	89.10	153	1,597	118.80	190
E-5	6,811	78.30	533	6,646	104.40	694
E-4	22,441	72.90	1,636	22,864	97.20	2,222
E-3	28,270	70.20	1,985	25,888	93.60	2,423
E-2	22,120	64.80	1,433	22,432	86.40	1,938
E-1	16,352	62.10	1,015	15,855	82.80	1,313
TOTAL (3)	98,106		6,801	95,644		8,835

(4) SUBSTANDARD FAMILY HOUSING						
PAYGRADE E-9	0	0.00	0	0	0.00	0
E-8	1	1,406.54	1	1	1,918.98	2
E-7	8	1,305.92	10	7	1,781.71	12
E-6	44	1,206.69	53	41	1,646.33	67
E-5	131	1,085.26	142	121	1,480.66	179
E-4	197	943.70	186	181	1,287.53	233
E-3	269	878.48	236	247	1,198.54	296
E-2	91	836.15	76	84	1,140.79	96
E-1	19	836.15	16	18	1,140.79	21
TOTAL (4)	760		720	700		906
TOTAL 2-H			\$1,012,689			\$1,320,566

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-J STATION ALLOWANCES, OVERSEAS

 -FY 1999 ESTIMATE \$232,520
 -FY 1998 ESTIMATE \$250,225
 -FY 1997 ACTUAL \$259,350

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR PAYMENTS OF A PER DIEM ALLOWANCE (37 U.S.C. 405) - FOR COST OF LIVING, HOUSING AND TEMPORARY LODGING FOR MEMBERS ASSIGNED TO CERTAIN PERMANENT DUTY STATIONS OUTSIDE THE CONTINENTAL UNITED STATES AS PRESCRIBED IN THE JOINT FEDERAL TRAVEL REGULATIONS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE NUMBERS FOR COST OF LIVING ALLOWANCE (COLA) AND HOUSING ALLOWANCE ARE BASED ON ACTUAL EXPERIENCE ADJUSTED TO REFLECT CHANGES IN OVERSEAS STRENGTH. THESE RATES REFLECT THE LATEST FOREIGN CURRENCY RATE GUIDANCE. THE RATES FOR COLA REFLECT A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998 AND A 3.1% PAY RAISE EFFECTIVE 01 JANUARY 1999. IN FY 1997, MPN RE-JOINED THE FOREIGN CURRENCY FLUCTUATIONS, DEFENSE ACCOUNT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
(1) COST OF LIVING	51,160	\$3,036.45	51,349	\$2,904.15	49,133	\$2,774.18
(2) HOUSING	9,765	8,032.56	9,869	7,608.04	9,443	7,383.25
(3) TEMPORARY LODGING		25,567		26,016		26,496
TOTAL 2-J		\$259,350		\$250,225		\$232,520

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE 3,846
 -FY 1998 ESTIMATE 3,852
 -FY 1997 ACTUAL 3,850

PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA)

PART I - PURPOSE AND SCOPE

THE FUNDS REQUESTED WILL PROVIDE FOR PAYMENT OF A COST OF LIVING ALLOWANCE (COLA) TO SAILORS WHO ARE ASSIGNED TO HIGH COST AREAS IN THE CONTERMINOUS UNITED STATES (CONUS). HIGH COST AREAS ARE GROUPED AS MILITARY HOUSING AREAS (MHA) WHERE THE COST OF GOODS AND SERVICES EXCEED 108 PERCENT OF THE NATIONAL COST OF LIVING AVERAGE. THE AMOUNT OF COLA PAYABLE IS THE PRODUCT OF SPENDABLE INCOME (BASED ON REGULAR MILITARY COMPENSATION) TIMES THE DIFFERENCE BETWEEN THE COLA INDEX FOR THE INDIVIDUAL'S HIGH COST AREA AND THE THRESHOLD PERCENTAGE. THIS ALLOWANCE WAS AUTHORIZED BY THE FY 1995 DOD AUTHORIZATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONUS COLA PAYMENTS ARE DETERMINED MUTLIPLYING THE PROJECTED NUMBER OF PERSONNEL ELIGIBLE BY AN ESTIMATED RATE.

DETAILED COST COMPUTATIONS ARE PROVIDED BY THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
(1) COST OF LIVING	8,167	471.43	7,814	492.91	7,579	507.46
		\$3,850		\$3,852		\$3,846
TOTAL		\$3,850		\$3,852		\$3,846

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-K CLOTHING ALLOWANCES

 -FY 1999 ESTIMATE \$166,387
 -FY 1998 ESTIMATE \$177,134
 -FY 1997 ACTUAL \$163,279

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE ENLISTED PERSONNEL WITH PRESCRIBED CLOTHING AS AUTHORIZED BY THE SECRETARY OF DEFENSE UNDER PROVISIONS OF (37 U.S.C. 418). INCLUDED ARE:

- (1) INITIAL CLOTHING UPON ENLISTMENT, ADVANCEMENT TO CHIEF PETTY OFFICER (PAY GRADE E-7) AND CIVILIAN CLOTHING ALLOWANCE WHEN AUTHORIZED BY COMPETENT ORDERS.
- (2) BASIC MAINTENANCE ALLOWANCE IS PAYABLE TO MEMBERS UPON COMPLETION OF SIX MONTHS ACTIVE DUTY AND ACCRUES DURING THE REMAINDER OF THE FIRST THREE YEARS OF CONTINUOUS SERVICE. STANDARD OR SPECIAL MAINTENANCE ALLOWANCE IS PAYABLE TO A MEMBER UPON COMPLETION OF 36 MONTHS OF ACTIVE DUTY AND CONTINUES DURING THE REMAINDER OF CONTINUOUS ACTIVE DUTY.
- (3) SUPPLEMENTARY CLOTHING ALLOWANCES ARE PAYABLE TO MEMBERS ASSIGNED TO SPECIAL DUTY WHERE ADDITIONAL ITEMS OF CLOTHING ARE REQUIRED.

PART II - JUSTIFICATION OF FUNDS REQUESTED

INITIAL CLOTHING ALLOWANCES ARE BASED ON PLANNED NUMBERS OF ACCESSIONS BY TYPE OF ACCESSION AT RATES PRESCRIBED BY THE SECRETARY OF DEFENSE. CLOTHING MAINTENANCE ALLOWANCES ARE COMPUTED BASED ON PAST EXPERIENCE FOR NUMBERS OF MEMBERS ENTITLED AND RATES PRESCRIBED BY THE SECRETARY OF DEFENSE. SUPPLEMENTARY CLOTHING ALLOWANCES ARE BASED ON NUMBERS PLANNED FOR ASSIGNMENT TO QUALIFYING SPECIAL DUTIES.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
(1) INITIAL						
(A) MILITARY						
MALE	41,456	\$1,023.86	42,463	\$1,109.72	37,428	\$1,126.37
FEMALE	6,526	1,395.16	9,328	1,475.88	6,700	1,498.02
OCS, NEWPORT	908	1,092.51	916	1,162.66	831	1,177.05
AOC/NFOC	696	1,074.61	407	1,157.25	467	1,170.57
ON ADVANCEMENT E-7	4,060	734.98	3,057	758.91	3,587	770.66
NAVY UNIT BANDS	119	784.47	98	790.34	98	802.20
TOTAL (1) (A)		\$56,367		\$64,822		\$56,563

(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
(B) CIVILIAN						
WINTER AND SUMMER	370	\$1,277.10	445	\$1,250.00	445	\$1,250.00
WINTER OR SUMMER	192	824.92	231	1250.00	231	1250.00
TOTAL (1) (B)	562	631	676	845	676	845
TOTAL (1)		56,998		65,667		57,408
(2) REPLACEMENT ALLOWANCES						
(A) BASIC						
MALE	78,228	226.80	80,374	248.40	78,194	252.10
FEMALE	12,350	273.60	13,180	306.00	13,180	310.60
TOTAL (2) (A)	90,578	21,121	93,554	23,998	91,374	23,807
(B) STANDARD						
MALE	188,398	324.00	174,015	356.40	166,557	361.70
FEMALE	25,324	392.40	25,244	435.60	25,244	442.10
TOTAL (2) (B)	213,722	70,978	199,259	73,015	191,801	71,404
(C) SPECIAL						
MALE	24,943	417.60	21,859	439.20	19,956	445.80
FEMALE	2,306	558.00	2,095	579.60	2,095	588.30
TOTAL (2) (C)	27,249	11,703	23,954	10,814	22,051	10,128
TOTAL (2)	331,549	103,802	316,767	107,827	305,226	105,339
(3) SUPPLEMENTARY	6,879	215.00	7,628	215.00	7,628	215.00
(4) UP-FRONT PURCHASES		1,000		2,000		2,000
TOTAL 2-K		\$163,279		\$177,134		\$166,387

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-L FAMILY SEPARATION ALLOWANCE

-FY 1999	ESTIMATE	\$32,278
-FY 1998	ESTIMATE	\$32,354
-FY 1997	ACTUAL	\$26,292

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE AN ALLOWANCE TO ENLISTED MEMBERS WITH DEPENDENTS (37 U.S.C. 427) FOR ADDED SEPARATION EXPENSES WHEN THE REQUIREMENTS LISTED BELOW ARE MET:

- (1) THE MOVEMENT OF DEPENDENTS TO AN OVERSEAS PERMANENT DUTY STATION IS NOT AUTHORIZED AND THE MEMBER MUST MAINTAIN TWO HOMES.
- (2) THE MOVEMENT OF DEPENDENTS TO THE PERMANENT DUTY STATION OR A PLACE NEAR THE STATION IS NOT AUTHORIZED AT GOVERNMENT EXPENSE UNDER THE JOINT TRAVEL REGULATIONS AND THE MEMBER'S DEPENDENTS DO NOT RESIDE AT OR NEAR THAT STATION.
- (3) THE MEMBER IS ON DUTY ON BOARD A SHIP AWAY FROM THE HOME PORT OF THE SHIP FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS.
- (4) THE MEMBER IS ON TEMPORARY DUTY OR TEMPORARY ADDITIONAL DUTY AWAY FROM HIS PERMANENT STATION FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS AND THE MEMBER'S DEPENDENTS DO NOT RESIDE AT OR NEAR THE MEMBER'S TEMPORARY OR TEMPORARY ADDITIONAL DUTY STATION.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FAMILY SEPARATION ALLOWANCES ARE DETERMINED BY MULTIPLYING THE PLANNED NUMBER OF MEMBERS ELIGIBLE BY THE STATUTORY RATES. STATUTORY RATES WERE INCREASED BY \$25.00 MONTHLY EFFECTIVE 18 NOVEMBER 1997. THE RATES, WHERE APPLICABLE, INCLUDE A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998 AND A 3.1% EFFECTIVE 01 JANUARY 1999.

THE NAVY SUPPORTS THE FY 1998 NATIONAL DEFENSE AUTHORIZATION ACT THAT INCREASED THE FSA PAYMENTS FROM \$75 TO \$100 FOR THOSE MEMBERS IN TEMPORARY DUTY AND PERMANENT CHANGE OF STATION STATUS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT
(1) ON PERMANENT CHANGE OF STATION WITH DEPENDENTS NOT AUTHORIZED GOVERNMENT QUARTERS NOT AVAILABLE						
PAYGRADE E-9	6	\$6,236.29	7	\$6,410.91	7	\$6,609.64
E-8	14	5,737.71	12	5,898.37	12	6,081.22
E-7	38	4,908.70	29	5,046.14	26	5,202.57
E-6	64	4,445.59	48	4,570.07	46	4,711.74
E-5	66	4,096.85	39	4,211.56	39	4,342.12
E-4	25	3,557.85	18	3,657.47	18	3,770.85
E-3	5	3,490.73	3	3,588.47	3	3,699.71
E-2	1	2,809.73	1	2,888.40	1	2,977.94
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SUB-TOTAL (1)	219	\$968	157	\$725	152	\$722

(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT
(2) ON PERMANENT CHANGE OF STATION WITH DEPENDENTS NOT AUTHORIZED	3,696	\$900.00 \$3,326	3,273	\$1,159.96 \$3,797	3,159	\$1,200.00 \$3,791
(3) ON BOARD SHIP FOR MORE THAN 30 DAYS	16,095	900.00 14,486	15,986	1159.96 18,543	15,408	1200.00 18,490
(4) ON TEMPORARY DUTY FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TEMPORARY DUTY STATION	8,347	900.00 7,512	8,008	1159.96 9,289	7,729	1200.00 9,275
TOTAL 2-L		\$26,292		\$32,354		\$32,278

(IN THOUSANDS OF DOLLARS)

FY 1999	ESTIMATE	\$175,754
FY 1998	ESTIMATE	\$142,854
FY 1997	ACTUAL	\$173,220

PROJECT: 2-M SEPARATION PAYMENTS

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE:

- (1) LUMP SUM TERMINAL LEAVE PAYMENTS FOR UNUSED ACCRUED LEAVE AT TIME OF DISCHARGE, OR DEATH UNDER PROVISIONS OF (37 U.S.C. 501), AND (10 U.S.C. 701).
- (2) SEVERANCE PAY DISABILITY - PAYMENT TO MEMBERS SEPARATED (NOT RETIRED) FOR PHYSICAL DISABILITY UNDER PROVISIONS OF (10 U.S.C. 1212).
- (3) INVOLUNTARY - HALF SEVERANCE PAY IS 5% OF THE PRODUCT OF MEMBERS YEARS ACTIVE SERVICE PLUS FRACTIONS OF YEARS BASED ON FULL MONTHS AND 12 TIMES MONTHLY BASIC PAY IS AUTHORIZED TO MEMBERS NOT FULLY QUALIFIED FOR RETENTION AND DENIED REENLISTMENT OR CONTINUATION.
INVOLUNTARY - FULL SEVERANCE PAY IS 10% OF THE PRODUCT OF MEMBERS YEARS ACTIVE SERVICE PLUS FRACTIONS OF YEARS BASED ON FULL MONTHS AND 12 TIMES MONTHLY BASIC PAY IS AUTHORIZED TO MEMBERS INVOLUNTARILY SEPARATED FROM ACTIVE DUTY BUT WHO ARE FULLY QUALIFIED FOR RETENTION, BUT ARE DENIED REENLISTMENT OR CONTINUATION.
VOLUNTARY - SPECIAL SEPARATION BENEFITS ((SSB) 10 USC 1174a) WILL PAY MEMBERS A LUMP-SUM AMOUNT EQUAL TO 15% OF THEIR ANNUAL BASIC PAY MULTIPLIED BY THEIR YEARS OF SERVICE.
- (4) VOLUNTARY SEPARATION INCENTIVE ((VSI) 10 USC 1175) WILL PAY MEMBERS 2.5% OF THEIR ANNUAL BASIC PAY, MULTIPLIED BY THEIR YEARS OF SERVICE. PAYMENTS WILL BE ANNUAL AND LAST FOR TWICE THE NUMBER OF YEARS OF SERVICE.
- (5) DISCHARGE GRATUITY DONATION NOT TO EXCEED \$25, TO MEMBER SEPARATED WITH A DISHONORABLE, BAD CONDUCT, OR UNDESIRABLE DISCHARGE FOR REASONS OF SECURITY, UNFITNESS, ETC., UNDER PROVISIONS OF (10 U.S.C. 771A).
- (6) 15 YEAR EARLY RETIREMENT PROGRAM (ERP) FOR MEMBERS ON ACTIVE DUTY WITH MORE THAN 15 BUT LESS THAN 20 YEARS OF SERVICE. THE FY 1993 DEFENSE AUTHORIZATION ACT APPROVED AN ACTIVE DUTY EARLY RETIREMENT PROGRAM FOR USE DURING THE FORCE DRAWDOWN. THE EARLY RETIREMENT PROGRAM IS NECESSARY TO SHAPE THE 15-20 YEAR SEGMENT OF THE FORCE. IT WILL ASSIST THE SERVICES IN ACHIEVING THEIR DRAWDOWN GOALS OF MAINTAINING READINESS AND TREATING PEOPLE FAIRLY. THE CRITERIA FOR EARLY RETIREMENT WILL INCLUDE SUCH FACTORS AS GRADE, YEARS OF SERVICE, AND SKILL, WITH A FOCUS ON THE POPULATION WHERE THE INVENTORY EXCEEDS REQUIREMENTS. MEMBERS APPROVED FOR EARLY RETIREMENT WILL RECEIVE THE SAME BENEFITS AS INDIVIDUALS WITH 20 OR MORE YEARS OF SERVICE. HOWEVER, THEIR RETIRED PAY WILL BE REDUCED ONE PERCENT FOR EACH YEAR THAT THEY ARE SHORT OF 20 YEARS OF ACTIVE DUTY. THE EARLY RETIREMENT AMOUNT IS THE PRODUCT OF 2.5 PERCENT X THE YEARS OF SERVICE X BASIC PAY (ADJUSTED FOR COLA) X REDUCTION FACTOR. FOR MEMBERS WHO LEAVE UNDER THE EARLY RETIREMENT PROGRAM, THE NAVY IS REQUIRED TO ESTABLISH A SUBACCOUNT WITHIN MPN TO FUND UP FRONT ALL EARLY RETIREMENT PAYMENTS INCLUDING COST OF LIVING ADJUSTMENTS, WHICH WILL COVER THE ENTIRE INITIAL PERIOD. THIS PERIOD IS DEFINED AS EQUAL TO THE DIFFERENCE BETWEEN 20 YEARS AND THE NUMBER OF YEARS COMPLETED BY THE MEMBER. THE AUTHORITY TO USE THE EARLY RETIREMENT PROGRAM EXPIRES ON 1 OCTOBER 1999.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SEPARATION PAYMENTS ARE COMPUTED ON THE BASIS OF THE NUMBER OF MEMBERS ELIGIBLE FOR PAYMENT AT THE AVERAGE RATES DERIVED FROM PAST EXPERIENCE. THE RATES REFLECT A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998 AND 3.1% PAY RAISE EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER DAYS	RATE	AMOUNT	NUMBER DAYS	RATE	AMOUNT	NUMBER DAYS	RATE	AMOUNT
(1) LUMP SUM TERMINAL LEAVE PAYMENTS									
PAYGRADE E-9	255	\$2,260.80	\$577	243	\$2,291.37	\$557	255	\$2,337.34	\$596
E-8	764	1,883.66	1,439	700	1,881.79	1,317	684	1,916.63	1,311
E-7	2,385	1,604.34	3,826	2,713	1,587.88	4,308	2,519	1,637.17	4,124
E-6	6,951	1,306.78	9,083	6,619	1,283.29	8,494	6,680	1,312.31	8,766
E-5	11,253	1,067.99	12,018	9,503	1,066.74	10,137	8,784	1,088.76	9,652
E-4	17,669	817.41	14,443	12,835	830.89	10,664	12,964	854.73	11,081
E-3	9,520	592.04	5,636	8,769	606.25	5,316	6,950	623.64	4,334
E-2	3,374	437.45	1,476	3,103	449.84	1,396	3,525	463.37	1,633
E-1	2,954	257.00	759	2,853	264.47	755	2,786	272.45	759
TOTAL (1)	55,125		49,257	47,338		42,944	45,147		42,256
(2) SEVERANCE PAY									
DISABILITY	2,808	18,094.01	50,808	2,761	18,472.63	51,003	2,582	18,889.54	48,773
(3) SEVERANCE PAY NON-DISABILITY									
INVOLUNTARY - HALF	1,746	11,060.58	19,312	955	11,252.86	10,785	955	11,545.31	11,026
INVOLUNTARY - FULL	537	19,534.86	10,490	294	19,945.09	5,864	294	20,393.68	5,996
(4) VOLUNTARY SEPARATION									
SSB	0	0.00	0	0	0.00	0	0	0.00	0
VSI *	0	0.00	4,400	0	0.00	4,400	0	0.00	9,514
VSI TRUST FUND **	0	0.00	0	0	0.00	0	0	0.00	0
(5) DISCHARGE GRATUITY	410	24.00	10	410	24.00	10	410	24.00	10
(6) 15 YEAR RETIREMENT	1,418	27,463.00	38,943	987	28,215.00	27,848	2,000	29,089.65	58,179
TOTAL 2-M			\$173,220			\$142,854			\$175,754

* VSI recipients prior to 1 January 1993 - Funded directly from the Military Personnel Appropriation.
 ** VSI recipients after 31 December 1992 - Payments made from the Military Personnel Appropriation to the VSI Fund.
 Funding represents present value cost for recipients.

MILITARY PERSONNEL, NAVY
SEPARATION COSTS and TRANSITION BENEFITS

ENLISTED	FY 1997		FY 1998		FY 1999	
	NUMBER	TOTAL	NUMBER	TOTAL	NUMBER	TOTAL
Special Separation Benefits (SSB)	0	0	0	0	0	0
Voluntary Separation Incentive (VSI) 1/	0	0	0	0	0	0
VSI TRUST FUND	0	4,400	0	4,400	0	9,514 2/
15 Year Early Retirement Authority	1,418	38,943	987	27,248	2,000	58,179
Total Enlisted, MPN	1,418	\$43,343	987	\$32,248	2,061	\$67,693

ENLISTED	FY 2000		FY 2001		FY 2002	
	NUMBER	TOTAL	NUMBER	TOTAL	NUMBER	TOTAL
Special Separation Benefits (SSB)	0	0	0	0	0	0
Voluntary Separation Incentive (VSI)	0	0	0	0	0	0
VSI TRUST FUND	0	4,400	0	4,400	0	4,400
15 Year Early Retirement Authority	0	0	0	0	0	0
Total Enlisted, MPN	0	\$4,400	0	\$4,400	0	\$4,400

1/ NUMBER OF TAKERS ONLY
2/ INCLUDES FUNDING FOR 61 ENLISTED VSI RECIPIENTS TO COVER PRIOR YEAR PAYMENTS

(IN THOUSANDS OF DOLLARS)

ESTIMATE \$516,201
 ESTIMATE \$526,158
 ACTUAL \$546,029

-FY 1999
 -FY 1998
 -FY 1997

PROJECT: 2-N SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED REPRESENT THE GOVERNMENT'S CONTRIBUTION (AS AN EMPLOYER) AS REQUIRED BY THE FEDERAL INSURANCE CONTRIBUTION ACT UNDER PROVISION OF (26 U.S.C. 3101, 3111), AND P.L. 98-21 "SOCIAL SECURITY AMENDMENT OF 1983." FUNDS REQUESTED FOR MILITARY SERVICE CREDITS REFLECT THE ADMINISTRATION'S DECISION TO HAVE DOD RATHER THAN HEALTH AND HUMAN SERVICES FUND MILITARY SERVICE SOCIAL SECURITY WAGE CREDITS FOR NON-WAGE INCOME EFFECTIVE 01 OCTOBER 1987. THE REQUEST ALSO REFLECTS THE IMPACT OF PUBLIC LAW 99-576 WHICH PROVIDES FOR REMOVAL FROM TAXABLE INCOME THE \$1,200 MEMBER CONTRIBUTION REQUIRED FOR PARTICIPATION IN THE BASIC BENEFIT PROGRAM OF THE NEW G.I. BILL EFFECTIVE 01 JANUARY 1986.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SOCIAL SECURITY COSTS ARE BASED ON THE PERCENTAGE RATE SET BY LAW ON A MEMBER'S SALARY FOR A CALENDAR YEAR. P.L. 98-21, "SOCIAL SECURITY AMENDMENT OF 1983" DATED 20 APRIL 1983 ESTABLISHED THE TAX RATE WHILE THE MAXIMUM TAXABLE INCOME IS DETERMINED BY THE SOCIAL SECURITY ADMINISTRATION. THE OLD AGE, SURVIVOR AND DISABILITY INCOME (OASDI) RATE IS 6.2% AND THE HOSPITAL INSURANCE (HI) IS 1.45%. THERE IS NO WAGE CAP ON THE 1.45% MEDICAL CONTRIBUTION. THE GOVERNMENT'S CONTRIBUTION IS BASED ON THE PERCENTAGE RATE SET BY LAW ON MEMBER'S SALARY FOR A CALENDAR YEAR. TAXABLE INCOME CEILINGS FOR OASDI ARE AS FOLLOWS:

CALENDAR YEAR 1997 - 7.65% ON FIRST \$65,400
 CALENDAR YEAR 1998 - 7.65% ON FIRST \$68,100
 CALENDAR YEAR 1999 - 7.65% ON FIRST \$71,100

FUNDING FOR FY 1997, FY 1998, AND FY 1999 INCLUDES EMPLOYER'S CONTRIBUTION TO SOCIAL SECURITY FOR WHICH MILITARY MEMBERS RECEIVE WAGE CREDIT BUT NO SOCIAL SECURITY TAX (I.E., QUARTERS AND SUBSISTENCE ALLOWANCES). DOD MAKES DIRECT PAYMENTS TO THE SOCIAL SECURITY TRUST FUNDS BASED ON HEALTH AND HUMAN SERVICES (HHS) ESTIMATES TO COVER THE COST OF THESE ADDITIONAL CREDITS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION	342,911	\$1,362.00	\$467,045	328,719	\$1,394.68	\$458,458	316,880	\$1,426.84	\$452,137
MILITARY SERVICE CREDITS			78,984			67,700			64,064
TOTAL 2-N			546,029			526,158			516,201
TOTAL OBLIGATIONS			11,311,940			10,963,654			10,801,382
LESS REIMBURSABLES			105,465			88,737			82,751
TOTAL DIRECT OBLIGATIONS			\$11,206,475			\$10,874,917			\$10,718,631

PAY AND ALLOWANCES OF MIDSHIPMEN
 SCHEDULE OF INCREASES AND DECREASES
 (IN THOUSANDS OF DOLLARS)

	AMOUNT
FY 1998 DIRECT PROGRAM-----	\$35,752
INCREASES:	
BASIC PAY -----	40
-INCREASE IN WORKYEARS -----	40
SUBSISTENCE -----	152
-INCREASE DUE TO INFLATION OF MIDSHIPMEN BAS DAILY RATE (\$5.15 TO \$5.25) -----	140
-INCREASE IN WORKYEARS -----	12
FICA -----	3
-INCREASE IN WORKYEARS -----	3
TOTAL INCREASES -----	195
FY 1999 DIRECT PROGRAM-----	\$35,947

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$35,947
 -FY 1998 ESTIMATE \$35,752
 -FY 1997 ACTUAL \$36,211

PROJECT: 3-B MIDSHIPMEN

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED ARE TO PROVIDE FOR BASIC PAY UNDER THE PROVISIONS OF 37 U.S.C. 203(C) (1); COMMUTED RATIONS ALLOWANCE UNDER THE PROVISIONS OF 37 U.S.C. 422; AND FOR EMPLOYER'S CONTRIBUTION OF FICA AS PROVIDED BY THE FEDERAL INSURANCE CONTRIBUTION ACT (26 U.S.C. 3101 AND 3111); AND FOR NUCLEAR ACCESSION BONUS (37 U.S.C. 312B).

FUNDS REQUIRED ARE DETERMINED BY APPLYING STATUTORY RATES TO THE PROJECTED WORKYEARS. PROVISION IS MADE FOR AN AVERAGE OF 3,902 MIDSHIPMEN IN 1997, 3,848 IN 1998, AND 3,854 IN 1999.

SUBSISTENCE RATES ARE \$5.03 PER DAY FOR FY 1997, \$5.15 PER DAY FOR FY 1998, AND \$5.25 PER DAY FOR FY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
(1) BASIC PAY	3,902	\$6,696.48	3,848	\$6,696.48	3,854	\$6,696.48
(2) SUBSISTENCE						
(A) SUBSISTENCE ALLOWANCE	3,902	1835.95	3,848	1,879.75	3,854	1,916.25
(B) OPERATIONAL RATIONS	0	0.00	0	0.00	0	0.00
TOTAL		7,164		7,233		7,385
(3) SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION	3,902	512.29	3,848	512.29	3,854	512.29
(4) NUCLEAR ACCESSION BONUS	153	6,000.00	130	6,000.00	130	6,000.00
TOTAL 3-B		\$36,211		\$35,752		\$35,947
TOTAL OBLIGATIONS		36,211		35,752		35,947
LESS REIMBURSABLE OBLIGATIONS		0		0		0
TOTAL DIRECT OBLIGATIONS		\$36,211		\$35,752		\$35,947

PART II - JUSTIFICATION OF FUNDS REQUESTED

SUBSISTENCE OF ENLISTED PERSONNEL
 SCHEDULE OF INCREASES AND DECREASES
 (IN THOUSANDS OF DOLLARS)

AMOUNT

 753,665

FY 1998 DIRECT PROGRAM-----

INCREASES:

- 1 JAN 1998 1.0% PAY RAISE ANNUALIZATION -----	1,039
- 1 JAN 1999 BAS 1% -----	3,118
- PARTIAL BAS RATE GROWTH -----	17,483
- INCREASE IN BDFA RATES DUE TO DPSC PRICES -----	3,302
- INCREASE IN ALTERNATIVE FEEDING DUE TO DAILY RATE -----	76

TOTAL INCREASES ----- 25,018

DECREASES:

- DECREASE IN BAS WORKYEARS -----	-21,600
- DECREASE IN SIK WORKYEARS -----	-8,266
- DECREASE IN NUMBER ENTITLED TO PARTIAL BAS -----	-865
- DECREASE IN INVENTORY ADJUSTMENTS DUE TO CHANGE IN INVENTORY FROM COMMISSIONINGS AND DECOMMISSIONINGS -----	-1,710
- DECREASE IN NUMBER ENTITLED OPERATIONAL RATIONS -----	-12
- DECREASE IN SALE OF MEAL RATE/BDFA COST OF FOOD VARIANCE -----	-2,997
- DECREASE DUE TO SURVEY/SPOILAGE -----	-75

TOTAL DECREASES ----- -35,525

FY 1999 DIRECT PROGRAM-----

743,158

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$514,384
 -FY 1998 ESTIMATE \$511,073
 -FY 1997 ESTIMATE \$516,630

PROJECT: 4-A BASIC ALLOWANCE FOR SUBSISTENCE

PART I - PURPOSE AND SCOPE

THE FUNDS REQUESTED FOR THIS PROJECT PROVIDE ENLISTED MEMBERS A CASH SUBSISTENCE ALLOWANCE (37 U.S.C. 402).
 (1) WHEN A GOVERNMENT MESS IS AVAILABLE FOR THEIR USE, BUT ARE AUTHORIZED TO MESS SEPARATELY AT THEIR OWN EXPENSE.
 (2) FOR EACH DAY CHARGED AS LEAVE,
 (3) AT A DUTY STATION THAT DOES NOT HAVE A GOVERNMENT MESS AVAILABLE, AND
 (4) RECEIVING COMMUTED RATIONS, BUT ASSIGNED DUTIES REQUIRING THEM TO PURCHASE ONE OR MORE MEALS FROM OTHER THAN A GOVERNMENT MESS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FUNDS REQUIRED ARE BASED ON THE AVERAGE NUMBER OF ENLISTED PERSONNEL ENTITLED TO RECEIVE THE SEVERAL TYPES OF ALLOWANCES. DISTRIBUTION OF PERSONNEL IS DEVELOPED ON THE BASIS OF ACTUAL EXPERIENCE DATA. THE DAILY RATES OF SUBSISTENCE ON A CASH BASIS ARE AS FOLLOWS:

	FY 97	FY 98	FY 99
COMMUTED AND LEAVE RATIONS	7.31	7.41	7.48
RATIONS IN KIND UNAVAILABLE	8.24	8.36	8.44
AUGMENTATION RATIONS	0.39	0.39	0.39

STARTING IN FY 1998, BAS REFORM IS INITIATED BY AUTHORIZING A PARTIAL BAS PAYMENT. PARTIAL BAS IS A COST NEUTRAL EFFORT TO PROVIDE ALL ELIGIBLE ENLISTED PERSONNEL WITH A BAS PAYMENT AND LIMITS THE GROWTH OF BAS TO ONE PERCENT PER YEAR IN ORDER TO ALLOW THE DEPARTMENT TO MAKE A PARTIAL BAS PAYMENT WITH THE REMAINING PAY RAISE RESOURCES TO MEMBERS RECEIVING SUBSISTENCE-IN-KIND PAYMENTS. PROJECTED INCREASES IN COST GROWTH WILL ALLOW THE U.S. DEPARTMENT OF AGRICULTURE (USDA) FOOD PLANS TO CATCH-UP WITH THE BAS PAYMENT APPROXIMATELY SIX YEARS AT WHICH TIME ALL ENLISTED PERSONNEL WILL BE ENTITLED TO A BAS PAYMENT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) WHEN AUTHORIZED TO MESS SEPARATELY	134,925	\$2,667.08	\$359,856	128,134	\$2,705.51	\$346,667	123,346	\$2,731.06	\$336,865
(2) LEAVE RATIONS	25,028	2,667.08	66,752	24,010	2,705.51	64,959	23,240	2,731.06	63,470
(3) WHEN RATIONS IN KIND NOT AVAILABLE	29,924	3,007.42	89,994	28,474	3,051.34	86,884	27,550	3,080.54	84,869
(4) AUGMENTATION OF COMMUTE RATION ALLOWANCE FOR MEALS TAKEN SEPARATELY	(196)	141.43	28	(201)	142.35	29	(194)	142.35	28
(5) PARTIAL BAS	0	0.00	0	(148,101)	84.63	12,534	(137,880)	211.43	29,152
TOTAL OBLIGATIONS	189,877		516,630	180,618		511,073	174,136		514,384
LESS REIMBURSEMENTS			5,331			4,938			9,074
TOTAL DIRECT OBLIGATIONS			\$511,299			\$506,135			\$505,310

(IN THOUSANDS OF DOLLARS)

- FY 1999 ESTIMATE \$281,190
 - FY 1998 ESTIMATE \$290,872
 - FY 1997 ESTIMATE \$275,295

PROJECT: 4-B SUBSISTENCE IN KIND

PART I - PURPOSE AND SCOPE

THE FUNDS REQUESTED FOR THIS PROJECT PROVIDE FOR SUBSISTENCE IN KIND FURNISHED ACTIVE DUTY ENLISTED PERSONNEL (10 U.S.C. 6081A), (10 U.S.C. 6087). FUNDS ARE INCLUDED FOR THE TESTING OF NEW FOOD ITEMS, FOR THE REPLACEMENT OF EMERGENCY RATIONS, AND THE ROTATION OF OPERATIONAL RATIONS. THE ADDITIONAL COST OF SUBSISTING SUBMARINE ENLISTED PERSONNEL IS INCLUDED IN SUPPLEMENTAL ALLOWANCES TO IDENTIFY THE COST WHICH IS IN EXCESS OF THAT REQUIRED FOR SURFACE SHIPS. FUNDS TO COVER LOSSES OF SUBSISTENCE INVENTORIES ARE ALSO INCLUDED.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FUNDS REQUIRED ARE BASED ON THE NUMBER OF RATIONS TO BE FURNISHED ENLISTED PERSONNEL ENTITLED TO BE SUBSISTED AT GOVERNMENT EXPENSE. THE DISTRIBUTION OF PERSONNEL BY CATEGORY IS PROJECTED BASED ON ACTUAL EXPERIENCE. THE INVENTORY ADJUSTMENT LINE INCLUDES THE INVENTORY AMOUNTS FOR NEW COMMISSIONINGS OFFSET BY DECOMMISSIONINGS. STARTING IN FY 1997 FUNDING FOR SIK TRANSFERRED FROM O&M TO THE MILPERS APPROPRIATION. THE DAILY RATES OF SUBSISTENCE IN THE GENERAL MESSES ARE:

	FY 1997	FY 1998	FY 1999
ASHORE CONUS	5.46	5.48	5.56
ASHORE OVERSEAS	6.04	6.55	6.65
AFLOAT	5.59	5.90	5.99

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1997	FY 1998	FY 1999
	PERSONNEL STATISTICS	PERSONNEL STATISTICS	PERSONNEL STATISTICS
ENLISTED STRENGTH (WORKYEARS)	342,911	328,719	316,880
ON MONETARY ALLOWANCE	189,877	180,618	174,136
SPECIAL RATIONS	2,850	2,701	2,603
TOTAL DEDUCTIONS	192,727	183,319	176,739
NAVY ENLISTED ENTITLED TO BE SUBSISTED	150,184	145,400	140,141
PLUS OTHER SERVICES ENTITLED TO BE SUBSISTED IN NAVY GENERAL MESSES	8,629	8,571	8,433
MINUS NAVY ENLISTED ENTITLED TO BE SUBSISTED IN OTHER SERVICES GENERAL MESSES	1,896	1,842	1,813
TOTAL ENLISTED TO BE SUBSISTED	156,917	152,129	146,761

DISTRIBUTION OF BALANCE ENTITLED TO BE
SUBSISTED IN GENERAL MESSES

	FY 1997		FY 1998		FY 1999	
	GROSS NUMBER	% FED	GROSS NUMBER	% FED	GROSS NUMBER	% FED
CONUS:						
NAVY	46,859	0.432	46,053	0.430	44,375	0.430
OTHERS	2,897	2,897	2,804	2,804	2,675	2,675
OVERSEAS:						
NAVY	7,192	0.419	6,891	0.452	6,640	0.452
OTHERS	579	579	569	569	559	559
AFLOAT:						
NAVY	94,237	0.794	90,614	0.825	87,313	0.825
OTHERS	5,153	5,153	5,198	5,198	5,199	5,199
	156,917	106,709	152,129	106,246	146,761	102,548

DISTRIBUTION OF BALANCE ENTITLED TO BE
SUBSIDIZED IN GENERAL MESSES
(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE DAILY ANNUAL	NUMBER	RATE DAILY ANNUAL	NUMBER	RATE DAILY ANNUAL
(1) SUBSISTENCE IN GENERAL MESSES						
(A) BASIC ALLOWANCE						
CONUS:						
NAVY	20,243	\$5.46	19,803	\$5.48	19,081	\$5.56
OTHERS	2,897	\$1,992.90	2,804	\$2,000.20	2,675	\$2,029.40
		\$40,342		\$39,610		\$38,723
		5,773		5,609		5,429
OVERSEAS:						
NAVY	3,013	6.04	3,115	6.55	3,001	6.65
OTHERS	579	2,204.60	569	2,390.75	559	2,427.25
		6,642		7,447		7,284
		1,276		1,360		1,357
AFLOAT:						
NAVY	74,824	5.59	74,757	5.90	72,033	5.99
OTHERS	5,153	2,040.35	5,198	2,153.50	5,199	2,186.35
		152,667		160,989		157,489
		10,514		11,194		11,367
TOTAL (1)	106,709	217,214	106,246	226,209	102,548	221,649
(2) OPERATIONAL RATIONS						
(A) FLIGHT/ BOAT RATIONS						
		199		199		202
(B) EMERGENCY RATIONS		5		5		5
(C) ROTATION OF OPERATIONAL RATIONS		891		766		751
TOTAL (2)		\$1,095		\$970		\$958
(3) AUGMENTATION RATIONS						
SUPPLEMENTAL ALLOWANCES	36,137	\$0.47	34,639	\$0.47	33,393	\$0.47
		\$171.55		\$171.55		\$171.55
		\$6,199		\$5,942		\$5,729

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE DAILY	RATE ANNUAL	NUMBER	RATE DAILY	RATE ANNUAL	NUMBER	RATE DAILY	RATE ANNUAL
(4) OTHER PROGRAMS									
(A) NEW FOOD ITEM PROGRAM			0			0			0
(B) CONTRACT MESSES	495	5.93	2,164.45	460	5.92	2,160.80	443	6.01	2,193.65
HOSPITAL	1,498	4.64	1693.60	1,523	4.57	1668.05	1,468	4.64	1693.60
MCS	853	6.75	2463.75	715	6.75	2463.75	689	6.85	2500.25
COAST GUARD	4	7.69	2806.85	3	7.60	2774.00	3	7.71	2814.15
(C) INVENTORY ADJUSTMENT			-1,322			1,818			108
(D) SURVEYS/SPOILAGE			4,087			4,310			4,235
(E) SALE OF MEAL RATE BFA COST OF FOOD VARIANCE			595			2,977			-20
(F) FOREIGN CURRENCY FLUCTUATION			0			0			0
(G) SALE OF MEALS-BULK SUBSISTENCE			41,706			43,342			43,342
TOTAL (4)			50,787			57,751			52,854
TOTAL SIK 4-B			275,295			290,872			281,190
TOTAL OBLIGATIONS			791,925			801,945			795,574
LESS REIMBURSABLES			47,037			48,280			52,416
TOTAL DIRECT OBLIGATIONS			\$744,888			\$753,665			\$743,158

PERMANENT CHANGE OF STATION TRAVEL
 SCHEDULE OF INCREASES AND DECREASES
 (IN THOUSANDS OF DOLLARS)

AMOUNT

FY 1998 DIRECT PROGRAM ----- \$651,249

INCREASES:

PROGRAM INCREASES ----- 812

-RESULTS FROM ADDITIONAL PLANNED OFFICER SEPARATION MOVES.

COMMERCIALLY PROCURED SERVICES ----- 5,281

-INCREASED COST OF COMMERCIALLY PROCURED SERVICES DUE TO 1.5% PROJECTED INFLATION:

COMMERCIAL AIR, PASSENGERS +1.5% \$360
 COMMERCIAL AIR, HOUSEHOLD GOODS +1.5% \$34
 TRAILER ALLOWANCE +1.5% \$10
 NON-TEMPORARY STORAGE +1.5% \$204
 HHG, LAND +1.5% \$3,372
 ITCBL +1.5% \$1,301

INDUSTRIALLY FUNDED SERVICES ----- 2,709

MAC - CARGO +8.5% \$2,508
 MAC - PASSENGER +4.0% \$201

PAY RAISE----- 1,876

ANNUALIZATION OF 2.8% PAY RAISE EFFECTIVE 1 JANUARY 1998 (\$+432) AND ANTICIPATED 3.1% PAY RAISE EFFECTIVE 1 JANUARY 1999 (\$+1,444).

RESULTS FROM MOVING UPFRONT PORT/CARGO COSTS FROM RATES TO REIMBURSABLES ----- 4,959

TOTAL INCREASES ----- 15,637

DECREASES:

PROGRAM DECREASES----- -23,196

-FEWER PLANNED ACCESSIONS, TRAINING, OPERATIONAL, ROTATIONAL, ORGANIZED UNIT, AND ENLISTED SEPARATION MOVES.

IMPACT OF UNSCHEDULED ORGANIZED UNIT MOVES INCLUDING THE USS JOHN C STENNIS ----- -12,404

INDUSTRIALLY FUNDED SERVICES ----- -6,049

MSC - BREAKBULK -53.4% -\$971
 MTMC PORT HANDLING -26.8% -\$2,037
 MSC - DOMESTIC CONTAINER -8.8% -\$1,377
 MSC - OVERSEAS CONTAINERS -8.8% -\$1,664

TOTAL DECREASES ----- -41,649

FY 1999 DIRECT PROGRAM ----- \$625,237

SUMMARY OF PROJECT REQUIREMENT MOVES
(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT
A/ ACCESSION TRAVEL	55,029	\$43,600	61,328	\$50,808	53,193	\$45,760
TRAINING TRAVEL	17,099	58,956	16,619	58,876	16,505	59,548
OPERATIONAL TRAVEL BETWEEN DUTY STATIONS	34,020	145,249	35,292	152,607	34,552	150,000
ROTATIONAL TRAVEL TO AND FROM OVERSEAS	24,894	223,378	24,840	228,489	23,960	223,494
A/ SEPARATION TRAVEL	66,536	112,075	57,954	110,727	55,764	108,796
B/ TRAVEL OF ORGANIZED UNITS	3,575	14,966	5,245	28,140	3,447	16,840
IPCOT/OTEIP	1,125	5,007		4,615		4,638
NON-TEMPORARY STORAGE		12,700		14,184		13,910
TEMPORARY LODGING EXPENSE		5,686		6,303		5,751
TOTAL OBLIGATIONS	202,278	621,617	201,278	654,749	187,421	628,737
LESS REIMBURSABLES		3,575		3,500		3,500
TOTAL DIRECT OBLIGATIONS		\$618,042		\$651,249		\$625,237

A/ INCLUDES ACADEMY MIDSHIPMEN
B/ REFLECTS NUMBER OF FAMILY MOVES

PERMANENT CHANGE OF STATION TRAVEL
SUMMARY OF REQUIREMENTS BY TYPES OF COSTS
(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT
TRAVEL OF MILITARY MEMBERS A/						
MILEAGE AND PER DIEM	204,329	\$93,486	206,028	\$97,069	190,550	\$90,352
MAC	5,361	3,696	5,664	4,043	5,397	4,013
COMMERCIAL AIR	22,867	13,167	25,619	14,654	24,215	14,110
TRAVEL OF DEPENDENTS (FAMILY)						
MILEAGE	60,699	28,585	60,394	28,717	56,874	26,970
MAC	2,104	1,104	2,356	1,292	2,130	1,211
COMMERCIAL AIR	26,601	9,463	29,616	10,508	28,309	10,232
TRANSPORTATION OF HOUSEHOLD GOODS						
M TONS - MSC	44,390	351,509	50,908	366,382	49,119	354,810
S TONS - MAC	13,300	(4,345)	14,099	(4,999)	13,528	(4,295)
HOUSEHOLD GOODS LAND	105,289	(27,755)	106,724	(30,983)	100,908	(32,018)
ITGBL	15,290	(234,440)	17,412	(235,597)	16,228	(228,174)
COMMERCIAL AIR	974	(82,845)	1,071	(92,476)	1,018	(88,042)
DISLOCATION ALLOWANCE	43,038	(2,124)	43,963	(2,327)	41,555	(2,281)
TRAILER ALLOWANCE	302	58,558	281	65,159	257	63,531
TRANSPORTATION OF POV'S	15,430	31,084	17,465	33,181	16,420	28,067
NON-TEMPORARY STORAGE		12,700		14,184		13,910
PORT HANDLING CHARGES		6,837		7,941		5,533
TEMPORARY LODGING EXPENSE		5,686		6,303		5,751
IPCOT/OTEIP B/	1,125	5,007		4,615		4,638
UPFRONT PORT/CARGO COSTS		621,617		654,749		4,959
TOTAL OBLIGATIONS						628,737
LESS REIMBURSABLES		3,575		3,500		3,500
TOTAL DIRECT OBLIGATIONS		\$618,042		\$651,249		\$625,237

A/ INCLUDES MIDSHIPMEN
B/ ADJUSTMENT, REALIGNED IPCOTS/OTEIP FROM O&M TO MEN.

PROJECT: PERMANENT CHANGE OF STATION TRAVEL

PART I - PURPOSE AND SCOPE

FOR EXPENSES INCIDENT TO PERMANENT CHANGE OF STATION TRAVEL OF MILITARY PERSONNEL, INDIVIDUALLY OR AS PART OF ORGANIZED UNITS. PCS TRAVEL COSTS INCLUDE MONETARY ALLOWANCE IN LIEU OF TRANSPORTATION (MALT); TRANSPORTATION BY COMMON CARRIER (RAIL, BUS, AIR, OR WATER, INCLUDING MILITARY AIRLIFT COMMAND (MAC) AND MILITARY SEALIFT COMMAND (MSC)); PER DIEM ALLOWANCES; ACTUAL AND NECESSARY EXPENSES AND COST OF SUBSISTENCE WHILE IN A TRAVEL STATUS, ISSUE OF MEAL TICKETS IN LIEU OF SUBSISTENCE; TRAVEL OF DEPENDENTS AND TRANSPORTATION OF BAGGAGE AND HOUSEHOLD GOODS; PORT HANDLING CHARGES FOR PERSONNEL, THEIR HOUSEHOLD GOODS, BAGGAGE AND PRIVATELY OWNED AUTOMOBILES PASSING THROUGH CONUS MILITARY TRAFFIC MANAGEMENT COMMAND (WTMC) TERMINALS; PAYMENTS OF DISLOCATION ALLOWANCES; AUTHORIZED TRANSPORTATION OF DEPENDENTS AND PERSONAL AND HOUSEHOLD EFFECTS OF DECEASED MILITARY PERSONNEL; COSTS OF CONTRACT PACKING, CRATING, HANDLING AND TEMPORARY STORAGE OF HOUSEHOLD GOODS; COST OF NON-TEMPORARY STORAGE OF HOUSEHOLD GOODS; COST OF TRAILER ALLOWANCES; TRAVEL INCIDENT TO ORGANIZATIONAL MOVEMENTS ON PERMANENT CHANGE OF STATION WHETHER FOR TRAINING OR NON-TRAINING PURPOSES; EXPENSES INCIDENT TO PCS MOVEMENT OF ANY MILITARY GROUP TRAVELING UNDER ONE ORDER FROM THE SAME POINT OF ORIGIN TO THE SAME DESTINATION; MINOR SUPPLIES AND SERVICES INCIDENT TO ORGANIZATIONAL PCS MOVEMENTS, EXPENSES AND ALLOWANCES INCIDENT TO SEPARATION TRAVEL; DISCHARGE OR RELEASE; AND TEMPORARY LODGING EXPENSE. ALSO INCLUDED IS ALL AUTHORIZED TEMPORARY DUTY TRAVEL DIRECTLY RELATED TO AND AN INTEGRAL PART OF PCS MOVEMENTS.

ALL AUTHORIZED PCS TRAVEL EXPENSES PROVIDED FOR UNDER THIS BUDGET PROGRAM ACCOUNT SHALL BE CHARGED TO THE SAME SUBPROGRAM ACCOUNT CITED IN PCS TRAVEL ORDERS OF THE MILITARY MEMBER. THE ONLY EXCEPTION IS COST OF CONTRACT COMMERCIAL STORAGE OF HOUSEHOLD GOODS ON A NON-TEMPORARY BASIS. INCLUDED ARE APPROVED RATE CHANGES FOR THE WORKING CAPITAL FUND SERVICES AND PROJECTED ANNUAL INFLATION FOR COMMERCIALLY PROCURED SERVICES. THE TERM "CONUS" (CONTINENTAL UNITED STATES) REFERRED TO HEREIN APPLIES TO THE UNITED STATES TERRITORY, INCLUDING THE ADJACENT TERRITORIAL WATERS LOCATED WITHIN THE NORTH AMERICAN CONTINENT BETWEEN CANADA AND MEXICO.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE BUDGET REQUEST INCLUDES PAY RAISE INCREASES TO DISLOCATION ALLOWANCES OF 2.8% AND 3.1% EFFECTIVE 1 JANUARY 1998 AND 1999 RESPECTIVELY. AUTHORIZED PRICE CHANGES FOR COMMERCIAL AND WORKING CAPITAL FUND SERVICES ARE ALSO INCLUDED.

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$45,760
 -FY 1998 ESTIMATE \$50,808
 -FY 1997 ESTIMATE \$43,600

PROJECT: 5-A ACCESSION TRAVEL

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS APPOINTED TO A COMMISSIONED GRADE FROM CIVIL LIFE, MILITARY ACADEMIES, RESERVE AND NROTC CALLED OR RECALLED TO EXTENDED ACTIVE DUTY, FROM HOME OR POINT WHERE ORDERS WERE RECEIVED TO FIRST PERMANENT DUTY STATION OR TRAINING SCHOOL OF TWENTY WEEKS OR MORE DURATION AND (2) OFFICERS OR WARRANT OFFICERS APPOINTED OR RECALLED FROM ENLISTED STATUS FROM STATION WHERE THEY SERVED AS ENLISTED TO NEW PERMANENT DUTY STATION OR TRAINING SCHOOL OF TWENTY WEEKS OR MORE DURATION. (INCLUDES OFFICERS APPOINTED FROM ENLISTED STATUS UPON GRADUATION FROM OCS OR BASIC FLYING TRAINING.)
- (B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTEES, REENLISTEES, AND PRIOR SERVICE PERSONNEL FROM RECRUITING STATION OR PLACE OF ENLISTMENT TO FIRST PERMANENT DUTY STATION OR TRAINING SCHOOL OF TWENTY WEEKS OR MORE DURATION AND (2) RECALLED ENLISTED RESERVISTS FROM HOME TO FIRST PERMANENT DUTY STATION OR TRAINING SCHOOL OF TWENTY WEEKS OR MORE DURATION.
- (C) OFFICER CANDIDATES: COVERS PCS MOVEMENTS OF (1) INDIVIDUALS SELECTED AS ACADEMY MIDSHIPMEN UPON ENTRY INTO THE ACADEMY AND (2) INDIVIDUALS WHO TRAVEL TO THE ACADEMY BUT FAIL TO PASS THE PHYSICAL ENTRANCE EXAMINATIONS AND RETURN HOME.

PART II - JUSTIFICATION OF FUNDS REQUESTED

PCS MOVES FOR MEMBERS ENTERING ACTIVE DUTY. ACCESSION MOVES ARE DIRECTLY RELATED TO THE NUMBER OF PERSONNEL ENTERING OR RETURNING TO ACTIVE NAVAL SERVICE. THE NUMBER OF PERSONNEL PLANNED TO BE ACCESSED IS DETERMINED BY THE NUMBER OF PERSONNEL WHO ARE EXPECTED TO SEPARATE FROM ACTIVE NAVAL SERVICE AND BY PLANNED INCREASES OR DECREASES IN PERSONNEL STRENGTH IN A GIVEN FISCAL YEAR. AVERAGE RATES ARE BASED ON STATISTICAL DATA, RATIOS AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS ADJUSTED FOR PROJECTED COST INCREASES/DECREASES.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

OFFICERS:	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) TRAVEL OF MILITARY MEMBER	3,605	\$849.69	\$3,063	4,541	\$812.01	\$3,687	4,526	\$813.24	\$3,681
(2) TRAVEL OF DEPENDENTS	1,007	608.64	613	1,249	591.44	739	1,245	593.74	739
(3) TRANSPORTATION OF HOUSEHOLD GOODS									
(A) LAND/ITGBL	3,315	2,067.00	6,852	4,091	2,096.19	8,576	4,078	2,127.81	8,677
(B) OVERSEAS			183			201			210
TOTAL (3)			7,035			8,777			8,887
(4) DISLOCATION ALLOWANCE	521	1,929.52	1,005	661	2,051.50	1,356	619	2,113.89	1,308
(5) TRAILER ALLOWANCE	2	1,564.35	3	2	1,597.20	3	2	1,621.15	3

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS (CONT'D)									
(6) PRIVATELY OWNED VEHICLES (POV)									
(A) MSC	147	\$970.54	\$143	154	\$985.22	\$152	153	\$876.55	\$134
(B) PORT HANDLING (MTMC)	94	360.38	34	99	381.87	38	98	279.52	27
TOTAL (6)			177			190			161
(7) PORT HANDLING COSTS (HHG, M.TONS)	456	51.74	24	512	53.92	28	511	39.47	20
TOTAL OFFICERS			11,920			14,780			14,799
ENLISTED									
(1) TRAVEL OF MILITARY MEMBER	50,250	481.33	24,187	55,575	495.63	27,545	47,455	498.72	23,667
(2) TRAVEL OF DEPENDENTS	2,021	357.41	722	2,236	356.86	798	1,899	355.08	674
(3) TRANSPORTATION OF HOUSEHOLD GOODS									
(A) LAND/ITCBL	4,958	1,165.69	5,779	5,478	1,187.58	6,506	4,635	1,204.75	5,584
(B) OVERSEAS			186			189			153
TOTAL (3)			5,965			6,695			5,737
(4) DISLOCATION ALLOWANCE	30	1,139.83	34	23	1,214.98	28	15	1,251.93	19
(5) TRAILER ALLOWANCE	0	0.00	0	0	0.00	0	0	0.00	0
(6) PRIVATELY OWNED VEHICLES (POV)									
(A) MSC	482	816.69	394	514	832.58	428	428	742.64	318
(B) PORT HANDLING (MTMC)	310	369.80	115	289	376.27	109	225	270.03	61
TOTAL (6)			509			537			379
(7) PORT HANDLING COSTS (HHG, M.TONS)	2,090	41.61	87	1,636	43.64	71	1,140	31.76	36
TOTAL ENLISTED			31,504			35,674			30,512
OFFICER CANDIDATES									
(1) TRAVEL OF MILITARY MEMBER									
MIDSHIPMEN	1,174	150.10	176	1,212	292.49	354	1,212	292.49	354
TOTAL OFFICER CANDIDATES			176			354			354
UPFRONT PORT/CARGO COSTS			\$43,600			\$50,808			\$45,760
TOTAL 5-A									

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$59,548
 -FY 1998 ESTIMATE \$58,876
 -FY 1997 ESTIMATE \$58,956

PROJECT: 5-B TRAINING TRAVEL

PART I - PURPOSE AND SCOPE

(A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS AND WARRANT OFFICERS FROM PREVIOUS CONUS PERMANENT DUTY STATION TO FORMAL SERVICE OR CIVILIAN SCHOOLS, INCLUDING TECHNICAL SCHOOLS, FLYING TRAINING SCHOOLS, FACTORY TRAINING, AND OTHER APPROVED COURSES OF INSTRUCTION, OF 20 WEEKS DURATION OR MORE; AND (2) OFFICER AND WARRANT OFFICER SCHOOL GRADUATES AND ELIMINEES FROM SCHOOL TO THEIR NEXT PERMANENT CONUS DUTY STATION. (EXCLUDES ACADEMY GRADUATES, OCS, NROTC GRADUATES AND OTHERS CHARGEABLE TO ACCESSION TRAVEL.)

(B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTED PERSONNEL FROM PREVIOUS CONUS PERMANENT DUTY STATION TO FORMAL SERVICE OR CIVILIAN SCHOOLS, INCLUDING TECHNICAL SCHOOLS, FLYING TRAINING SCHOOLS, FACTORY TRAINING, AND OTHER APPROVED COURSES OF INSTRUCTION, OF 20 WEEKS DURATION OR MORE; (2) ENLISTED SCHOOL GRADUATES AND ELIMINEES FROM SCHOOL TO THEIR NEXT CONUS PERMANENT DUTY STATION; AND (3) ENLISTED PERSONNEL ORDERED TO TRAINING LEADING TO A COMMISSION IF SUCH TRAINING PERIOD IS OF 20 WEEKS DURATION OR MORE.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE ESTIMATE IS BASED ON PLANNED TRAINING INPUT FOR OFFICER AND ENLISTED PERSONNEL THAT ARE NECESSARY TO MAINTAIN THE NEEDED SKILL LEVELS AND EDUCATIONAL REQUIREMENTS.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

OFFICERS:	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) TRAVEL OF MILITARY MEMBER	6,156	\$616.45	\$3,795	5,982	\$617.37	\$3,693	5,971	\$618.19	\$3,691
(2) TRAVEL OF DEPENDENTS	2,817	669.13	1,885	2,737	669.66	1,833	2,732	670.05	1,831
(3) TRANSPORTATION OF HOUSEHOLD GOODS									
(A) LAND/ITGBL	6,227	3,305.83	20,585	6,051	3,375.25	20,424	6,040	3,426.13	20,694
(B) OVERSEAS			338			342			360
TOTAL (3)			20,923			20,766			21,054
(4) DISLOCATION ALLOWANCE	5,152	1,929.52	9,941	5,007	2,051.50	10,272	4,997	2,113.89	10,563
(5) TRAILER ALLOWANCE	4	2,287.05	9	3	2,335.08	7	3	2,370.10	7

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS (Cont'd)									
(6) PRIVATELY OWNED VEHICLES (POV)									
(A) MSC	110	\$1,058.30	\$116	107	\$1,073.80	\$115	107	\$955.36	\$102
(B) PORT HANDLING (MTWC)	92	358.84	33	89	379.29	34	89	277.64	25
TOTAL (6)			149			149			127
(7) PORT HANDLING COSTS (HHG, M.TONS)	367	66.59	24	356	70.39	25	356	51.52	18
TOTAL OFFICERS			36,726			36,745			37,291
ENLISTED									
(1) TRAVEL OF MILITARY MEMBER	10,943	479.27	5,245	10,637	479.78	5,103	10,534	480.25	5,059
(2) TRAVEL OF DEPENDENTS	2,976	497.62	1,481	2,893	497.82	1,440	2,865	497.98	1,427
(3) TRANSPORTATION OF HOUSEHOLD GOODS									
(A) LAND/ITGBL	6,520	1,649.93	10,758	6,337	1,684.58	10,675	6,277	1,710.13	10,734
(B) OVERSEAS			48			48			52
TOTAL (3)			10,806			10,723			10,786
(4) DISLOCATION ALLOWANCE	4,059	1,139.83	4,627	3,946	1,214.98	4,794	3,907	1,251.93	4,891
(5) TRAILER ALLOWANCE	3	4,259.41	13	3	4,348.86	13	3	4,414.09	13
(6) PRIVATELY OWNED VEHICLES (POV)									
(A) MSC	62	773.24	48	61	784.57	48	60	698.03	42
(B) PORT HANDLING (MTWC)	40	241.96	10	39	255.75	10	39	187.21	7
TOTAL (6)			58			58			49
(7) PORT HANDLING COSTS (HHG, M.TONS)	7	46.17	0	7	48.80	0	7	35.72	0
TOTAL ENLISTED UPFRONT PORT/CARGO COSTS			22,230			22,131			22,225
TOTAL 5-B			\$58,956			\$58,876			\$59,548

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$150,000
 -FY 1998 ESTIMATE \$152,607
 -FY 1997 ESTIMATE \$145,249

PROJECT: 5-C OPERATIONAL TRAVEL

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS, AND WARRANT OFFICERS TO AND FROM PERMANENT DUTY STATIONS LOCATED WITHIN THE UNITED STATES;
 (2) OFFICERS AND WARRANT OFFICERS TO AND FROM PERMANENT DUTY STATIONS LOCATED WITHIN AN OVERSEAS AREA WHEN NO TRANSOCEANIC TRAVEL IS INVOLVED;
 AND (3) DEPENDENTS, HOUSEHOLD GOODS, PERSONAL EFFECTS, TRAILER ALLOWANCES AND PRIVATELY OWNED VEHICLES OF OFFICERS AND WARRANT OFFICERS WHO ARE INTERNEED, MISSING, OR CAPTURED WHEN NO TRANSOCEANIC TRAVEL IS INVOLVED. OCEANIC TRAVEL BY MEMBER FROM HOMEPORT TO JOIN DEPLOYED UNIT IS PROPER.
- (B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTED PERSONNEL TO AND FROM PERMANENT DUTY STATIONS LOCATED WITHIN THE UNITED STATES; (2) ENLISTED PERSONNEL TO AND FROM PERMANENT DUTY STATIONS WITHIN AN OVERSEAS AREA WHEN NO TRANSOCEANIC TRAVEL IS INVOLVED, AND (3) DEPENDENTS, HOUSEHOLD GOODS, PERSONAL EFFECTS, TRAILER ALLOWANCES, AND PRIVATELY OWNED VEHICLES OF ENLISTED PERSONNEL WHO ARE INTERNEED, MISSING, OR CAPTURED WHEN NO TRANSOCEANIC TRAVEL IS INVOLVED. OCEANIC TRAVEL BY MEMBER FROM HOMEPORT TO JOIN DEPLOYED UNIT IS PROPER.

PART II - JUSTIFICATION OF FUNDS REQUESTED

OPERATIONAL MOVES ARE PCS MOVES FOR INDIVIDUALS GOING FROM ONE DUTY STATION TO ANOTHER WITHIN THE SAME THEATER WITHOUT TRANSOCEANIC TRAVEL (E. G., CONUS TO CONUS OR EUROPEAN TO EUROPEAN). OPERATIONAL MOVES ALSO INCLUDE INDIVIDUALS REASSIGNED WITHIN A GIVEN THEATER RESULTING FROM FORCE STRUCTURE CHANGES. OPERATIONAL MOVES ARE PRIMARILY A FUNCTION OF REQUIREMENTS TO BALANCE GRADE AND SKILL INVENTORIES WITH VACANCIES. AVERAGE RATES ARE BASED ON STATISTICAL DATA, RATIOS AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS ADJUSTED FOR PROJECTED PRICE CHANGES.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
OFFICERS:		AMOUNT		AMOUNT		AMOUNT
(1) TRAVEL OF MILITARY MEMBER	5,732	\$720.51	5,743	\$721.71	5,698	\$722.75
(2) TRAVEL OF DEPENDENTS	3,071	842.63	3,077	843.99	3,053	845.06
(3) TRANSPORTATION OF HOUSEHOLD GOODS						
(A) LAND/ITGBL	5,233	5,366.40	5,245	5,432.67	5,204	5,514.16
(B) OVERSEAS		363		379		397
TOTAL (3)		28,445		28,873		29,093
(4) DISLOCATION ALLOWANCE	3,896	1,929.52	3,904	2,051.50	3,873	2,113.89
(5) TRAILER ALLOWANCE	8	2,102.55	8	2,146.70	8	2,178.90

(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT
OFFICERS (Cont'd)						
(6) PRIVATELY OWNED VEHICLES (POV)						
(A) MSC	169	\$1,262.30	170	\$1,280.79	168	\$1,139.52
(B) PORT HANDLING (MTMC)	141	389.98	142	412.21	141	301.74
TOTAL (6)	268	268	277	277	234	234
(7) PORT HANDLING COSTS						
(HHG, M.TONS)	517	50.31	518	53.18	514	38.93
TOTAL OFFICERS		42,991		43,946		44,249
ENLISTED						
(1) TRAVEL OF MILITARY MEMBER	28,288	704.84	29,549	706.39	28,854	707.76
(2) TRAVEL OF DEPENDENTS	11,365	658.12	11,872	659.94	11,592	661.28
(3) TRANSPORTATION OF HOUSEHOLD GOODS						
(A) LAND/ITGBL	15,906	3,593.58	16,619	3,631.99	15,651	3,687.59
(B) OVERSEAS		3,988		4,370		4,613
TOTAL (3)		61,147		64,730		62,327
(4) DISLOCATION ALLOWANCE	11,510	1139.83	12,024	1214.98	11,741	1251.93
(5) TRAILER ALLOWANCE	55	2,603.57	58	2,658.25	57	2,698.12
(6) PRIVATELY OWNED VEHICLES (POV)						
(A) MSC	236	1,506.75	247	1,528.82	241	1,360.19
(B) PORT HANDLING (MTMC)	173	313.20	181	331.05	176	242.33
TOTAL (6)	410	410	438	438	371	371
(7) PORT HANDLING COSTS						
(HHG, M.TONS)	482	40.78	504	43.10	492	31.55
TOTAL ENLISTED		102,258		108,661		105,655
UPFRONT PORT/CARGO COSTS		\$145,249		\$152,607		\$150,000
TOTAL 5-C		=====		=====		=====

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$223,494
 -FY 1998 ESTIMATE \$228,489
 -FY 1997 ESTIMATE \$223,378

PROJECT: 5-D ROTATIONAL TRAVEL

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS AND WARRANT OFFICERS FROM PERMANENT DUTY STATIONS IN CONUS TO PERMANENT DUTY STATIONS OVERSEAS (2) OFFICERS AND WARRANT OFFICERS FROM PERMANENT DUTY STATIONS OVERSEAS TO PERMANENT DUTY STATIONS IN CONUS; (3) OFFICERS AND WARRANT OFFICERS FROM PERMANENT DUTY STATIONS IN AN OVERSEAS AREA TO PERMANENT DUTY STATIONS IN ANOTHER OVERSEAS AREA WHEN TRANSCONANTIC TRAVEL IS INVOLVED; AND (4) DEPENDENTS, HOUSEHOLD GOODS, PERSONAL EFFECTS, TRAILER ALLOWANCES AND PRIVATELY OWNED VEHICLES OF OFFICERS AND WARRANT OFFICERS WHO ARE INTERNED, MISSING, OR CAPTURED WHEN TRANSCONANTIC TRAVEL IS INVOLVED.
- (B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTED PERSONNEL FROM PERMANENT DUTY STATIONS IN CONUS TO PERMANENT DUTY STATION OVERSEAS; (2) ENLISTED PERSONNEL FROM DUTY STATIONS OVERSEAS TO PERMANENT DUTY STATIONS IN CONUS; (3) ENLISTED PERSONNEL FROM PERMANENT DUTY STATIONS IN ONE OVERSEAS TO PERMANENT DUTY STATIONS IN ANOTHER OVERSEAS AREA WHEN TRANSCONANTIC TRAVEL IS INVOLVED; AND (4) DEPENDENTS, HOUSEHOLD GOODS, PERSONAL EFFECT TRAILER ALLOWANCES AND PRIVATELY OWNED VEHICLES OF ENLISTED PERSONNEL WHO ARE INTERNED, MISSING, OR CAPTURED WHEN TRANSCONANTIC TRAVEL IS INVOLVED.

PART II - JUSTIFICATION OF FUNDS REQUESTED

ROTATIONAL TRAVEL MOVES ARE PCS MOVES FOR PERSONNEL GOING FROM CONUS TO AN OVERSEAS ASSIGNMENT, OR RETURNING FROM AN OVERSEAS ASSIGNMENT TO CONUS. ROTATIONAL MOVES ARE A FUNCTION OF OVERSEAS STRENGTHS IN ACCOMPANIED (LONG TOUR) AREAS AND IN UNACCOMPANIED (SHORT TOUR) AREAS. AVERAGE RATES ARE ON STATISTICAL DATA, RATIOS AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS ADJUSTED FOR PROTECTED CHANGES.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS:									
(1) TRAVEL OF MILITARY MEMBER	4,587	\$1,235.07	\$5,665	4,538	\$1,245.85	\$5,654	4,325	\$1,254.33	\$5,425
(2) TRAVEL OF DEPENDENTS	2,825	1,443.68	4,078	2,795	1,458.69	4,077	2,664	1,470.50	3,917
(3) TRANSPORTATION OF HOUSEHOLD GOODS									
(A) LAND/ITGBL	9,523	3,476.25	33,104	9,476	3,539.59	33,541	9,032	3,592.80	32,450
(B) OVERSEAS			8,533			8,824			8,966
TOTAL (3)			41,637			42,365			41,416
(4) DISLOCATION ALLOWANCE	3,597	1,929.52	6,940	3,559	2,051.50	7,301	3,392	2,113.89	7,170
(5) TRAILER ALLOWANCE	4	6,462.18	26	4	6,597.89	26	3	6,696.86	20

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS (Con'd)									
(6) PRIVATELY OWNED VEHICLES (POV)									
(A) MSC	2,738	\$1,516.68	\$4,153	2,709	\$1,545.46	\$4,187	2,581	\$1,375.00	\$3,549
(B) PORT HANDLING (MTMC)	1,947	383.22	746	1,926	405.07	780	1,835	296.51	544
TOTAL (6)			4,899			4,967			4,093
(7) PORT HANDLING COSTS (HHG, M.TONS)	5,878	52.56	309	5,815	55.56	323	5,542	40.67	225
TOTAL OFFICERS			63,554			64,713			62,266
ENLISTED									
(1) TRAVEL OF MILITARY MEMBER	20,307	1,101.22	22,362	20,302	1,111.73	22,570	19,635	1,120.54	22,002
(2) TRAVEL OF DEPENDENTS	9,800	1,079.91	10,583	9,797	1,094.57	10,724	9,475	1,106.28	10,482
(3) TRANSPORTATION OF HOUSEHOLD GOODS									
(A) LAND/ITGBL	33,099	2,132.32	70,578	33,094	2,177.32	72,056	32,006	2,209.97	70,732
(B) OVERSEAS			17,064			17,799			18,142
TOTAL (3)			87,642			89,855			88,874
(4) DISLOCATION ALLOWANCE	10,581	1,139.83	12,061	10,579	1,214.98	12,853	10,231	1,251.93	12,808
(5) TRAILER ALLOWANCE	16	2,352.60	38	16	2,402.00	38	15	2,438.03	37
(6) PRIVATELY OWNED VEHICLES (POV)									
(A) MSC	9,576	2,396.09	22,945	9,573	2,434.47	23,305	9,259	2,165.95	20,055
(B) PORT HANDLING (MTMC)	8,744	314.71	2,752	8,742	332.65	2,908	8,455	243.50	2,059
TOTAL (6)			25,697			26,213			22,114
(7) PORT HANDLING COSTS (HHG, M.TONS)	26,429	54.54	1,441	26,422	57.65	1,523	25,554	42.20	1,078
TOTAL ENLISTED			159,824			163,776			157,395
UPFRONT PORT/CARGO COSTS			\$223,378			\$228,489			\$223,494
TOTAL 5-D			=====			=====			=====

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$108,796
 -FY 1998 ESTIMATE \$110,727
 -FY 1997 ESTIMATE \$112,075

PROJECT: 5-E SEPARATION TRAVEL

PART I - PURPOSE AND SCOPE

(A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS AND WARRANT OFFICERS UPON RELEASE OR SEPARATION FROM THE SERVICE FROM LAST PERMANENT DUTY STATION TO HOME OF RECORD OR ENTRY INTO SERVICE OR TO HOME OF SELECTION WHEN AUTHORIZED BY LAW; AND (2) DEPENDENTS, HOUSEHOLD GOODS, TRAILER ALLOWANCES AND PERSONAL EFFECTS OF OFFICERS AND WARRANT OFFICERS WHO ARE DECEASED.

(B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTED PERSONNEL UPON RELEASE OR SEPARATION FROM THE SERVICE FROM LAST PERMANENT DUTY STATION TO HOME OF RECORD OR POINT OF ENTRY INTO SERVICE, OR TO HOME OF SELECTION WHEN AUTHORIZED BY LAW; AND (2) DEPENDENTS, HOUSEHOLD GOODS, TRAILER ALLOWANCES AND PERSONAL EFFECTS OF ENLISTED PERSONNEL WHO ARE DECEASED.

(C) OFFICER CANDIDATES: COVERS PCS MOVEMENT UPON SEPARATION OF ACADEMY MIDSHIPMEN OR AVIATION CADETS TO HOME OF RECORD OR POINT OF ENTRY INTO SERVICE.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE ESTIMATE IS BASED ON PLANNED PERSONNEL LOSSES AND RETIREMENTS.

PCS MOVES FOR MEMBERS ENTERING ACTIVE DUTY. ACCESSION MOVES ARE DIRECTLY RELATED TO THE NUMBER OF PERSONNEL ENTERING OR RETURNING TO ACTIVE NAVAL SERVICE. THE NUMBER OF PERSONNEL PLANNED TO BE ACCESSED IS DETERMINED BY THE NUMBER OF PERSONNEL WHO ARE EXPECTED TO SEPARATE FROM ACTIVE NAVAL SERVICE AND BY PLANNED INCREASES OR DECREASES IN PERSONNEL STRENGTH IN A GIVEN FISCAL YEAR. AVERAGE RATES ARE BASED ON STATISTICAL DATA, RATIOS AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS ADJUSTED FOR PROJECTED COST INCREASES/DECREASES.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS:									
(1) TRAVEL OF MILITARY MEMBER	5,210	\$468.89	\$2,443	5,241	\$477.08	\$2,500	5,409	\$478.25	\$2,587
(2) TRAVEL OF DEPENDENTS	3,139	512.47	1,609	3,153	518.46	1,635	3,254	520.00	1,692
(3) TRANSPORTATION OF HOUSEHOLD GOODS									
(A) LAND/ITGBL	4,704	3,175.35	14,937	4,768	3,255.08	15,520	4,921	3,304.06	16,259
(B) OVERSEAS			1,611			1,801			1,879
TOTAL (3)			16,548			17,321			18,138
(4) DISLOCATION ALLOWANCE	0	0.00	0	0	0.00	0	0	0.00	0
(5) TRAILER ALLOWANCE	17	1,286.00	22	14	1,313.01	18	14	1,332.71	19

(IN THOUSANDS OF DOLLARS)

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS (Cont'd)									
(6) PRIVATELY OWNED VEHICLES (POV)									
(A) MSC	491	\$2,150.32	\$1,056	523	\$2,215.54	\$1,159	540	\$1,971.48	\$1,065
(B) PORT HANDLING (MTMC)	394	539.11	212	420	576.98	242	433	422.40	183
TOTAL (6)			1,268			1,401			1,248
(7) PORT HANDLING COSTS (HHG, M.TONS)	6,503	52.02	338	7,155	54.36	389	7,392	39.79	294
TOTAL OFFICERS			22,228			23,264			23,978
ENLISTED									
(1) TRAVEL OF MILITARY MEMBER	61,144	284.52	17,397	52,434	298.66	15,660	50,067	299.55	14,998
(2) TRAVEL OF DEPENDENTS	18,102	362.13	6,555	15,340	398.32	6,110	14,648	399.77	5,856
(3) TRANSPORTATION OF HOUSEHOLD GOODS									
(A) LAND/ITGBL	26,911	2,305.29	62,038	26,376	2,254.65	59,469	25,181	2,288.60	57,629
(B) OVERSEAS			1,756			3,465			3,386
TOTAL (3)			63,794			62,934			61,015
(4) DISLOCATION ALLOWANCE	0	0.00	0	0	0.00	0	0	0.00	0
(5) TRAILER ALLOWANCE	153	2,402.78	368	123	2,429.70	299	118	2,466.19	291
(6) PRIVATELY OWNED VEHICLES (POV)									
(A) MSC	1,049	1,140.05	1,196	2,052	704.25	1,445	1,957	626.83	1,227
(B) PORT HANDLING (MTMC)	781	284.90	223	1,516	300.18	455	1,447	219.73	318
TOTAL (6)			1,419			1,900			1,545
(7) PORT HANDLING COSTS (HHG, M.TONS)	5,203	45.86	239	10,872	45.30	493	10,372	33.16	344
TOTAL ENLISTED			89,772			87,396			84,049
OFFICER CANDIDATES									
(1) TRAVEL OF MILITARY MEMBER									
MIDSHIPMEN	182	412.09	75	279	239.05	67	288	239.05	69
UPFRONT PORT/CARGO COSTS									
TOTAL OFFICER CANDIDATES			75			67			69
TOTAL 5-E			\$112,075			\$110,727			\$108,796

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$16,840
 -FY 1998 ESTIMATE \$28,140
 -FY 1997 ESTIMATE \$14,966

PROJECT: 5-F TRAVEL OF ORGANIZED UNITS

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS, CONUS OR OVERSEAS, OF OFFICERS AND WARRANT OFFICERS DIRECTED TO MOVE AS MEMBERS OF AN ORGANIZED UNIT MOVEMENT.
- (B) ENLISTED: COVERS PCS MOVEMENTS, CONUS OR OVERSEAS, OF ENLISTED PERSONNEL DIRECTED TO MOVE AS MEMBERS OF AN ORGANIZED UNIT MOVEMENT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

ORGANIZED UNIT MOVES ARE PCS MOVES ASSOCIATED WITH TRANSFERRING THE FAMILIES AND BELONGINGS OF PERSONNEL ASSIGNED TO UNITS WHICH ARE RELOCATED FROM ONE STATION TO ANOTHER. THESE MOVES ARE A FUNCTION OF KNOWN CHANGES IN PROJECTED FORCE POSITIONING DUE TO OPERATIONAL REQUIREMENTS. AVERAGE RATES ARE BASED ON A POINT-TO-POINT PRICING OF EACH UNIT MOVE UTILIZING STATISTICAL DATA, RATIOS, AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING A GIVEN PERIOD.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT
OFFICERS:						
(1) TRAVEL OF MILITARY MEMBER	627	\$342.27 \$215	1,802	\$649.54 \$1,170	934	\$481.89 \$450
(2) TRAVEL OF DEPENDENTS	286	362.52 104	892	818.60 730	456	353.30 161
(3) TRANSPORTATION OF HOUSEHOLD GOODS						
(A) LAND/ITGBL	428	1,865.28 798	2,071	2,385.06 4,939	926	1,865.23 1,727
(B) OVERSEAS		17		461		88
TOTAL (3)		815		5,400		1,815
(4) DISLOCATION ALLOWANCE	308	1,929.52 594	911	2,051.50 1,869	469	2,113.89 991
(5) TRAILER ALLOWANCE	0	0.00 0	0	0.00 0	0	0.00 0

(IN THOUSANDS OF DOLLARS)

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
OFFICERS (CONT'D)		AMOUNT		AMOUNT		AMOUNT
(6) PRIVATELY OWNED VEHICLES (POV)						
(A) MSC	40	\$1,223.66	360	\$1,325.54	164	\$1,174.45
(B) PORT HANDLING (MTMC)	61	172.87	417	212.50	185	156.04
TOTAL (6)	60		566		222	
(7) PORT HANDLING COSTS						
(HHG, M.TONS)	8	23.97	91	25.33	41	18.54
TOTAL OFFICERS		1,788		9,737		3,640
ENLISTED						
(1) TRAVEL OF MILITARY MEMBER	6,124	270.09	8,193	333.43	5,641	346.23
(2) TRAVEL OF DEPENDENTS	3,289	442.30	4,353	459.63	2,991	464.36
(3) TRANSFORMATION OF HOUSEHOLD GOODS						
(A) LAND/ITGBL	3,856	1,715.55	4,530	1,659.09	3,185	1,670.97
(B) OVERSEAS		138		430		348
TOTAL (3)		6,753		7,946		5,670
(4) DISLOCATION ALLOWANCE	2,382	1,139.83	3,351	1,214.98	2,310	1,251.93
(5) TRAILER ALLOWANCE	41	2,447.44	50	2,520.43	34	2,562.97
(6) PRIVATELY OWNED VEHICLES (POV)						
(A) MSC	330	1,260.74	997	1,276.13	761	1,135.16
(B) PORT HANDLING (MTMC)	397	195.53	1,043	220.28	787	162.14
TOTAL (6)		494		1,502		992
(7) PORT HANDLING COSTS						
(HHG, M.TONS)	173	43.11	547	45.57	418	33.36
TOTAL ENLISTED		13,178		18,403		12,997
UPFRONT PORT/CARGO COSTS		\$14,966		\$28,140		\$16,840
TOTAL 5-F		=====		=====		=====

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$4,060
-FY 1998 ESTIMATE \$4,041
-FY 1997 ESTIMATE \$4,413

PROJECT: 5 IN-PLACE CONSECUTIVE OVERSEAS TOUR (IPCOT)

PART I - PURPOSE AND SCOPE

COVERS THE COST OF MEMBERS/DEPENDENTS TRAVEL IN CONNECTION WITH LEAVE TAKEN BETWEEN CONSECUTIVE IN-PLACE OVERSEAS DUTY ASSIGNMENTS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THIS ENTITLEMENT IS FOR IN-PLACE CONSECUTIVE OVERSEAS TOUR LEAVE TRAVEL AND TRANSPORTATION ALLOWANCES FOR THE MEMBER AND COMMAND SPONSORED DEPENDENTS WHO ARE AUTHORIZED TO ACCOMPANY THE MEMBER AT THE DUTY STATIONS.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT
OFFICERS	90	\$5,033.33 \$453	113	\$5,103.80 \$577	112	\$5,180.36 \$580
ENLISTED	1,035	\$3,825.12 \$3,960	893	\$3,878.67 \$3,464	884	3,936.85 \$3,480
TOTAL 5	1,125	\$4,413	1,006	\$4,041	996	\$4,060

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$578
 -FY 1998 ESTIMATE \$574
 -FY 1997 ESTIMATE \$594

PROJECT: 5 OVERSEAS TOUR EXTENSION INCENTIVES PROGRAM (OTEIP)

PART I - PURPOSE AND SCOPE

THE OTEIP IS OFFERED TO ELIGIBLE ENLISTED PERSONNEL FOR EXTENSION OF THEIR CURRENT PLANNED ROTATION DATE FOR 12 MONTHS OR MORE OUTSIDE THE CONTINENTAL UNITED STATES.

PART II - JUSTIFICATION OF FUNDS REQUESTED

ENTITLEMENT TO THE OVERSEAS TOUR EXTENSION INCENTIVE OCCURS WHEN MEMBERS OF THE ARMED FORCES ARE AUTHORIZED REST AND RECUPERATIVE ABSENCE OF NOT MORE THAN 15 DAYS, ROUND TRIP TRANSPORTATION AT GOVERNMENT EXPENSE FROM THE LOCATION OF THE EXTENDED TOUR OF DUTY TO THE PORT OF DEBARKATION AND RETURN DURING THE PERIOD OF THE EXTENSION.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT
ENLISTED	396	\$1,500.00 \$594	374	\$1,534.76 \$574	369	\$1,566.40 \$578
TOTAL 5	396	\$594	374	\$574	369	\$578

(IN THOUSANDS OF DOLLARS)

PROJECT: 5-G NONTEMPORARY STORAGE

-FY 1999 ESTIMATE \$13,910
-FY 1998 ESTIMATE \$14,184
-FY 1997 ESTIMATE \$12,700

PART I - PURPOSE AND SCOPE

COVERS THE COST OF HOUSEHOLD GOODS PLACED IN STORAGE AT GOVERNMENT EXPENSE OR MOVED TO ANOTHER DESTINATION UNDER THE PROVISIONS OF 37 U.S.C. 406 WHEN A MEMBER IS ORDERED TO A DUTY STATION TO WHICH THE SHIPMENT OF HOUSEHOLD GOODS IS NOT AUTHORIZED.

PART II - JUSTIFICATION OF FUNDS REQUESTED

ENTITLEMENT FOR NON-TEMPORARY STORAGE EXISTS WHEN PERSONAL PROPERTY SHIPMENT IS NOT AUTHORIZED OR ELECTED. THE NUMBER PLANNED IS DETERMINED BY HISTORICAL ACTUAL DATA OF MEMBERS THAT EXERCISED THE ENTITLEMENT. AVERAGE RATES ARE ALSO BASED ON STATISTICAL DATA ADJUSTED FOR PROJECTED COST INCREASES/DECREASES.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
NONTEMPORARY STORAGE		\$12,700		\$14,184		\$13,910
		-----		-----		-----
TOTAL 5-G		\$12,700		\$14,184		\$13,910
		-----		-----		-----

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$5,751
 -FY 1998 ESTIMATE \$6,303
 -FY 1997 ESTIMATE \$5,686

PROJECT: 5-H TEMPORARY LODGING EXPENSE

PART I - PURPOSE AND SCOPE

FOR REIMBURSEMENT OF EXPENSES INCURRED AS A RESULT OF A PCS MOVE, NOT TO EXCEED \$110 PER DAY FOR UP TO TEN DAYS UNDER THE PROVISIONS OF 37 U.S.C. 404D. LIMITED TO FIVE DAYS WITHIN CONUS WHEN MEMBER MOVES FROM CONUS TO OVERSEAS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

DEFRAYS SOME OF THE EXPENSES OF TEMPORARY LODGING INCURRED WHEN RELOCATING BETWEEN PERMANENT DUTY STATIONS. RATIOS AND PERCENTAGES OF PERSONNEL TO USE THE ENTITLEMENT ARE BASED ON STATISTICAL DATA OF PREVIOUS ENTITLEMENTS USED IN ACTUAL MOVES. AVERAGE RATES ARE BASED ON STATISTICAL DATA FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE: :

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
TEMPORARY LODGING EXPENSE		\$5,686		\$6,303		\$5,751
TOTAL 5-H		5,686		6,303		5,751
TOTAL OBLIGATIONS		621,617		654,749		628,737
LESS REIMBURSABLE OBLIGATIONS		3,575		3,500		3,500
TOTAL DIRECT OBLIGATIONS		\$618,042		\$651,249		\$625,237

OTHER MILITARY PERSONNEL COSTS
 SCHEDULE OF INCREASES AND DECREASES
 (IN THOUSANDS OF DOLLARS)

FY 1998 DIRECT PROGRAM-----		\$104,700
INCREASES:		
APPREHENSION OF DESERTERS-----	19	
-INCREASE DUE TO COST GROWTH-----		
ADVANCE PAY-----	69,000	
-ADVANCE PAY IMPLEMENTATION-----		
TOTAL INCREASES -----		69,019
DECREASES:		
EDUCATIONAL BENEFITS-----		-11,182
-DECREASE IN NUMBER OF MEMBERS RECEIVING BENEFITS (30K PROGRAM)	-11,604	
-DECREASE IN NUMBER OF MEMBERS RECEIVING BENEFITS (40K PROGRAM)	-3,845	
-DECREASE IN DoD BOARD OF ACTUARY RATE (40K PROGRAM)	-143	
-INCREASE REFLECTS APPROVED MONTGOMERY GI BILL AND AMORTIZATION PAYMENT	3,119	
-INCREASE IN DoD BOARD OF ACTUARY RATE (30K PROGRAM)	1,291	
UNEMPLOYMENT COMPENSATION-----		-4,009
-DECREASE IN NUMBER OF MEMBERS RECEIVING BENEFITS	-5,519	
-INCREASE IN DEPARTMENT OF LABOR RATE	1,510	
INTEREST ON SAVINGS DEPOSITS-----		-14
-DECREASE IN NUMBER OF PARTICIPANTS-----		
SURVIVORS' BENEFITS-----		-220
-DECREASE DUE TO REVISED ESTIMATES BY DEPARTMENT OF VETERANS AFFAIRS	-220	
TOTAL DECREASES -----		-15,425
FY 1999 DIRECT PROGRAM-----		\$158,294

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$826
-FY 1998 ESTIMATE \$807
-FY 1997 ACTUAL \$718

PROJECT: 6-A APPREHENSION OF MILITARY DESERTERS,
ABSENTEES, AND ESCAPED MILITARY PRISONERS

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED ARE TO PROVIDE FOR EXPENSES IN CONNECTION WITH THE APPREHENSION OF DESERTERS, ABSENTEES, AND ESCAPED MILITARY PRISONERS AND FOR THEIR DELIVERY TO MILITARY CONTROL, INCLUDING THE COST OF SUBSISTENCE FURNISHED DURING THE PERIOD AN ENLISTED MEMBER IS DETAINED IN CIVIL CONFINEMENT FOR SAFEKEEPING WHEN SO REQUESTED BY MILITARY AUTHORITY; COSTS OF REWARDS AND REIMBURSEMENT FOR EXPENSES INCURRED; AND COST OF TRANSPORTATION, LODGING AND SUBSISTENCE OF A GUARD SENT IN PURSUIT OF AN ABSENTEE MEMBER.

PART II - JUSTIFICATION OF FUNDS REQUESTED

PRIOR YEAR COSTS ARE UTILIZED AS THE BASIS FOR DEVELOPING THE ESTIMATES. THE ESTIMATE REFLECTS REWARDS OF \$50.00 FOR APPREHENSION AND \$75.00 FOR APPREHENSION AND RETURN TO MILITARY CONTROL. THE ESTIMATE ALSO REFLECTS FINANCIAL RESPONSIBILITY FOR GUARD/ESCORT TRAVEL IN CONNECTION WITH THE MEMBER'S FURTHER RETURN TO PERMANENT DUTY STATION.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE PROVIDED IN THE FOLLOWING TABLE:

	FY 1997	FY 1998	FY 1999
APPREHENSION	\$718	\$807	\$826
TOTAL 6-A	\$718	\$807	\$826

PROJECT: 6-B INTEREST ON SAVINGS DEPOSIT

 -FY 1999 ESTIMATE \$40
 -FY 1998 ESTIMATE \$54
 -FY 1997 ACTUAL \$80

PART I - PURPOSE AND SCOPE

FUNDS ARE REQUESTED TO PROVIDE PAYMENT OF INTEREST FOR SERVICE MEMBERS PARTICIPATING IN THE SERVICEMEN'S SAVINGS DEPOSIT PROGRAM.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE SERVICEMEN'S SAVINGS DEPOSIT PROGRAM WAS REINSTATED FOR THE PARTICIPANTS IN OPERATION DESERT SHIELD/STORM AND SERVING IN THE AREA OF OPERATION JOINT ENDEAVOR. THIS PROGRAM ALLOWS MEMBERS TO DEPOSIT THEIR MONEY INTO THE SAVINGS PROGRAM AND TO BE REIMBURSED 10% INTEREST ON ALL DEPOSITS.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
INTEREST		\$80		\$54		\$40
TOTAL 6-B	80		54		40	
	=====		=====		=====	

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-C DEATH GRATUITIES

 -FY 1999 ESTIMATE \$1,806
 -FY 1998 ESTIMATE \$1,806
 -FY 1997 ACTUAL \$1,488

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED FOR THIS PROJECT PROVIDE FOR PAYMENT OF DEATH GRATUITIES TO BENEFICIARIES OF MILITARY PERSONNEL (10 U.S.C. 1475, AS AMENDED). THE DEATH GRATUITY PAYMENT IS \$6,000 EFFECTIVE 2 AUGUST 1990.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FUND REQUIREMENTS ARE BASED ON ACTUAL EXPERIENCE AS TO THE NUMBER OF DEATHS AND THE AVERAGE COST PER PAYMENT. COMPUTATIONS OF FUNDING REQUIREMENTS ARE PROVIDED IN THE FOLLOWING TABLE:

	FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS	26	\$6,000.00	\$156	28	\$6,000.00	\$168	27	\$6,000.00	\$162
ENLISTED	222	6,000.00	1,332	269	6,000.00	1,614	273	6,000.00	1,638
MIDSHIPMEN	0	6,000.00	0	4	6,000.00	24	1	6,000.00	6
TOTAL 6-C	248		\$1,488	301		\$1,806	301		\$1,806

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-D UNEMPLOYMENT COMPENSATION,
PAID TO EX-SERVICE MEMBERS

-FY 1999 ESTIMATE \$62,922
-FY 1998 ESTIMATE \$66,931
-FY 1997 ACTUAL \$73,633

PART I - PURPOSE AND SCOPE

FUNDS ARE FOR PAYMENTS OF UNEMPLOYMENT BENEFITS TO EX-SERVICE MEMBERS WHO ARE DISCHARGED OR RELEASED UNDER HONORABLE CONDITIONS AS PRESCRIBED IN PARAGRAPH (1) OF SECTION 8521(A) OF TITLE 5, UNITED STATES CODE AS AMENDED BY SECTION 301, P.L. 102-164). GENERALLY, ELIGIBILITY IS DEFINED AS ACTIVE SERVICE IN THE ARMED FORCES WHEREUPON AN INDIVIDUAL WAS DISCHARGED UNDER HONORABLE CONDITIONS, AND HAD COMPLETED HIS FIRST FULL TERM OF ACTIVE SERVICE; OR WAS DISCHARGED BEFORE COMPLETING HIS FIRST TERM UNDER AN EARLY RELEASE PROGRAM, BECAUSE OF HARDSHIP, FOR MEDICAL REASONS, OR FOR PERSONALITY DISORDERS, OR INAPTITUDE (BUT ONLY IF THE SERVICE WAS CONTINUOUS FOR 365 DAYS OR MORE).

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE NUMBER OF INDIVIDUALS ELIGIBLE FOR UNEMPLOYMENT BENEFITS PAYABLE IN A BENEFIT YEAR IS BASED ON ESTIMATED LOSSES, FACTORED TO EXCLUDE RETIREMENTS FOR OTHER THAN HONORABLE CONDITIONS AS DEFINED BY SECTION 8521(A) OF (TITLE 5, U.S. CODE, AS AMENDED). THEREFORE, MOST UNEMPLOYED EX-SERVICE MEMBERS WILL HAVE A WAITING PERIOD OF NO MORE THAN ONE WEEK VERSUS A FOUR WEEK WAIT UNDER THE PRIOR LAW, AND THE NUMBER OF WEEKS AN INDIVIDUAL MAY RECEIVE BENEFITS WILL BE INCREASED FROM 13 WEEKS TO AN AMOUNT COMPUTED UNDER STATE LAW, USUALLY 26 WEEKS FOR MOST STATES.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
UNEMPLOYMENT COMPENSATION	22,794	3,230.36	20,482	3,267.82	18,793	3,348.16
		\$73,633		\$66,931		\$62,922
TOTAL 6-D		\$73,633		\$66,931		\$62,922

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-E SURVIVOR'S BENEFITS

 -FY 1999 ESTIMATE \$3,540
 -FY 1998 ESTIMATE \$3,760
 -FY 1997 ACTUAL \$4,158

PART I - PURPOSE AND SCOPE

FUNDS ARE REQUESTED TO PROVIDE FOR PAYMENTS OF RESTORED SOCIAL SECURITY BENEFITS TO WIDOWS AND ORPHANS OF MILITARY PERSONNEL. THESE BENEFITS WERE WITHDRAWN UNDER PUBLIC LAW 97-35. PUBLIC LAW 97-35 TERMINATED THE "MOTHER'S" BENEFIT WHEN THE LAST CHILD IN CUSTODY OF THE SURVIVING SPOUSE REACHED AGE 16, RATHER THAN 18, AND AFFECTED THE "SCHOOL CHILD" BY EITHER ELIMINATING BENEFIT PAYMENTS OR BY REQUIRING A REDUCTION IN BENEFITS. SECTION 156 OF PUBLIC LAW 97-377 MODIFIED BY SECTION 943 OF THE DOD AUTHORIZATION ACT, FY 1984, P.L. 98-94, 97 STAT., 614, RESTORED THESE SOCIAL SECURITY BENEFITS TO SURVIVORS OF MILITARY MEMBERS AND DIRECTED THE DEPARTMENT OF DEFENSE TO BUDGET FOR THIS REQUIREMENT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

COST ESTIMATES ARE BASED ON ACTUAL EXPERIENCE.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT
SURVIVOR'S BENEFITS		\$4,158		\$3,760		\$3,540
TOTAL 6-E		\$4,158		\$3,760		\$3,540

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$19,888
 -FY 1998 ESTIMATE \$31,070
 -FY 1997 ACTUAL \$23,839

PROJECT: 6-F EDUCATIONAL BENEFITS

PART I - PURPOSE AND SCOPE

FUNDS ARE FOR PAYMENT TO THE DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUNDS, A TRUST FUND. THIS PROGRAM IS GOVERNED BY TITLE 38 U.S.C., CHAPTER 30. THE PROGRAM FUNDS ADDITIONAL AND SUPPLEMENTAL BENEFIT PAYMENTS ABOVE A BASIC BENEFIT TO BE BUDGETED BY THE VETERANS ADMINISTRATION. THIS PROGRAM IS BUDGETED ON AN ACCRUAL BASIS BY THE DEPARTMENT OF DEFENSE. ACTUAL BENEFIT PAYMENTS TO INDIVIDUALS ARE MADE BY THE VETERANS ADMINISTRATION FROM FUNDS TRANSFERRED FROM THE TRUST ACCOUNT. THE NAVY COLLEGE FUND PROGRAM ATTRACTS MEMBERS FOR THREE AND FOUR YEAR COMMITMENTS PRIMARILY INTO UNDERMANNED OR HARD TO FILL RATINGS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE NAVY COLLEGE FUND IS A CRITICAL ELEMENT IN NAVY'S RECRUITING STRATEGY. THE PURPOSE OF THE NAVY COLLEGE FUND IS TO EXPAND THE RECRUITING MARKET TO INCLUDE COLLEGE BOUND YOUTH. THE ALLURE OF A COLLEGE EDUCATION DOMINATES THE PLANS OF 60-80% OF ALL HIGH SCHOOL SENIORS AND REPRESENTS A MAJOR OBSTRUCTION TO THE RECRUITER. THE NAVY COLLEGE FUND WILL PROVIDE A SOURCE OF HIGH QUALITY RECRUITS, PRIMARILY IN THE CRITICAL SKILL SEA INTENSIVE RATINGS. ADDITIONALLY, BY PROVIDING THE RECRUITERS WITH A TOOL TO ADDRESS THIS MARKET, MANY COLLEGE BOUND YOUTH WHO WOULD NOT OTHERWISE HAVE CONSIDERED THE NAVY, ARE EXPOSED TO THE EDUCATIONAL OPPORTUNITIES AND PROGRAMS THAT THE NAVY PROVIDES. THE PROGRAM IS DIRECTED AT THE 17-35 YEAR OLD, NON-PRIOR SERVICE RECRUITS IN APPTUDE CATEGORY I OR II (MINIMUM ASVAB AFQT OF 50) WITH A HIGH SCHOOL DIPLOMA. ENROLLMENT IN THE MONTGOMERY GI BILL IS REQUIRED. PERSONNEL ENLISTING UNDER THE NAVY COLLEGE FUND ARE NOT ALLOWED TO PARTICIPATE IN THE ENLISTMENT BONUS PROGRAM.

IN AUGUST 1997, OSD APPROVED NAVY OFFERING \$40,000 TO SELECTED CRITICAL AND HARD TO FILL RATINGS. RAISING NCF LEVELS MAKES A PIVOTAL DIFFERENCE IN OUR ABILITY TO ATTRACT NEEDED HIGH QUALITY APPLICANTS.

PUBLIC LAW 101-510 ALLOWS SERVICE MEMBERS WHO WERE ON ACTIVE DUTY 30 SEPTEMBER 1990 AND INVOLUNTARY SEPARATED AFTER 3 FEBRUARY 1991, THE OPPORTUNITY TO ENROLL IN THE MONTGOMERY GI BILL. THE FY 1993 DEFENSE AUTHORIZATION ACT ALLOWS MEMBERS EXERCISING THE VSI/SSB OPTIONS TO CONVERT FROM THE VETERANS EDUCATIONAL ASSISTANCE PROGRAM (VEAP) TO THE MONTGOMERY GI BILL AS A RESULT OF CHANGES IN THE LAW. THE SERVICES WILL BE REQUIRED TO MAKE ADDITIONAL CONTRIBUTIONS TO THE DOD EDUCATIONAL BENEFITS FUND.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT	NUMBER	RATE AMOUNT
NAVY COLLEGE FUND PROGRAM						
(4 YEAR COMMITMENT) 30K	8,640	\$2,080.00 \$17,971	9,445	\$1,678.00 \$15,849	2,530	\$2,188.00 \$5,536
(4 YEAR COMMITMENT) 40K	0	\$0.00 \$0	2,647	\$4,911.00 \$12,999	1,864	\$4,834.00 \$9,011
MONTGOMERY GI BILL						
a. INVOLUNTARY SEPARATION		3750		1627		1627
b. VSI/SSB		0		0		0
c. AMORTIZATION (UNFUNDED LIABILITY)		2118		595		3714
TOTAL		5868		2222		5341
		-----		-----		-----
TOTAL 6-F		\$23,839		\$31,070		\$19,888
		=====		=====		=====

-FY 1999 ESTIMATE \$272
 -FY 1998 ESTIMATE \$272
 -FY 1997 ACTUAL \$252

PROJECT: 6-G ADOPTION EXPENSES

PART I - PURPOSE AND SCOPE

FUNDS ARE REQUESTED TO PROVIDE REIMBURSEMENT FOR QUALIFYING ADOPTION EXPENSES UNDER THE PROVISIONS OF (10 U.S.C. CHAPTER 53, SECTION 1053)

PART II - JUSTIFICATION OF FUNDS REQUESTED

ALL ACTIVE DUTY INDIVIDUALS WHO INITIATE ADOPTION PROCEEDINGS ARE ELIGIBLE TO RECEIVE REIMBURSEMENT FOR EXPENSES RELATED TO THE ADOPTION OF CHILDREN UNDER 18 YEARS OF AGE. REIMBURSEMENT, WHICH IS MADE ONLY AFTER THE ADOPTION IS FINAL, IS LIMITED TO NOT MORE THAN \$2,000 TO A MEMBER OF THE ARMED FORCES OR, TO TWO SUCH MEMBERS WHO ARE SPOUSES OF EACH OTHER, FOR EXPENSES INCURRED IN THE ADOPTION OF A CHILD. A MAXIMUM OF \$5,000 IN ANY CALENDAR YEAR MAY BE PAID TO ANY MEMBER OR TWO SUCH MEMBERS WHO ARE SPOUSES.

COMPUTATIONS OF FUNDING REQUIREMENTS ARE PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
ADOPTION EXPENSES		\$252		\$272		\$272
TOTAL 6-G		252		272		272

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-H ADVANCE PAY

 -FY 1999 ESTIMATE \$69,000
 -FY 1998 ESTIMATE \$0
 -FY 1997 ACTUAL \$0

PART I - PURPOSE AND SCOPE

ADVANCE PAYMENTS ARE AUTHORIZED TO MEMBERS ON A CASE BY CASE BASIS TO MEET EXTRAORDINARY EXPENSES INCIDENT TO A GOVERNMENT-ORDERED RELOCATION AS PROVIDED BY 37 U.S.C. 1006. ADVANCE PAYMENTS ARE EXTENDED TO ASSIST WITH THE OUT-OF-POCKET EXPENSES THAT EXCEED OR PRECEDED REIMBURSEMENTS INCURRED IN A DUTY LOCATION CHANGE AND ARE EXPENSES NOT TYPICAL OF DAY-TO-DAY MILITARY LIVING. ADVANCE PAYMENTS VARY DEPENDING ON THE REASON AND TYPE OF RELOCATION THE MEMBER INCURS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FUNDS ARE REQUESTED TO IMPLEMENT AN ACCOUNTING ADJUSTMENT REGARDING THE FISCAL YEAR IN WHICH THE DEPARTMENT RECORDS OBLIGATIONS FOR ADVANCE PAYMENTS UNDER 37 U.S.C. 1006.

FUNDING REQUIREMENTS ARE PROVIDED IN THE FOLLOWING TABLE:

	FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
ADVANCE PAY		\$0		\$0		\$69,000
TOTAL 6-H		\$0		\$0		\$69,000
TOTAL OBLIGATIONS		104,168		104,700		158,294
LESS REIMBURSABLES		0		0		0
TOTAL DIRECT OBLIGATIONS		\$104,168		\$104,700		\$158,294

SECTION 5
NAVY MILITARY PERSONNEL ASSIGNED OUTSIDE DOD
(END STRENGTH)

	FY 1997			FY 1998			FY 1999		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
ASSIGNED OUTSIDE DOD:									
NON-REIMBURSABLE PERSONNEL:									
EXECUTIVE OFFICE OF THE PRESIDENT	6	6	12	7	8	15	7	7	14
OFFICE OF THE VICE PRESIDENT	0	7	7	0	10	10	0	9	9
STATE DEPARTMENT	6	0	6	6	1	7	6	1	7
STATE DEPT (U.N. TRUCE SUPERVISION)	1	0	1	8	0	8	8	0	8
JUSTICE DEPARTMENT	2	0	2	1	0	1	1	0	1
ENERGY DEPARTMENT	6	0	6	8	0	8	8	0	8
NAT'L DRUG INTERDICTION PROGRAM	12	8	20	9	8	17	9	8	17
CLASSIFIED ACTIVITIES	0	0	0	0	0	0	0	0	0
COMMERCE DEPARTMENT (NOAA)	3	3	6	3	2	5	2	2	4
DEPT OF TRANSP (COAST GUARD)	1	0	1	1	0	1	1	0	1
SUB-TOTAL NON-REIMBURSABLE PROGRAM	37	24	61	43	29	72	42	27	69
REIMBURSABLE PERSONNEL:									
EXECUTIVE OFFICE OF THE PRESIDENT	0	0	0	2	34	36	2	34	36
ARMS CONT'L & DISARMAMENT AGENCY	5	0	5	5	0	5	4	0	4
STATE DEPARTMENT	0	0	0	0	0	0	0	0	0
DEPT OF TRANSP (MARITIME)	0	0	0	0	0	0	0	0	0
DEPT OF TRANSP (FAA)	0	0	0	3	0	3	1	0	1
DEPT OF TRANSP (COAST GUARD)	37	0	37	37	0	37	37	0	37
DEPT OF TRANSP (MERCHANT MARINE ACADEMY)	2	1	3	2	1	3	2	1	3
NASA	30	0	30	17	0	17	17	0	17
OFFICE OF PHYSICIAN TO CONGRESS	4	9	13	5	9	14	5	9	14
CLASSIFIED ACTIVITIES	6	9	15	11	8	19	6	6	12
ENERGY DEPARTMENT (DOE)	2	0	2	3	0	3	3	0	3
DEPARTMENT OF COMMERCE	0	0	0	0	0	0	0	0	0
SUB-TOTAL REIMBURSABLE PERSONNEL	86	19	105	85	52	137	79	50	129
TOTAL OUTSIDE DOD	123	43	166	128	81	209	121	77	198
ASSIGNED TO DOD ACTIVITIES:									
REIMBURSABLE PERSONNEL:									
WORKING CAPITAL FUND:									
WCF - NAVY	989	2633	3622	1055	2438	3493	1004	2183	3187
WCF - DEFENSE	229	146	375	262	198	460	239	177	416
WCF - TOTAL	1218	2779	3997	1317	2636	3953	1243	2360	3603
STATE DEPARTMENT (CB'S)	1	95	96	1	123	124	1	103	104
NATIONAL SCIENCE FOUNDATION	63	338	401	29	168	197	1	1	2
FOREIGN MILITARY SALES	65	151	216	112	167	279	101	132	233
SUB-TOTAL DOD REIMBURSABLE PERSONNEL	1347	3363	4710	1459	3094	4553	1346	2596	3942
TOTAL NON-REIMBURSABLE PERSONNEL	37	24	61	43	29	72	42	27	69
TOTAL REIMBURSABLE PERSONNEL	1433	3382	4815	1544	3146	4690	1425	2646	4071
GRAND TOTAL	1470	3406	4876	1587	3175	4762	1467	2673	4140

REIMBURSABLE PROGRAM
MILITARY PERSONNEL, NAVY
(In Thousands of Dollars)

	FY 1997	FY 1998	FY 1999
SUBSISTENCE: (SIK)	41,706	43,342	43,342
SALE OF MEALS - BULK SUBSISTENCE	41,706	43,342	43,342
MEDICAL:	0	0	0
OTHER NON-STRENGTH RELATED:	100	100	100
OTHER MILITARY COSTS	100	100	100
STRENGTH RELATED:	239,832	220,260	210,465
OFFICERS	125,561	123,185	115,240
BASIC PAY	(75,222)	(75,198)	(70,348)
RETIRED PAY ACCRUAL	(24,522)	(23,860)	(21,386)
ENLISTED	105,365	88,637	82,651
BASIC PAY	(64,324)	(59,643)	(51,973)
RETIRED PAY ACCRUAL	(20,943)	(18,108)	(15,779)
SUBSISTENCE: (BAS)	5,331	4,938	9,074
PCS TRAVEL	3,575	3,500	3,500
TOTAL PROGRAM	281,638	263,702	253,907

REIMBURSABLES FOR PRESIDENT'S BUDGET REVIEW - FEBRUARY 1999

NAVY ACTIVITIES	FY 1997 ACTUALS			FY 1998			FY 1999		
	OFF	E/S ENL	TOTAL	OFF	E/S ENL	TOTAL	OFF	E/S ENL	TOTAL
DEPOT MAINTENANCE - SHIPYARDS - 404/7373	142	100	242	157	56	213	123	41	164
DEPOT MAINTENANCE - AVIATION - 405/7171	27	36	63	29	29	58	48	66	114
DEPOT MAINTENANCE - ORDNANCE - 407/7272	59	662	721	70	602	672	39	335	374
BASE SUPPORT (PWC'S/NFESC) - 409/7474	113	0	113	110	0	110	110	0	110
TRANSPORTATION COMSC (AG/SAG 4040 ONLY) - 410	152	869	1,021	131	890	1,021	142	888	1,030
RESEARCH & DEVELOPMENT ACTIVITIES - 411	282	562	844	347	566	913	331	557	888
INFORMATION SERVICES - 417/7575	24	18	42	29	0	29	29	1	30
SUPPLY MANAGEMENT - 423/SBSB	190	386	576	182	295	477	182	295	477
TOTAL NAVY WCF	989	2,633	3,622	1,055	2,438	3,493	1,004	2,183	3,187
TOTAL DEFENSE WCF	229	146	375	262	198	460	239	177	416
DEFENSE AGENCIES									
JLSC - 401	3	1	4	4	1	5	0	0	0
DFAS - 416	20	17	37	21	33	54	21	33	54
DECA - 419	0	0	0	0	0	0	0	0	0
DISA - 417	5	19	24	9	20	29	9	11	20
DLA	111	7	118	117	14	131	113	10	123
USTRANSCOM - 410	90	102	192	111	130	241	96	123	219
TOTAL WCF	1,218	2,779	3,997	1,317	2,636	3,953	1,243	2,360	3,603
FOREIGN MILITARY SALES (FMS)	65	151	216	112	167	279	101	132	233
OTHER GOVERNMENT AGENCIES (OGA)	150	452	602	115	343	458	81	154	235
SALES OF MEALS - BULK SUBSISTENCE			41,706			43,342			43,342
ACTIVE DUTY FOR SPECIAL WORK (ADSW)			23,773						
TOTAL ANTICIPATED REIMB FY 98/99 BUDGET	1,433	3,382	4,815	1,544	3,146	4,690	1,425	2,646	4,071
Variance			2,535			0			0
TOTAL ACCEPTANCES RECEIVED	1,433	3,382	4,815	1,544	3,146	4,690	1,425	2,646	4,071

COMBATING TERRORISM

NAVY

Military Personnel

	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
	\$161.40	\$157.96	\$151.80
	\$129.23	\$125.93	\$119.35
	\$1.40	\$1.42	\$1.47
	\$15.63	\$15.56	\$15.35
	\$15.14	\$15.05	\$15.62
	3,432	3,353	3,095
	17	17	17
	279	274	261
	<u>362</u>	<u>359</u>	<u>359</u>
	4,090	4,003	3,732

Appropriation Summary:

Military Personnel (\$ in Millions)

I. Financial Summary (\$ in Millions)

Physical Security & Management & Planning
 Security Forces & Technicians
 Law Enforcement
 Security & Investigative Matters

II. Personnel Summary:

Physical Security & Management & Planning
 Security Forces & Technicians
 Law Enforcement
 Security & Investigative Matters
 Total Manpower