



ASSOCIATION OF THE UNITED STATES ARMY

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General Gordon R. Sullivan
United States Army (Ret.)
President

7 July 2015

The Honorable John Boehner
Speaker of the House of Representatives
1011 Longworth House Office Building
Washington, DC 20515

Dear Mr. Speaker:

On behalf of the membership of the Association of the United States Army (AUSA), and as a former Chief of Staff of the Army, I write to urge that in conferencing the FY 2016 National Defense Authorization Act (NDAA) you accept the recommendations pertaining to a new retirement system provided by the Joint Chiefs of Staff in their 1 July letter (to Senator McCain).

The Joint Chiefs' recommendations are guided by their holistic review of the Military Compensation and Retirement Modernization Commission (MCRMC) proposals and the proposals in both the House and Senate versions of the FY 2016 NDAA. Their recommendations, in my view, will create a new blended retirement system while allowing the services the flexibility to deal with unforeseen dynamics that implementation surely will bring.

I believe that concurrent with the implementation of a new system, increased financial literacy training is essential to provide military personnel with the necessary tools to make sound choices that will ensure their and their families' long-term financial wellbeing.

I will not reiterate the details of the Joint Chiefs' letter, however in summary, it is imperative that the final legislation incorporate a government Thrift Savings Plan (TSP) match of 5 percent, continuing the TSP match beyond 20 years of service, flexibility in implementing continuation pay, repeal of the Cost of Living minus 1 percent provision for future entrants, and increasing the multiplier to 2.5 for disability retirees. I do differ with the Joint Chiefs' recommendation that there be no minimum or maximum continuation pay amount – I believe there should be a legislated minimum amount.

AUSA supports a retirement system that will ensure the services' ability to recruit and retain high quality personnel both for short-term and long-term service, which the Joint Chiefs' recommendations will provide. The Joint Chiefs' recommendations represent the greatest opportunity to retain our best and brightest and ensure the long-term health of the All-Volunteer Force – an outcome that we all agree is essential for the defense of the nation.

Sincerely,



GORDON R. SULLIVAN
General, USA Retired