SEC. ___. ONE-YEAR EXTENSION OF CERTAIN EXPIRING BONUS AND SPECIAL PAY AUTHORITIES.

(a) AUTHORITIES RELATING TO RESERVE FORCES.—Section 910(g) of title 37, United States Code, relating to income replacement payments for reserve component members experiencing extended and frequent mobilization for active duty service, is amended by striking "December 31, 2020" and inserting "December 31, 2021".

(b) TITLE 10 AUTHORITIES RELATING TO HEALTH CARE PROFESSIONALS.—The following sections of title 10, United States Code, are amended by striking "December 31, 2020" and inserting "December 31, 2021":

(1) Section 2130a(a)(1), relating to nurse officer candidate accession program.

(2) Section 16302(d), relating to repayment of education loans for certain health professionals who serve in the Selected Reserve.

(c) AUTHORITIES RELATING TO NUCLEAR OFFICERS.—Section 333(i) of title 37, United States Code, is amended by striking "December 31, 2020" and inserting "December 31, 2021".

(d) AUTHORITIES RELATING TO TITLE 37 CONSOLIDATED SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES.—The following sections of title 37, United States Code, are amended by striking "December 31, 2020" and inserting "December 31, 2021":

(1) Section 331(h), relating to general bonus authority for enlisted members.

(2) Section 332(g), relating to general bonus authority for officers.

(3) Section 334(i), relating to special aviation incentive pay and bonus authorities for officers.

(4) Section 335(k), relating to special bonus and incentive pay authorities for officers in health professions.

(5) Section 336(g), relating to contracting bonus for cadets and midshipmen enrolled in the Senior Reserve Officers' Training Corps.

(6) Section 351(h), relating to hazardous duty pay.

(7) Section 352(g), relating to assignment pay or special duty pay.

(8) Section 353(i), relating to skill incentive pay or proficiency bonus.

(9) Section 355(h), relating to retention incentives for members qualified in critical military skills or assigned to high priority units.

(e) AUTHORITY TO PROVIDE TEMPORARY INCREASE IN RATES OF BASIC ALLOWANCE FOR HOUSING.—Section 403(b)(7)(E) of title 37, United States Code, is amended by striking "December 31, 2020" and inserting "December 31, 2021".

[Please note: The "Changes to Existing Law" section below sets out in red-line format how the legislative text above would amend existing law.]

Section-by-Section Analysis

This proposal would extend certain expiring bonus and special pay authorities.

Subsection (a) of this proposal would extend income replacement payments for reserve component members experiencing extended and frequent mobilization for active duty service through December 31, 2021. The Department of Defense and Congress recognize the prudence of this incentive, which compensates an involuntarily mobilized Reserve Service member in an amount equal to the monthly income differential between the member's average monthly civilian income and the member's total monthly military compensation.

Subsection (b) of this proposal would extend two critical recruitment and retention incentive programs for Reserve component health care professionals through December 31, 2021. The Reserve components historically have found it challenging to meet the required manning in the health care professions. These incentives, which target nurse and critical health care profession skills, are essential to meet required manning levels. The financial assistance and health professions loan repayment programs have proven to be powerful recruiting tools for attracting young health professionals trained in specialty areas that are critically short in the Selected Reserve. Extending these authorities is critical to the continued success of recruiting young, skilled health professionals into the Selected Reserve.

Subsection (c) of this proposal would extend accession and retention incentives for nuclear-qualified officers through December 31, 2021. These incentives enable the Navy to

attract and retain the qualified personnel required to maintain the operational readiness and unparalleled safety record of the nuclear-powered submarines and aircraft carriers, which comprise over 40% of the Navy's major combatants. Due to extremely high training costs and regulatory requirements for experienced supervisors, these incentives provide the surest and most cost-effective means to maintain the required quantity and quality of these officers.

The nuclear officer bonus and nuclear officer incentive pay (NOIP) program is structured to provide career-long retention of officers in whom the Navy has made a considerable training investment and who have continually demonstrated superior technical and management ability. The scope of the program is limited to the number of officers required to fill critical nuclear supervisory billets, and eligibility is strictly limited to those officers who continue to meet competitive career milestones. The technical, leadership, and management expertise developed in the Naval Nuclear Propulsion Program (NNPP) is highly valued in the civilian workforce, which makes the retention of these officers a continuing challenge.

Subsection (d) of this proposal would extend through December 31, 2021, the consolidated special and incentive pay authorities added to subchapter II of chapter 5 of title 37, United States Code, by the National Defense Authorization Act for FY2008. Experience shows that retention of members in critical skills would be unacceptably low without these incentives, which in turn would generate substantially greater costs associated with recruiting and developing replacements. The Department of Defense and the Congress have long recognized the cost-effectiveness of financial incentives in supporting effective staffing in such critical military skills, assignments, and high priority units.

Subsection (e) of this proposal would extend through December 31, 2021, the Secretary of Defense authority to prescribe a temporary increase in the rates of basic allowance for housing otherwise prescribed for a military housing area or a portion of a military housing area if the military housing area or portion thereof is located in an area covered by a declaration by the President that a major disaster exists; or contains one or more military installations that are experiencing a sudden increase in the number of members of the armed forces assigned to the installation.

ONE YEAR EXTENSION AUTHORITIES FOR RESERVE FORCES:

Budget Implications: This section will extend for one year critical income replacement payments for reserve component members experiencing extended and frequent mobilization for active duty service. Dedicated resources are included within the Fiscal Year (FY) 2021 President's Budget request.

ONE YEAR EXTENSION OF TITLE 10 AUTHORITIES RELATING TO HEALTH CARE PROFESSIONALS:

Budget Implications: This section will extend for one year critical accession and retention incentive programs, which the military departments fund annually. The military departments have already projected expenditures for these incentives and programmed them via budget proposals. The military departments have projected expenditures of approximately $46.6 million

annually for FY2021 through FY2025 for these incentives in their budget proposals, to be funded from the Military Personnel accounts. Tables 2a and 2b included the numbers and funding for the pay authorities listed in subsection (b). The resources required are reflected in the table below and are included within the Fiscal Year (FY) 2021 President's Budget.

RESOURCE IMPACT ($MILLIONS)									
Program	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**Appropriation To**	**Budget Activity**	**BLI/SAG**	**Program Element (for all RDT&E programs)**
Army Res	$20.7	$20.7	$20.7	$20.7	$20.7	Reserve Personnel, Army	01		
Army National Guard	$20.6	$20.6	$20.6	$20.6	$20.6	National Guard Personnel, Army	01		
Navy Res	$2.3	$2.3	$2.3	$2.3	$2.3	Reserve Personnel, Navy	01		
AF Res	$2.2	$2.2	$2.2	$2.2	$2.2	Reserve Personnel, Air Force	01		
Air National Guard	$.8	$.8	$.8	$.8	$.8	National Guard Personnel, Air Force	01		
Total	$46.6	$46.6	$46.6	$46.6	$46.6				

NUMBER OF PERSONNEL AFFECTED									
Program	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**Appropriation To**	**Budget Activity**	**BLI/SAG**	**Program Element (for all RDT&E programs)**
Army Res	1,117	1,117	1,117	1,117	1,117	Reserve Personnel, Army	01		
Army National Guard	554	554	554	554	554	National Guard Personnel, Army	01		
Navy Res	129	129	129	129	129	Reserve Personnel, Navy	01		
AF Res	80	80	80	80	80	Reserve Personnel, Air Force	01		
Air National Guard	33	33	33	33	33	National Guard Personnel, Air Force	01		
Total	1,913	1,913	19134	1,913	1,913				

ONE YEAR EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES FOR NUCLEAR OFFICERS:

Budget Implications: This section will extend for one year the critical accession and retention incentive programs the Navy funds each year. The Navy has already projected expenditures for these incentives and programmed them into budget proposals. The Navy has projected expenditures of just over $99.1 million annually, to be funded from their Military Personnel account, to account for new and renegotiated contracts to be executed each year from FY 2021 through 2025. The Army and Air Force are not authorized in the statute to pay these bonuses. The resources required are reflected in the table below and are included within the Fiscal Year (FY) 2021 President's Budget.

RESOURCE IMPACT ($MILLIONS)									
Program	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**Appropriation**	**Budget Activity**	**BLI/SAG**	**Program Element (for all RDT&E programs)**
Navy	$96.5	$96.5	$96.5	$96.5	$96.5	Military Personnel, Navy	01, 03		
Navy Res	$2.6	$2.6	$2.6	$2.6	$2.6	Reserve Personnel, Navy	01		
Total	$99.1	$99.1	$99.1	$99.1	$99.1				

NUMBER OF PERSONNEL AFFECTED									
Program	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**Appropriation**	**Budget Activity**	**BLI/SAG**	**Program Element (for all RDT&E programs)**
Navy	2,724	2,724	2,724	2,724	2,724	Military Personnel, Navy	01, 03		
Navy Res	175	175	175	175	175	Reserve Personnel, Navy	01		
Total	2,899	2,899	2,899	2,899	2,899				

ONE YEAR EXTENSION OF AUTHORITIES RELATING TO CONSOLIDATED SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES.

Budget Implications: This section will extend for one year the consolidated special and incentive programs the military departments fund each year. These pays consist of enlisted and officer bonuses, aviation bonuses and incentives, non-physician health professions pays, hazardous duty pays, assignment and special duty pays, skill incentive pays, and critical skill retention bonuses. This section does not include the nuclear officer pays, which are located above. Specifically, the military departments have projected expenditures of approximately $5.3 billion annually from FY 2021 through FY 2025 for these incentives in their budget proposals, to

be funded from the Military Personnel accounts. The resources required are reflected in the table below and are included within the Fiscal Year (FY) 2021 President's Budget.

RESOURCE IMPACT ($ MILLIONS)									
Program	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**Appropriation**	**Budget Activity**	**BLI/SAG**	**Program Element (for all RDT&E programs)**
Army	$1,426	$1,426	$1,426	$1,426	$1,426	Military Personnel, Army	01, 02		
ARNG	$260.5	$260.5	$260.5	$260.5	$260.5	National Guard Personnel, Army	01		
USAR	$237.4	$237.4	$237.4	$237.4	$237.4	Reserve Personnel, Army	01		
Navy	$1,694	$1,694	$1,694	$1,694	$1,694	Military Personnel, Navy	01, 02		
USNR	$44.5	$44.5	$44.5	$44.5	$44.5	Reserve Personnel, Navy	01		
Marine Corps	$262	$262	$262	$262	$262	Military Personnel, Marine Corps	01, 02		
USMCR	$10.1	$10.1	$10.1	$10.1	$10.1	Reserve Personnel, Marine Corps	01		
Air Force	$1,144	$1,144	$1,144	$1,144	$1,144	Military Personnel, Air Force	01, 02		
Air National Guard	$104.2	$104.2	$104.2	$104.2	$104.2	National Guard Personnel, Air Force	01		
AF Res	$71	$71	$71	$71	$71	Reserve Personnel, Air Force	01		
Total	$5,254	$5,254	$5,254	$5,254	$5,254				

NUMBER OF PERSONNEL AFFECTED									
Program	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**Appropriation**	**Budget Activity**	**BLI/SAG**	**Program Element (for all RDT&E programs)**
Army	241,837	241,837	241,837	241,837	241,837	Military Personnel, Army	01, 02		
ARNG	51,168	51,168	51,168	51,168	51,168	National Guard Personnel, Army	01		

USAR	68,398	68,398	68,398	68,398	68,398	Reserve Personnel, Army	01		
Navy	333,957	333,957	333,957	333,957	333,957	Military Personnel, Navy	01, 02		
USNR	5,897	5,897	5,897	5,897	5,897	Reserve Personnel, Navy	01		
Marine Corps	43,620	43,620	43,620	43,620	43,620	Military Personnel, Marine Corps	01, 02		
USMCR	744	744	744	744	744	Reserve Personnel, Marine Corps	01		
Air Force	136,808	136,808	136,808	136,808	136,808	Military Personnel, Air Force	01, 02		
Air National Guard	6,617	6,617	6,617	6,617	6,617	National Guard Personnel, Air Force	01		
AF Res	12,471	12,471	12,471	12,471	12,471	Reserve Personnel, Air Force	01		
Total	901,517	901,517	901,517	901,517	901,517				

ONE YEAR EXTENSION OF AUTHORITY TO PROVIDE TEMPORARY INCREASE IN RATES OF BASIC ALLOWANCE FOR HOUSING:

Budget Implications: This section will extend for one year the Secretary of Defense authority to temporarily increase basic allowance for housing rates for areas hit by a major disaster or experiencing a sudden increase in the number of members of the armed forces assigned to an installation. Currently the Department is not utilizing this authority, however, the authority is necessary to provide assistance to members impacted by a disaster such as Hurricane Florence in South Carolina and Hurricane Michael in Florida. The military departments do not project expenditures for this allowance in their budget proposals.

Changes to Existing Laws: This proposal would make the following changes to title 10 and title 37, United States Code:

TITLE 10, UNITED STATES CODE

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§ 2130a. Financial assistance: nurse officer candidates

(a) BONUS AUTHORIZED.—(1) A person described in subsection (b) who, during the period beginning on November 29, 1989, and ending on ~~December 31, 2020~~ December 31, 2021, executes a written agreement in accordance with subsection (c) to accept an appointment as a nurse officer may, upon the acceptance of the agreement by the Secretary concerned, be paid

an accession bonus of not more than $20,000. The bonus shall be paid in periodic installments, as determined by the Secretary concerned at the time the agreement is accepted, except that the first installment may not exceed $10,000.

(2) In addition to the accession bonus payable under paragraph (1), a person selected under such paragraph shall be entitled to a monthly stipend in an amount not to exceed the stipend rate in effect under section 2121(d) of this title for each month the individual is enrolled as a full-time student in an accredited baccalaureate degree program in nursing at a civilian educational institution by the Secretary selecting the person. The continuation bonus may be paid for not more than 24 months.

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§ 16302. Education loan repayment program: health professions officers serving in Selected Reserve with wartime critical medical skill shortages

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(d) The authority provided in this section shall apply only in the case of a person first appointed as a commissioned officer before ~~December 31, 2020~~ December 31, 2021.

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TITLE 37, UNITED STATES CODE

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§ 331. General bonus authority for enlisted members

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(h) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2020~~ December 31, 2021.

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§ 332. General bonus authority for officers

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(g) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2020~~ December 31, 2021.

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§ 333. Special bonus and incentive pay authorities for nuclear officers

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(i) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2020~~ December 31, 2021.

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§ 334. Special aviation incentive pay and bonus authorities for officers

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(i) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2020~~ December 31, 2021.

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§ 335. Special bonus and incentive pay authorities for officers in health professions

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(k) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2020~~ December 31, 2021.

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§ 336. Contracting bonus for cadets and midshipmen enrolled in the Senior Reserve Officers' Training Corps

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(g) TERMINATION OF AUTHORITY.—No agreement under this section may be entered into after ~~December 31, 2020~~ December 31, 2021.

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§ 351. Hazardous duty pay

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(h) TERMINATION OF AUTHORITY.—No hazardous duty pay under this section may be paid after ~~December 31, 2020~~ December 31, 2021.

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§ 352. Assignment pay or special duty pay

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(g) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2020~~ December 31, 2021.

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§ 353. Skill incentive pay or proficiency bonus

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(i) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2020~~ December 31, 2021.

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§ 355. Special pay: retention incentives for members qualified in critical military skills or assigned to high priority units

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(h) TERMINATION OF BONUS AUTHORITY.—No bonus may be paid under this section with respect to any reenlistment, or voluntary extension of an enlistment, in the armed forces entered into after ~~December 31, 2020~~ December 31, 2021, and no agreement under this section may be entered into after that date.

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§ 403. Basic allowance for housing

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(b) BASIC ALLOWANCE FOR HOUSING INSIDE THE UNITED STATES.—*****

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(7)(A) *****

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(E) An increase in the rates of basic allowance for housing for an area may not be prescribed under this paragraph or continue after ~~December 31, 2020~~ December 31, 2021.

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§ 910. Replacement of lost income: involuntarily mobilized reserve component members subject to extended and frequent active duty service

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(g) TERMINATION.—No payment shall be made to a member under this section for months beginning after ~~December 31, 2020~~ December 31, 2021, unless the entitlement of the member to payments under this section is commenced on or before that date.

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