

Modernizing Compensation to Prioritize the Corps

An overhaul is needed

by Capt Thomas Voutsos & GySgt Travis West

The blended retirement system is an overdue modernization of the military retirement system. It recognized that the old military retirement system did not serve all service members and replaced it with a system in which everyone can participate.¹ The new retirement system recognizes the contribution of a Marine regardless of his length of service. Other parts of military compensation need to be overhauled to treat all service members fairly. The current system of basic allowance for housing (BAH), basic subsistence allowance (BAS), and family separation allowance (FSA) create an unfair compensation structure in our enlisted ranks. The DOD has limited resources, so benefits for one group of Marines means reduced benefits for others or less funding for training and readiness.

Current Situation

Two Marines with the same background who go through training together will likely arrive at their first unit as a private first class making \$2,070.70.² If one Marine gets married upon arrival at the unit, the Marine will be able to move out of the barracks. He will not have a roommate (other than his spouse). This Marine will now have the option of eating at any establishment he wants, rather than eat meals at the chow hall, with the additional \$386.50 in tax-free income received.³ This, coupled with BAH, amounts to a 72 percent increase in pay if you are stationed at Camp Lejeune.⁴ If living

>1stSgt West is the senior enlisted advisor serving with Region 2, Marine Corps Embassy Security Group.

>>Mr. Voutsos is currently an MBA student at the University of Chicago and was a Marine Logistics Officer. They served together with 2/8 Mar.



Married Marines have the option to move out of the barracks. (Photo by PFC Timothy Childers.)

on base, BAH will pay for your housing and the majority of your utilities costs if you stay within a specified utilities usage.

This Marine now avoids having leadership inspect his living area each week, and the expectation is that the chain of command will make time for this

nascent marriage in a way it will not for a single Marine's family situation. If the married Marine deploys, he will now be entitled to an additional \$250 in tax-free income.⁵ Although this incurs an additional loss of BAS, the intent of BAS is to feed the Marine, not a supplemental income to his family.⁶

Problem

Current DOD policy incentivizes marriage to the point of unfairly compensating single service members. BAH and BAS policies were designed to provide married service members the ability to provide for their families while maintaining equity with single service members that were receiving free lodging and meals. The current policy of dual BAH for married military members exposes that BAH is really a marriage bonus. The DOD website states, “BAH is an allowance to offset the cost of housing when you do not receive government-provided housing.”⁷ However, if two married Marines live in base housing, they still receive the BAH of the lower-ranking Marine in addition to receiving BAH of the higher-ranking Marine to pay for the cost of base housing.⁸

Additionally, millennials are more individualistic than any prior generation. There is a non-monetary value of allowing a married Marine to not live in the barracks and have a genuine meal choice. Married Marines’ housing quality and quantity, both on and off base, far exceeds what they get from the barracks. This is the same reason many Marine officers did not live in dorms all four years in college. At the University of Notre Dame, 63 percent of seniors live off campus.⁹ At Michigan State University, freshmen are required to live on campus; however, 61 percent of all undergraduates live off campus.¹⁰

Married Marines’ housing quality and quantity, both on and off base, far exceeds what they get from the barracks.

While the BAH system rewards Marines for marriage, the current system for BAS ends up punishing married Marines who go to the field. The system logically makes sense. The DOD website is clear, “BAS is meant to offset costs for a member’s meals. ... This allowance is not intended to offset the costs of meals for family members.”¹¹ However, Marines do not budget in a vacuum. When BAS makes up 11



Many new Marines do not see the barracks as preferred living conditions. (Photo by PFC Timothy Childers.)

percent of the above-mentioned PFC’s income, the absence of that income because of a 29-day field exercise is a big deal for that family. Even if the Marine gets FSA for exercises greater than 30 days, it does not make up the entire difference. Married Marines take a pay cut any time they go to the field.

Solution

It is unrealistic to propose a solution that replaces BAH with a corresponding increase in basic pay and cost of living adjustment based on geographic area.

The initial disruption this would cause is not worth reaching an ideal solution of equitable compensation. However, three changes to BAH would yield the desired results:

Remove Dual BAH. Keeping in line with the DOD’s stated purpose for BAH mentioned above, if married Marines are stationed within 50 miles of each other, they should not receive a de facto bonus. This will have the added

benefit of reducing contract marriages to the extent that these occur.

Merge With and Without Dependents BAH into A Single BAH Rate. Keeping in line with the DOD’s stated purpose for BAH mentioned above, there should not be a distinction in BAH rates for those with or without dependents. Would Google compensate its employees differently based on whether or not they had dependents? The private sector would never make such a distinction, and the military should not either.

Provide a Monthly Stipend for Single Marines. To bridge the current marriage pay gap without drastically overhauling military pay, single Marines living in the barracks should receive a monthly stipend that increases with rank. A more capable researcher could determine what level stipend would make the marriage pay gap null and alter the marriage incentives created from BAH.

Additionally, this policy would help keep more NCOs in the barracks and could more closely model the resident assistant (RA) system used on many college campuses. RAs are upperclassmen that reside in dorms to supervise college students and assist them. Colleges utilize the incentive of free room and board to entice these responsible individuals to stay in the dorms as RAs. At many schools, the RA is a sought-after

position. In a similar way, the Marine Corps can incentivize NCO presence in the barracks by paying them a monthly stipend.

Following these changes in BAH, two changes to BAS and FSA will bring equity to married and single Marines while not penalizing Marines for going to the field.

Create a Flex Meal Option for All Marines. Most colleges offer flex meal options to all students, regardless of whether they live in dorms or off campus. This has the benefit of encouraging all students, regardless of living situation, to eat a certain portion of meals together while allowing them flexibility to eat according to their schedules. A flex meal option for Marines would cut the current enlisted BAS rate down to \$129 and make the rate the same for officers. All Marines and Marine officers would have 60 chow hall meals available to them on their ID card. By providing 3 meals a day for 5 days (15 meals) a week over 4 weeks, 60 meals would provide Marines enough meals to go to the field each month without being docked pay if in a garrison environment. If a unit goes on an exercise that requires more than 60 meals to be consumed, the unit should fund the additional meals. This will eliminate the deduction Marines receive for going to the field. Additionally, no chow hall is open 24 hours a day, 7 days a week. Marines will have more flexibility in their work schedules to skip the chow hall occasionally with a flex meal option.

Give All Marines FSA and Change to a Deployment Incentive. Married Marines should not be the only ones receiving FSA, and non-local TAD in the United States should not qualify a Marine for family separation. The corporate world does not compensate their employees for being away from their family in the United States. Deployments are the reason Marine units train, and Marines who make it to a deployment should receive an incentive, regardless of marital status.

Conclusion

The current pay structure incentivizes marriage to the detriment of the



Current compensation policy may incentivize marriage for the wrong reasons. (Photo by LCpl Joshua Brown.)

Marine Corps and at the expense of single Marines. By making marginal changes to BAH structure, the marriage incentive currently in place can be mitigated. Additionally, by reforming BAS and FSA, the Marine Corps can stop penalizing Marines who go to the field. This would bring pay in line with DOD policy and equity to all Marines.

Notes

1. Staff, "The Uniformed Services Blended Retirement System," *Militarypay Defense*, (March 2018), available at <https://militarypay.defense.gov>.
2. Staff, "Military Pay Charts 1949 to 2021," *Defense Finance and Accounting Service*, (March 2018), available at <https://www.dfas.mil>.
3. Staff, "Basic Allowance for Subsistence (BAS)," *Militarypay Defense*, (2018), available at <https://militarypay.defense.gov>.
4. Staff, "2018 North Carolina BAH (Basic Allowance Housing) Rates," *Military Benefits*, (2018), available at <https://militarybenefits.info>.
5. Staff, "Family Separation Allowance," *Defense Finance and Accounting Service*, (March 2011), available at <https://www.dfas.mil>.
6. "Basic Allowance for Subsistence (BAS)."

7. Staff, "Basic Allowance for Housing," *Militarypay Defense*, (2018), available at <https://militarypay.defense.gov>.

8. Donald G. Salo Jr., Russell W. Beland, Jeffrey R. Mayo, RADM Matthew W. Sibley, RADM Michael J. Silah, and RADM Joan F. Hunter, *The Joint Travel Regulations (JTR)*, (Alexandria, VA: The Per Diem, Travel, and Transportation Allowance Committee, 2021).

9. Margaret Fosmoe, "Notre Dame Making Switch to Require Students to Live on Campus Three Years," *South Bend Tribune*, (September 2017), available at <https://www.southbendtribune.com>.

10. Staff, "Do I Have to Live on Campus?" Michigan State University, (n.d.), available at <http://liveon.msu.edu>; and Staff, "Michigan State University," *U.S. News*, (2018), available at <https://www.usnews.com/best-colleges/michigan-state-2290>.

11. "Basic Allowance for Subsistence (BAS)."

