SEC. ___. BASIC ALLOWANCE FOR HOUSING FOR MEMBERS WITHOUT DEPENDENTS WHEN HOMEPORT CHANGE WOULD FINANCIALLY DISADVANTAGE MEMBER.

Section 403(o) of title 37, United States Code, is amended—

(1) by inserting "(1)" before "In the case of a member who is assigned"; and

(2) by adding at the end the following new paragraph:

"(2) In the case of a member without dependents who is assigned to a unit that undergoes a change of home port or a change of permanent duty station, the member may be treated for the purposes of this section as if the unit to which the member is assigned did not undergo such a change if the Secretary concerned determines that it would be inequitable to base the member's entitlement to, and amount of, a basic allowance for housing on the new home port or permanent duty station.".

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

Section-by-Section Analysis

This proposal would amend 37 U.S.C. 403, to allow the Secretaries of the military departments discretionary authority to authorize a housing allowance based on the old homeport or permanent duty station for single members disadvantaged as a result of a unit's change of homeport or permanent duty station. If enacted, the Secretary concerned may determine that when undergoing a change in homeport or change in permanent duty station it would be inequitable to pay a housing allowance other than based on the previous homeport or permanent duty station. Currently, members who undergo homeport changes from CONUS to OCONUS must be on board for at least 12 months after the effective date of the homeport change to warrant a fully-funded permanent change of station move. When members are in receipt of orders to return to the area of the previous homeport or permanent duty station, rather than receiving a fully-funded move under the homeport change order, this proposal would authorize the Secretary authority to approve retention of a previously-authorized housing allowance until return to the previous homeport or duty station.

During the most recent three-carrier ship swaps, housing allowances for a number of single Sailors living in commercial housing were stopped upon the effective date of the homeport shift, as all resided on ship and there is no authority to pay a housing allowance when a member without dependents is assigned to Government quarters. Some of these Sailors were already in receipt of follow-on orders back to the old homeport where they had to terminate commercial

housing leases. Under current law, these members lost their housing allowance and either had to move out of their current residence (despite returning in a few months) or pay rent/mortgage out-of-pocket. Married Sailors with dependents are afforded the opportunity to retain housing allowance at the old homeport rate. In light of the inequity between married and single members, Navy requested a waiver to pay a housing allowance to single members at the old permanent duty station or other than the permanent duty station/homeport rate. OSD denied the request due to absence of authority to approve such a waiver. The number of Sailors impacted due to the denial is unknown. Enactment of this proposal would eliminate an inequity to single Sailors with orders to return to their old permanent duty station/homeport.

This proposal considers provisions under current law of a low-cost or no-cost move, which permit a member to retain eligibility for a previously authorized housing allowance if not offered a funded permanent change of station order. This proposal would allow the Secretary concerned to treat members assigned to units that undergo a change of home port or permanent duty station in the same manner as a low-cost or no-cost move.

Budget Implications: The resources impacted are reflected in the table below and are included within the Fiscal Year (FY) 2021 President's Budget request. Based on typical planned Organized Unit Moves (OUM) affecting roughly 450 officers and 2500 E-5 through E-9 per year, approximately 15 officers and 80 enlisted would receive this entitlement per year. E-4 and below were not included in the estimate because nearly all single junior Sailors should be berthed in barracks. The estimate assumes one-half of the crew has no dependents, one-fourth of the crew has received transfer orders (within ~9 months of transfer), and one-fourth of transfer orders are to the original Permanent Duty Station (PDS). The last two assumptions will be greatly affected by PCS funding availability and assignment detailer action. The mean duration of entitlement for Sailors affected is approximately 6 months. The majority of Sailors affected typically reside in barracks at the new PDS, thus, receiving no BAH. Therefore, the cost would be the BAH rate at the old PDS rate for 6 months, per affected Sailor. The cost estimate is based on an average of fleet homeport BAH rates for officers in pay grade O3, and enlisted in pay grade E5, in FY18. After inflation, the cost is approximately $0.9M in FY21. The resources required are reflected in the table below and are included within the Fiscal Year (FY) 2021 President's Budget.

RESOURCE IMPACT ($MILLIONS)									
	FY 2021	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**Appropriation From**	**Budget Activity**	**BLI/SAG**	**Program Element**
Navy Basic Allowance for Housing	0.9	0.9	1.0	1.0	1.1	Military Personnel, Navy	01	Various	NA
Marine Corps does not intend to use this authority									
Army does not intend to use this authority									
Air Force does not intend to use this authority									
Total	0.9	0.9	1.0	1.0	1.1				

Changes to Existing Law: This proposal would make the following changes to section 403(o) of title 37, United States Code:

§ 403. Basic allowance for housing

(a) GENERAL ENTITLEMENT.—(1) Except as otherwise provided by law, a member of a uniformed service who is entitled to basic pay is entitled to a basic allowance for housing at the monthly rates prescribed under this section or another provision of law with regard to the applicable component of the basic allowance for housing. The amount of the basic allowance for housing for a member will vary according to the pay grade in which the member is assigned or distributed for basic pay purposes, the dependency status of the member, and the geographic location of the member. The basic allowance for housing may be paid in advance.

(2) A member of a uniformed service with dependents is not entitled to a basic allowance for housing as a member with dependents unless the member makes a certification to the Secretary concerned indicating the status of each dependent of the member. The certification shall be made in accordance with regulations prescribed by the Secretary of Defense.

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(o) TREATMENT OF LOW-COST AND NO-COST MOVES AS NOT BEING REASSIGNMENTS.—(1) In the case of a member who is assigned to duty at a location or under circumstances that make it necessary for the member to be reassigned under the conditions of low-cost or no-cost permanent change of station or permanent change of assignment, the member may be treated for the purposes of this section as if the member were not reassigned if the Secretary concerned determines that it would be inequitable to base the member's entitlement to, and amount of, a basic allowance for housing on the cost of housing in the area to which the member is reassigned.

(2) In the case of a member without dependents who is assigned to a unit that undergoes a change of home port or a change of permanent duty station, the member may be treated for the purposes of this section as if the unit to which the member is assigned did not undergo such a change if the Secretary concerned determines that it would be inequitable to base the member's entitlement to, and amount of, a basic allowance for housing on the new home port or permanent duty station.