



Aviation Career Incentive Pay¹

Today, more than half the Army Reserve Component aviation force is retirement eligible and, with the current tempo of operations and stress on the families, commanders fear another migration of experienced aviators will be leaving the Service soon.

Army Aviation Magazine, March/April 2006

Background

The purpose of the **Aviation Career Incentive Act of 1974 (ACIP)** is to retain aviators in a career status and to compensate them for their skills and experience regardless of component.² In 1974, ACIP was enacted in response to the critical loss of experienced aviators who were migrating to the airline industry following the war in Vietnam. It changed the policy from paying pilots for logging four hours a month for "hazardous flying duty" to compensating aviators for performing "operational flying duty" in career status. Operational flying duty is credited in years of aviation service rather than in hours of hazardous flying time.

Although ACIP applies equally to all components of all services, the concern of the Department of Defense (DoD) at the time was that full ACIP for reservists might cause a significant migration of active component (AC) aviators to the reserve component (RC, comprising both National Guard and Reserve) because a reservist would then be able to earn a full month's flight pay by flying just one day a month. Therefore, DoD retained the policy of paying RC aviators on a basis of 1/30th of a month's flight

pay for every drill period they performed—the so-called "1/30th rule."

Current Status

The 11 September 2001 terrorist attacks on the U.S. homeland changed everything. The impact of 9/11 on the Army National Guard and Army Reserve has been dramatic. No longer do reservists simply perform routine weekend drills and the normal two-week summer camps; rather, they are fully invested in meeting the nation's commitment in the war on terror. In the past three rotations to Operations Enduring Freedom and Iraqi Freedom, Army National Guard and Army Reserve aviation forces have made up 25 percent to 75 percent of the aviation forces deployed. All 12 of the Guard's aviation brigades are in the Army Force Generation (ARFORGEN) model for rotations³ and are predicted to remain there for the foreseeable future. Each unit deployment has included an additional six to nine months of post-mobilization and recovery. Current Secretary of Defense guidance will drive this to less than 90 days.⁴ This level of operational tempo (OPTEMPO) argues for maintaining a high state of RC aviator readiness during pre-mobilization.

¹ Based on an Army Aviation Association of America resolution to gain congressional support to award full compensation to reserve component aviators.

² House of Representatives Report No. 93-799, 93rd Congress, End Session, Washington, D.C., 13 February 1974.

³ See AUSA's Torchbearer National Security Report 2006 and Beyond: *What the U.S. Army Is Doing*, March 2006, p. 16, online at http://www.ausa.org/PDFdocs/TBSecRpt/TBear_March_06_optimized.pdf.

⁴ "Army struggles to shorten Guard deployments," *Army Times*, 1 March 2007.



Disaster relief has also demanded a higher state of readiness from reserve component aviation forces. Guard aviators were among the first responders in the aftermath of Hurricanes Katrina and Rita. Army Reserve aviators began deploying, with less than 24 hours' notice, to Pakistan in response to the earthquake in October 2005 and followed that up with a full rotation to Afghanistan. Guard helicopters are fighting the wildfires in the Western United States and, when Hurricane Alberto was threatening landfall in Texas during the 2006 hurricane season, the President inquired about the readiness of four CH-47 crews and six medical evacuation crews from the Guard who were tasked to respond.

Reserve component aviation crews play key roles in peacekeeping operations and homeland defense missions as well. Guard forces are deployed to Peru, El Salvador, Honduras, Jamaica and the Dominican Republic. Guard aviation units have been rotating in support of the Multi-National Task Force-East operations in Kosovo for several years now. Two hundred Guard aviators are deployed along the southern border of the United States in Operation Jump Start.

The readiness of RC aviation crews is critical to the operational needs of the U.S. Army. Reserve component aviators have the same flight standardization, the same physical requirements and the same academic standards as active component aviators. They operate and maintain the same modernized aircraft performing the same missions. They have the same career gate requirements and, as recent experience demonstrates, they have to be ready to respond with very little notice.

Reserve Aviator Retention

All of this places a premium on aviation experience and competency. Therefore, retention of experienced reserve component aviation crews is vital to the effectiveness of Army Aviation in this post-9/11 environment. Today, in the Army National Guard, more than half of the aviators are retirement eligible and another 19 percent will become retirement eligible within the next five years.

The annual attrition rate of Guard aviation warrant officers is above 9 percent—and this at a time when retention rates for the active Army are at all-time highs.

In 2006, the Guard was able to fill only 82 percent of its authorized aviation warrant officer slots; by 2008, that number is expected to be less than 77 percent. To reverse this trend, the Guard must retain experienced aviators for as long as possible, attract new aviators as quickly as possible and fill 1,288 vacant aviation warrant officer slots within the next four years.

This is precisely what Aviation Career Incentive Pay is designed for—"to increase the ability of the uniformed services to attract and retain officer volunteers in a military aviation career." ACIP helped to attract and retain active component aviators in 1974, and it should help to attract and retain reserve component aviators in 2007.

Full ACIP

Full ACIP for all components is supported in the Aviation Career Incentive Act of 1974, in Title 37 of the United States Code⁵ and in the current DoD Financial Management Regulation.⁶ In fact, this was the intent of Congress in passing the Act of 1974, as stated in House Report 93-799 (1974):

The committee bill places Reserve . . . and National Guard officers under the same aviation career incentive pay program as active duty officers, including the rate stepdowns and the 25-year termination. . . . The committee . . . desires to treat [r]eservists on an equal basis with active duty members whenever possible.⁷

New reserve component aviation crews come from two main sources—new accessions joining the reserve component for the first time and experienced aviators transferring from normal attrition out of the active service. New accessions are running about 8 percent a year, but it takes about \$1 million and one year to train a new aviator, and they arrive in a unit with no experience. Transfers from the active component are an important

⁵ U.S. Code, Title 37, Chapter 3, Section 204, *Entitlement*, Subsections (a-j), 11 October 2005.

⁶ DoD Financial Management Regulation, Volume 7A, Chapter 58, Pay and Allowances for Inactive Duty Training, Sections 5701–5707, pp. 58-1–58-25, June 2006.

⁷ House Report No. 93-799 (Committee on Armed Services), p. 21, accompanying H.R. 12670, 93d Congress, 2d Session (1974). See Senate Report No. 93-841 (Committee on Armed Services), p. 24, accompanying H.R. 12670, 93d Congress, 2d Session (1974) (quotation the same except for a reference to "the same flight pay system" in place of "the same aviation career incentive pay system").

source of experienced aviators, but they are running historically low. The National Guard Bureau (NGB) believes this is a result of the high OPTEMPO for both active and reserve aviators and the lack of incentive to attract transfers from the AC.⁸

NGB believes full compensation under ACIP would be especially helpful in both retention and new accessions. Preliminary polling of five different state aviation officers, and their adjutants general, indicates full incentive pay for their aviators would be especially effective in retaining those who are retirement eligible but still have as much as 10 more years before mandatory retirement. They also believe full ACIP would help in attracting experienced aviators leaving active service.

A 2001 Army G-1 report estimates annual costs for ACIP (under the 1/30th rule) is around \$8 million. Full ACIP would cost around \$30 million.⁹ If these estimates are accurate, the Army would need only to retain 22 aviators a year in order to break even—that is, 22 aviators with *experience*, about the size of an aviation company. Full ACIP is a bargain.

Resolutions

Full ACIP for the RC is supported in the letter and spirit of the law of 1974; in the legislative authority of Title 37 U.S.C.; in the DoD Financial Management Regulation; and, therefore, could be facilitated simply by eliminating the 1/30th rule. A number of national

organizations have passed resolutions urging Congress to do just that.

The Army Aviation Association of America (AAAA) and the Reserve Officers Association (ROA) passed resolutions in 2005. The National Guard Association of the United States (NGAUS) passed resolutions in 2006 in support of both the Army and Air Guard. The Military Officers Association of America (MOAA), the Association of the United States Army (AUSA) and other members of The Military Coalition (TMC) are addressing this issue in their resolutions committees this year. The National Guard Bureau is also in full support.

Conclusion

Reserve component participation today in the war on terror far exceeds the OPTEMPO of RC forces prior to 9/11. Reserve component aviators are the first responders to natural disasters and the first defenders in guarding the homeland. Fully half of all RC aviation units are deployed today worldwide in support of the war. They have the same flight standards, physical requirements and competency measures as the active component.

The U.S. Army today cannot meet its operational requirements, in peace or war, without full and seamless participation of the Guard and Reserve. DoD has a practical requirement as well as a moral obligation to eliminate the 1/30th rule and incentivize RC aviators to be 100 percent ready when needed . . . and they are needed *now!*

Key Points

- Aviation Career Incentive Pay was enacted in 1974 in response to the critical loss of experienced aviators.
- It worked then for the active component—it can work today for the reserve component.

⁸ Structured Manning Decision Review (SMDR) briefing to the Council of Colonels, Army Staff, Pentagon, presented by the National Guard Bureau, 12 December 2006.

⁹ Memorandum for the Assistant Secretary of the Army (Manpower and Reserve Affairs), subject: Aviation Career Incentive Pay (ACIP) and Career Enlisted Flyers Incentive Pay (CEFIP) for the Reserve Component, Pentagon, Washington D.C., 26 October 2000.



Association of the United States Army
2425 Wilson Boulevard
Arlington, Virginia 22201
703-841-4300,
www.ausa.org