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- 2017 Navy Legislative Fellowship Call For Applications [\[LINK\]](#)
- Zika Virus Risks And Travel Precautions [\[LINK\]](#)
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1.) New Military Retirement Law Creates Big Decisions For Many Troops / 8 FEB 16 [LINK](#)

MILITARY TIMES, Andrew Tilghman

Hundreds of thousands of service members face a critical decision during the next year that could have a huge impact on their future financial security: Whether to opt into the new military retirement system or stick with the traditional one.

Signed into law in November, the new retirement benefit will mean smaller pension checks but include cash contributions to the individual investment accounts of all troops.

It's the biggest change in decades for military compensation. For the first time, the military will offer some limited retirement benefit, similar to 401(k) contributions, to troops who separate before reaching 20 years of service. Historically those non-career service members — more than 80 percent of the force — received no retirement benefit.

Officially the new retirement system takes effect Jan. 1, 2018. After that, all troops coming out of boot camp will be automatically enrolled in the new benefit as the traditional pension plan is phased out.

Yet for today's troops, and anyone who joins during the next two years, the new law includes a grandfather clause that will allow them to choose to remain under the traditional all-or-nothing retirement system.

The Defense Department plans to roll out a forcewide education program later this year to give troops the details on the new benefits and also provide financial literacy training to help them make key decisions like how much personal basic pay to allocate to retirement savings accounts and where to invest it.

Despite years of skepticism, the new benefit looks like a potentially good deal for many of today's younger troops and the Pentagon expects thousands of service members to voluntarily waive their right to stick with the traditional system.

There's an immediate incentive: Troops who opt in will begin receiving matching contributions — ranging from 1 percent to 5 percent of monthly basic pay — into their portable individual investment account that they own outright after just two years of service.

The new system caps years of heated debate over the future of military retirement. And the final outcome is vastly different from the initial proposals that would have eliminated the fixed-income pension entirely and gutted the real value of the benefit. Those proposals sparked outrage and were ultimately rejected by the Pentagon as a major risk to retention and readiness.

In fact, the new system does not really save much money for the Defense Department. Most of the reduced spending on smaller pensions will be offset by the cash contributions for the vast majority of the rank-and-file force.

"It's an incredibly generous deal," said Mackenzie Eaglen, a military personnel expert at the American Enterprise Institute. "By and large this is the establishment of a generous new benefit for a wide swath of people who were never going to get it in the past," she said.

Offering a side-by-side comparison of the two retirement systems is difficult because it hinges on big variables, such as future stock market returns and the extent to which individual service members contribute their own pre-tax money to their retirement account and are in turn able to draw on the matching government contributions.

Troops who entered military service before 2006 are not eligible for opting into the new system and, generally speaking, for those troops who have already clocked many years in uniform and are well on their way to reaching the 20-year retirement threshold, the new system is not very attractive because they have far fewer years to accrue monthly cash contributions and let those grow over time.

Yet for troops who are early in their careers, especially the several hundred thousand who are first-term enlistees or junior officers, the question is more complex, experts say.

“This decision likely will depend on service members’ answers to several questions. First, and most importantly, what is the likelihood that the service member will make the military a career and stay at least 20 years?” said Jim Grefer, a military personnel expert at the Center for Naval Analyses.

“Service members who are unlikely to stay to 20 years of service clearly would be better off under the new system,” he said.

For individuals who strongly believe they will remain in uniform for 20-plus years, exercising the grandfather clause and staying with the traditional benefit package might make more sense, he said. They should focus on several key questions: “Are they willing to sacrifice current spendable income by making contributions to their TSPs from their own pockets? And are they willing to accept the market risk inherent in TSP-type retirement accounts?” Grefer said.

“If the answers are no, then they likely should stay in the current retirement system,” he said. Here are the details:

Under the new retirement system, military pensions will shrink by 20 percent, but otherwise will function the same as the current system, with the pension earned after 20 years of active-duty service and checks payable immediately upon separation.

Troops will receive a “continuation pay” upon reaching 12 years of service if they agree to a new four-year service agreement. Continuation pay will vary by career field but will be at minimum equal to 2.5 months of basic pay. These funds will be paid as cash, so service members can spend it — or invest it — as they wish. The Defense Department will create an individual investment account, known as a Thrift Savings Plan, for all recruits showing up at boot camp. Troops will automatically receive monthly deposits equal to 1 percent of their basic pay. They can select an investment fund and hope to accumulate market gains and interest over time as financial markets grow.

Ownership of the TSP accounts will be handed off to the individual troops after reaching two years of service. Troops will be given incentives to contribute their own money to the retirement account. Specifically, the Defense Department will offer a dollar-for-dollar match to individual contributions up to an additional 3 percent of pre-tax basic pay.

For troops opting to contribute 3 percent of basic pay, the Pentagon will contribute 4 percent, which would be the initial 1 percent automatic contribution plus a 3 percent match. That means troops contributing 3 percent would sock away monthly pre-tax contributions equal to 7 percent of basic pay.

Additionally the Defense Department will match at 50 cents on the dollar troop contributions beyond 3 percent, up to 5 percent. So to receive the maximum possible retirement benefit, troops should contribute 5 percent of their own basic pay and receive a 5 percent matching contribution from the government. Troops are permitted to contribute more of their own money, but the government match is capped at 5 percent.

For those contributing to a TSP, there is the added benefit of reducing their taxable income. However, because the TSP offers investment funds, not specific stocks, standard maintenance fees apply, and they will vary from fund to fund.

Money deposited into a TSP is generally subject to a 10 percent penalty if withdrawn before the owner reaches age 59½. Taxes are deferred on contributions, payable upon withdrawal of funds.

Deadlines

It all kicks off Jan. 1, 2018. That's when the Defense Department will begin distributing monthly retirement account contributions to recruits arriving at boot camp as well as to troops already in the ranks who opt into the new system.

Opting in will require signing some basic paperwork. Those troops who joined the military before January 2018 will automatically remain under the current system unless they seek the authorization forms for opting in. Current plans call for giving current troops a 12-month window for opting in, so the last chance to sign up to participate in the new benefit will be late December 2018.

Old bonuses

The law that fundamentally changes the retirement benefit is intended to dovetail with the longstanding system of special and incentive pays.

Re-enlistment bonuses for specific career fields, combat pays and special incentives for high-demand skills such as proficiency in foreign languages or medical specialties will continue to be a key device for the services to retain talent and shape the force.

"The new system isn't meant to dislodge the existing 'S & I' pays," said James Hosek, a military personnel expert with the Rand Corp. whose research contributed to the development of the new retirement system. Despite the pension's reduction, its total value will continue to serve as an incentive for midcareer service members to stay in uniform. "The retirement benefit at 20 years of service is still substantial. It's still a major draw," Hosek said.

Lump sum

Among the biggest changes to the retirement benefit is a new option for troops leaving after 20 years of service to receive part of their pension benefit in the form of a "lump sum" cash payout.

Retiring service members will have the option of receiving their retirement benefit in the traditional form of monthly pension checks. Or, they can opt to receive 25 percent or 50 percent of that benefit in a cash payout upon separation in exchange for future years of reduced pension payments. (The lump-sum option reduces monthly pension checks only through the traditional retirement age, typically age 67, at which time all retirees will receive the full monthly pension benefit).

The lump-sum option in some ways will resemble today's "Redux" retirement option, in which troops can receive a \$30,000 cash payment in exchange for reduced lifetime pensions. In most cases, the lump-sum payout will, after taxes, be worth less than \$100,000.

Yet the precise amount of the lump-sum payments remains unclear. They won't be calculated by simply adding up the face value of pension payments. Rather, the calculations can rest upon a "discount rate," a device that financial professionals use to measure the current value of future payments.

Discount rates assume money today is more valuable than money tomorrow — akin to reverse interest rates, shaving money from the current value of a future benefit. The higher the discount rate applied, the lower the value of the lump sum payment today.

The law Congress passed leaves the details up to the Pentagon, which will face a big decision to make in setting that discount rate, one that will add or cut hundreds of thousands of dollars from individual troops' lump-sum options.

"That is going to be the largest point of contention. It's rife with missteps," said one defense official. A key question is whether different service members will be offered different rates. Studies show enlisted troops are more eager to get money up front and therefore will accept a much bigger hit from the discount rate. But does that mean the DoD will take advantage of that and offer a better discount rate to officers? If, hypothetically, studies show that the "grunts" in the combat arms career fields are willing to take the lump sum with a higher discount rate, will the Pentagon use that to craft the formal retirement benefits program and offer those troops smaller lump-sum retirement payouts?

"Do you split it by age? By pay grade By MOS?" the official said.

Critics of the lump-sum payout plan compare it to "pay-day lenders" and say it exploits individuals' desire to have cash now at the expense of long-term financial benefit.

An independent panel on military compensation initially floated the idea in a report to Congress in January 2015. The panel suggested it was a good option for retiring troops who want to buy a home, start a business or help send a child to college.

Last year the Defense Department officially opposed the idea of a lump-sum cash payout, saying it was not a good deal for troops in most scenarios. The idea was first floated by the Military Compensation and Retirement Modernization Commission in a report to Congress last year.

Defense Department officials can kick that can down the road for a few years because it's unlikely that anyone will be completing their career and actually retiring under the new system for at least another 10 years. Some defense officials are quietly hoping that Congress will revisit the new retirement law and eliminate that piece of the benefit package before any troops have an opportunity to exercise it.

"If we can get rid of it at some point it would be ideal," the defense official said.

Troops who opt into the new retirement system will face an array of new variables and decisions. What are the best investment fund options for a TSP account? How will financial markets impact the growth of retirement accounts? How much will the 12-year continuation pay actually be? Is the lump-sum option worth considering? "It can be very complicated. But it can also come down to some very simple decisions, like contributions," said Beth Asch, a personnel expert with RAND.

"There are certain rules of thumb," she said. "Like if there is a match, do it."

2.) Dept. of Navy FY17 Budget: Delivering Options, Assuring Allies, Deterring Adversaries / 9 FEB 16 [LINK](#)

Deputy Assistant Secretary of the Navy for Budget

Today the Department of the Navy [submitted our FY17 budget request](#) of \$165 billion to Congress. Here's what it means for the Navy and Marine Corps.

In a challenging fiscal environment, this budget provides the investment required to conduct prompt and sustained combat operations at sea; protect America from attack; and preserve America's strategic influence in key regions of the world.

Focused Investment

The FY17 budget request sustains our ability to be forward deployed and continues the rebalance to the Pacific. The budget funds 58 underway days per quarter when deployed, and 24 underway days when not deployed. Ships deployed to the Pacific will increase from 52 today to 65 in 2020.

Included in this budget is a 1.6 percent pay raise and added billets for base security and officer manning. We invest in Sailor 2025, improving how the Navy matches Sailors with jobs in the fleet, and in key quality of life improvements including extended Child Development Center and base gym hours to ensure the Navy attracts, trains, develops and inspires the very best Sailors.

The FY17 budget submission supports the purchase of seven ships in FY17, including two [Arleigh Burke class destroyers](#), two [Virginia-class submarines](#), two [Littoral Combat Ships](#), and one [America-class amphibious assault ship](#). The budget fully funds the Ohio Class Replacement SSBN and grows the Fleet to 308 ships in FY21. We buy 94 aircraft in FY17. [F-35](#) FYDP production increases by 13 aircraft from the PB16 acquisition plan, accelerating 5th Generation Fighter transition.

In combination with the five additional [F-18's](#) in FY16, two in FY17, and 14 in FY18, these investments help to mitigate the strike fighter shortage. The [P-8 Poseidon](#) profile reflects our plan to accelerate procurement of one additional P-8 in FY16, and maintains the production plan to complete the buy in FY19. Additionally, this budget increases [Tomahawk](#) and [SM-6](#) production and starts procurement of Joint Air to Ground Missile, Long Range Anti-Ship Missile and Longbow Hellfire for the Littoral Combat Ship surface to surface missile module.

In addition to procurement, the FY17 budget targets critical investments in shipyard and aviation depots to reduce maintenance backlogs. We will focus on properly maintaining ships and aircraft to reach their expected service lives, and on supporting a sustainable operational tempo.

In the area of Cyber Resiliency and Electromagnetic Maneuver Warfare, the FY17 budget increases funding to continue to overmatch adversaries with targeted investments in both the Consolidated Afloat Network & Enterprise Services program and Surface Electronic Warfare Improvement Program.

Hard Choices

This fiscal environment requires each Service to make hard choices in prioritizing their budget, examining every account to maximize the use of resources. In the FY17 budget, the department is seeking approval from Congress to re-phase the [CG](#) modernization plan to extend the service life of these vital Navy assets into the 2040's.

The Department continues to pressurize military construction in order to meet fiscal constraints, limiting projects to the Department's most critical needs, and funds facility sustainment at 70 percent Navy and 74 percent Marine Corps.

Innovation and Reform

We are investing to increase the velocity of learning across the fleet through the Ready Relevant Learning initiative, which creates a new way of training our Sailors through mobile, modularized learning and re-engineered content that includes gaming technology and simulated environments. Broader innovation efforts include the OFRP; this budget builds on this year's work and the first Carrier and Expeditionary Strike Groups to deploy using OFRP.

In unmanned systems, the Navy is fielding systems in all domains to include restructuring the Unmanned Carrier-Launched Airborne Surveillance and Strike program to bring high demand fixed wing capabilities to the Carrier Air Wing in the mid-20's. This system will provide intelligence, surveillance, reconnaissance; limited strike; and tanking. Additionally the Navy is developing both surface and subsurface unmanned systems in this FYDP.

To maintain a focus on developing technology at a pace that will keep us ahead of our adversaries this budget invests in rapid prototyping. This initiative provides a single, streamlined approach to prototyping emerging technologies and engineering innovations to rapidly respond to Fleet needs and priorities. And in FY17, continued focus on improving accountability and auditability ensures every appropriated dollar is tracked from cradle to grave.

Balance

Overall, this budget provides the investment required for the Navy and Marine Corps to execute the Department's Mission Guidance. In a challenging fiscal context, it reflects the best balance of investments across people, presence, readiness and capability. Across the full scope of the request, we emphasized innovation and reform to sustain advantage, accelerate learning and strengthen our team. In making hard choices and allocating risk, the request fields a larger Fleet, a more sustainable deployed Navy and Marine Corps presence, and improved capability.

For more information on the FY17 DON Presidential Budget submission, see at <http://www.secnav.navy.mil/fmc/fmb/Pages/Fiscal-Year-2017.aspx>.

3.) DOD memo: Pregnancy cutoff date for 18 weeks of maternity leave is March 3/ 11 FEB 16 [LINK]

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At the time, Carter said sailors and Marines who were already pregnant or those who became pregnant within 30 days of his policy's enactment would still qualify for 18 weeks of leave.

Defense Department officials said Carter's policy was signed the following day, Jan. 29, placing the cutoff at the end of February. But Carter's memo to the secretaries of each military branch, the chairman of the Joint Chiefs of Staff and other officials gives sailors and Marines a few more days.

"Service members, irrespective of Military Department, who become pregnant after March 3, 2016, will be entitled only to the new, 12-week benefit of non-chargeable Maternity Leave," the memo says.

The memo says maternity leave will begin immediately following a birth or after release from hospitalization following a birth.

The memo does not specify how the conception date will be determined. Navy doctors typically provide an estimate for when conception occurred that can cover a five- to seven-day window, with the date placed in the middle. Navy officials still are developing guidance on how they'll determine conception dates for purposes of qualifying for 18 weeks of leave.

Carter's memo says the Navy will be required to provide monthly reports that show how many service members used previous maternity leave benefits. There are more than 60,000 women in the Navy, making up about 16 percent of the force.

4.) Conversation with CNP and Fleet Beldo About Suicide Prevention/ 7 FEB 16 [\[LINK\]](#)

Navy Live Blog

This week, Chief of Naval Personnel (CNP) Vice Adm. Bill Moran and Fleet Master Chief April Beldo have a conversation with MC2 L.J. Burluson on the topic of suicide.

The conversation is an opportunity to help Sailors understand that suicide is a topic that should be discussed openly and honestly. CNP and Fleet Beldo say they want all Sailors to be aware of the needs of others, make it known that they are available in a time of need, and should be knowledgeable and willing to use the resources to find help in a moment of need.

MC2 Burluson: CNP, Fleet Beldo thank you for being here today, and thank you for being here too. We're here today to have a conversation. We're here to talk about ourselves, and our health, but not just our physically health, our psychological health. A lot of us go through challenges and stressors throughout life that can be difficult to talk about. So, we're here today to talk about a very serious topic, and that's suicide.

CNP, it seems like Sailors are more prone to talk about physical problems or physical injuries then they are to talk about stress and suicide, which can be difficult to talk about, or weird at times. So why is it important that we're here today addressing this topic?

Vice Adm. Moran: Well thanks MC2. It is an important topic. You know after months on the job together, Fleet Beldo and I seemed like we've traveled out to every possible location around the globe where Sailors are. We feel like we know every one of them, both active and Reserve. So every time a report comes across our desk that talks about a Sailor who took their own life, it breaks our hearts. We really need to talk about this as a leadership team; we need to talk about it as members of our own teams, and the fleet. You know, there is no right time to talk about it; we got to talk about it all the time everyday; every Sailor all the time.

MC2: That makes perfect sense Sir. So Fleet, what do you suggest to help Sailors understand that no one is immune to stress and everyone is at risk for psychological harm in their lives?

Fleet Beldo: MC2, suicide is very complex. As you stated, nobody is immune to stress. Understanding that every Sailor has their own way of dealing with stress, and sometimes that Sailor has a hard time with reaching out and asking for help. I will be the first to admit I don't understand it all, but what I will assure Sailors out there is if they ask for help, or when they ask for help, we will be the first ones to help them.

Vice Adm. Moran: Talking about our challenges whether they're operational challenges, maintenance challenges, social challenges or psychological challenges like this one, makes all of us better. We all recognize that, so we have to talk about this together as a team. I think we all know that the stronger the team, the more we look out for each other and the more we're going to recognize when things aren't going right for Sailors, or something's out of the normal. Those are the indicators that hopefully people recognize and they step in. I think

whether you step in and actually save a life, or just express an act of kindness, that's going to strengthen the team at the end of the day.

MC2: Absolutely, that's what it's all about. CNP what are some of the things we should be looking at or listening for in our interactions with our Sailors, our family members, and our friends? What do you suggest that we look at or listen for because a lot of people can't read the signs.

Vice Adm. Moran: It's interesting every time we've learned of a suicide. We often go back and look at what indicators we've might have missed along the way. They're often very subtle, and sometimes they are very direct. It's different for every person. Fleet talked about the complexity of this issue and it is very complex. There is no magic formula that we can train Sailors to recognize and immediately be able to act. It's just a general sense of having good situation awareness of your environment and your teammates that are around you. If you're someone who is having a tough day and is seeing some of those challenges, those stressors from home, the stressors from work, you have to recognize your own weaknesses as well and not be afraid to talk to others about it. Our teammates need to be the ones to have those conversations.

MC2: For the both of you. Where else should we turn? We have our leadership, we have our families; is there anywhere else that you suggest we turn in a time of need?

Fleet Beldo: I think all of our Sailors have gotten the information with regards to Every Sailor, Every Day. There are chaplains out there that we can look to. The Fleet and Family Support Centers have different programs, and turning to each other. I might not have the right answer, but I can get you the information. Sometimes it's lonely. Some of our Sailors have demons and they don't want to ask for help because they're embarrassed. But no matter what your pay grade is, no matter your position, no matter how successful you are, that does not define the fact you have a stressor and you can't ask for help.

Vice Adm. Moran: The other thing I'd add is we have a great medical community as part of our Navy. They are well trained in many aspects of psychological, mental health issues. Again, because they're wearing a uniform, it might dissuade people from walking in the door. Don't be afraid to do that. Seek out that help, and make sure that those who see patterns of behavior that might cause you to think that a shipmate is having a tough day, don't be afraid or reluctant to refer them to our medical professionals. It's a great team, and they are part of the team when you look at the whole part of the Navy that's trying to tackle this.

MC2: Well CNP, Fleet, thank you for being here and answering the questions, and thank you all for watching. I hope you were able to take something away from this video. And understand that there are resources like the one that's actually on the screen right now. The website and phone number, be sure to reach out to that if you feel like you need someone to reach out to in a time of need. Be sure, like Fleet said, to reach out to family members; to Sailors; to friends; whatever you need to help get you the help that you deserve. And always remember; always remember; that help is always available. Thank you for watching.

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