

NAVAL POSTGRADUATE SCHOOL

Monterey, California



THESIS

**COST-BENEFIT ANALYSIS OF PROVIDING A SPECIAL
SUBSISTENCE ALLOWANCE TO MILITARY
PERSONNEL WHO QUALIFY FOR FOOD STAMPS**

by

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June 2000

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SUBSISTENCE ALLOWANCE TO MILITARY PERSONNEL WHO
QUALIFY FOR FOOD STAMPS**

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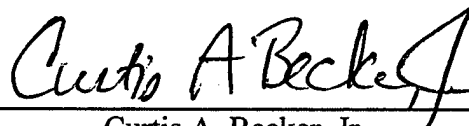
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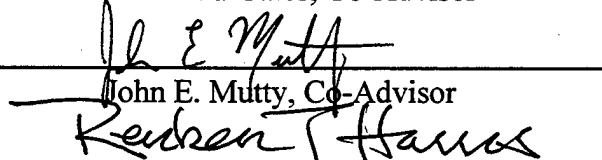
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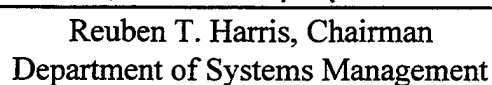


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ABSTRACT

Recent reports suggest that approximately 12,000 military personnel and their families are currently relying on food stamps to supplement their income, and evidence suggests that nearly twice that number are eligible for this and other food relief programs. Other estimates cite that military food stamp beneficiaries may range from 6,400 to 20,000. The need for food stamps has been attributed to several factors, one of which is the perceived military "pay gap." Although, significant strides have been made in recent years to improve quality of life for our service men and women and their families, the military pay system tends to lag behind the civilian employment cost growth index. Despite the strong economy that we currently enjoy, many of our service personnel are struggling to make ends meet.

The analysis compared the costs associated with providing eligible personnel with Food Stamp Program benefits to the cost of providing a Special Subsistence Allowance in lieu of food stamps. On the surface, the Federal Government may realize approximately \$7,862,400 if the additional subsistence is set at \$180 per beneficiary per month, as posed in Senate legislation. Despite such savings, the Department of Defense is constrained by its compensation system, which uses promotion and pay increases to encourage advancement and longevity as a basis for compensation. The Special Subsistence Allowance in lieu of food stamps could also have devastating financial effects for some while providing a cash bonus for others.

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TABLE OF CONTENTS

I. INTRODUCTION	1
A. BACKGROUND	1
B. PRIMARY AREA OF RESEARCH.....	2
C. SUBSIDIARY RESEARCH QUESTIONS.....	2
D. SCOPE, LIMITATIONS, AND ASSUMPTIONS	3
E. METHODOLOGY	3
F. ORGANIZATION	4
G. BENEFIT OF STUDY.....	5
II. HISTORY AND FUCTION OF THE FOOD STAMP PROGRAM.....	7
A. HISTORY	7
B. OBJECTIVES AND ELIGIBILITY CRITERIA.....	8
C. SUMMARY	13
III. MILITARY PAY GAP	15
A. THE STRUCTURE OF MILITARY PAY	15
B. UNDERSTANDING THE REPORTED PAY GAP	22
C. IS THE MILITARY PAY GAP A USEFUL CONCEPT?.....	26
D. WHY THE MILITARY MIGHT BE ABLE TO PAY LESS THAN CIVILIAN EMPLOYERS	28
E. SUMMARY	29

IV. PRESENTATION OF DATA AND ANALYSIS	31
A. INTRODUCTION	31
B. DIFFICULTIES FACED BY THE DEPARTMENT OF DEFENSE	32
C. ESTIMATION OF COSTS.....	36
1. Food Stamp Program Benefit Cost	37
2. Special Subsistence Allowance Cost	43
D. ESTIMATION OF SAVINGS.....	45
E. BREAKEVEN ANALYSIS	48
F. RECENT LEGISLATION.....	50
G. SUMMARY	52
V. CONCLUSIONS AND RECOMMENDATIONS	53
A. CONCLUSIONS.....	53
B. RECOMMENDATIONS	55
C. SUGGESTIONS FOR FURTHER RESEARCH	57
APPENDIX A -- PAY AND ALLOWANCE CALCULATIONS FOR ENLISTED PERSONNEL.....	59
APPENDIX B -- COST-BENEFIT CALCULATIONS.....	63
LIST OF REFERENCES.....	75
INITIAL DISTRIBUTION LIST.....	79

LIST OF FIGURES

3-1. Distribution of Regular Military Compensation Among its Components (In Percent).....	17
3-2. Annual Increases in Civilian and Military Pay, 1982-2000	24
3-3. Difference Between Increases in Private Sector and Military Pay, 1982-2000.....	25
3-4. Military Pay "Raise" Gap, 1982-2000	25
4-1. Estimated Food Stamp Program Benefits Received by Military Personnel	42
4-2. Estimated Cost of Special Subsistence Allowance.....	45
4-3. Estimated Annual Savings Realized by the Federal Government	47
4-4. Breakeven Monthly Subsistence Allowance	50

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LIST OF TABLES

2-1. U.S. Department of Health and Human Services Poverty Guidelines, Calendar Year 2000	10
2-2. Food Stamp Program Monthly Allowable Income, Fiscal Year 2000	11
2-3. Food Stamp Program Monthly Deductions, Fiscal Year 2000.....	12
2-4. Food Stamp Program Maximum Monthly Allotments, Fiscal Year 2000	13
3-1. Monthly Basic Pay Table, Effective January 1, 2000	18-20
3-2. Basic Allowance for Subsistence (BAS), Effective January 1, 2000	21
3-3. Active Duty Military Personnel by Grade as of March 31, 1999	21
4-1. Poverty Guidelines, Fiscal Year 2000	32
4-2. Food Stamp Qualification for On-Base Military Personnel	34
4-3. Food Stamp Qualification for Off-Base Military Personnel.....	35
4-4. Active Duty Personnel and Their Dependents as of September 30, 1998.....	41

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I. INTRODUCTION

“Cost-benefit analyses” are attempts to estimate certain costs and gains that would result from alternative courses of action...

The term “cost-benefit analysis” was originally associated with natural-resource projects but has gradually come to be used for numerous other applications. The basic idea is not new: individuals have presumably been weighing the pros and cons of alternative actions ever since man appeared on earth.

[Such] studies might well be called economic analyses. This does not mean that the economist’s skills are the only ones needed in making such analyses or, indeed, that economists are very good at making them. It merely means that this analytical tool is aimed at helping decision-makers—consumers, businessmen, or government officials—economize. [Ref. 1]

A. BACKGROUND

Initially the Department of Defense acknowledged that approximately 12,000 military personnel were receiving Food Stamps Program benefits.¹ Although estimates have varied between approximately 6,400 and 20,000, recent reports suggest that number may be significantly smaller than 12,000.² Whatever the actual number, the fact that military personnel rely on food stamps as a portion of their total compensation is often considered unacceptable. The need for food stamps has been attributed to several factors, one of which is the perceived military “pay gap.” Although significant strides have been

¹ In a January 1997 News Briefing, the Pentagon said that approximately 12,000 military personnel with families were eligible for food stamp. In remarks on the Senate floor when the Senate bill (The Soldiers’, Sailors’, Airmen’s, And Marines Bill of Rights Act of 1999—S. 4) was introduced on January 19, 1999, Senator John McCain reaffirmed that this figure had not changed. [Ref. 2]

² The number of military personnel receiving food stamps seems to be declining. The Pentagon predicts that scheduled pay increases for military personnel will trim the total number of military personnel on food stamps to 4,000 by 2005. [Ref. 3]

made in recent years to improve quality of life for our service men and women and their families, the military pay system tends to lag behind the employment cost index. Despite the strong economy that we currently enjoy, many of our service personnel are struggling to make ends meet. This thesis examines the Food Stamp Program and poses a method that may be employed to ensure that our service personnel are not required to turn to the Food Stamp Program to provide for their families.

B. PRIMARY AREA OF RESEARCH:

This study provides a cost-benefit analysis to determine the feasibility of providing additional subsistence to those military personnel who qualify for food stamps in order to remove them from the program.

C. SUBSIDIARY RESEARCH QUESTIONS:

1. What are the general eligibility requirements for food stamps? Is the requirement for food stamps by military personnel directly attributed to their income or a function of their family size?
2. Approximately how many military personnel and their families are currently on food stamps? How many are eligible and not participating?
3. What is the alleged military/civilian pay gap? Does this pay gap contribute to participation in the Food Stamp Program?
4. What savings might the federal government realize by providing a special subsistence allowance to military personnel who can demonstrate eligibility for food stamps?

5. What legislation has been enacted to address removing military personnel from food stamps?

D. SCOPE, LIMITATIONS, AND ASSUMPTIONS

This thesis provides a cost-benefit analysis of providing additional subsistence to those military personnel who are eligible for food stamps in order to remove them from the program.

E. METHODOLOGY

The methodology will include:

1. an introduction to the background and alleged causes of military personnel relying on food stamps,
2. a review of the Food Stamp Program, and eligibility requirements,
3. a description of the military pay system, and the perceived military pay gap,
4. a description and analysis of a proposed special subsistence allowance,
5. an evaluation of the cost, benefits, and possible savings that may be realized from implementing a special subsistence allowance, and
6. a review of recent legislation.

The thesis concludes with a recommendation for lawmakers to consider in an attempt to ensure that our service personnel are not required to turn to the Food Stamp Program to provide for their families.

F. ORGANIZATION

Chapter II provides a brief overview of the history and function of the Food Stamp Program and describes the program's underlying objectives and eligibility.

Chapter III discusses the alleged military pay gap and how it relates to the military pay system. It then provides information to help decide whether the military pay gap is a useful concept. Finally, several reasons are presented as to why the military may be able to pay less than civilian employers.

Chapter IV presents an alternative for lawmakers to consider for removing military personnel and their families from the Food Stamp Program. A special subsistence allowance for military personnel who can demonstrate eligibility for the Food Stamp Program is described. Supporting cost-benefit analysis, including estimated costs and savings, is provided.

Chapter V is the last chapter of this thesis and provides conclusions and recommendations for lawmakers to consider during future legislation to ensure that our service men and women and their families are not required to turn to the Food Stamp Program in order to support their families. The chapter concludes with recommendations for further research.

G. BENEFIT OF THE STUDY

This study will provide the information required to implement a special subsistence allowance for military personnel who can demonstrate eligibility for the Food Stamp Program.

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II. HISTORY AND FUNCTION OF THE FOOD STAMP PROGRAM

Congress hereby finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of the Nation's agricultural abundance and will strengthen the Nation's agricultural economy, as well as result in more orderly marketing and distribution of foods. To alleviate such hunger and malnutrition, a food stamp program is herein authorized which will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who will apply for participation. [Section 2 of the Food Stamp Act of 1977]

A. HISTORY

The original legislation authorizing food assistance for low-income persons in the United States was passed during the Great Depression. The Potato Control Act of 1935 allowed the Secretary of Agriculture to use 30 percent of the receipts from U.S. Customs to encourage exports of agricultural products, finance agricultural production, and "...encourage the domestic consumption of such commodities or products by diverting them, by payment of benefits or indemnities, or by other means from the natural channels of trade and commerce." [Ref. 4]

President Kennedy instituted eight pilot food stamp projects in 1961 that affected approximately 392,000 people at a Federal cost of \$29 million [Ref. 5]. These pilot programs were gradually expanded under Section 32 of the Agriculture Adjustment Act

and then became law under the Food Stamp Act of 1964. This Act was initially authorized for three years to:

Promote the general welfare, that the nation's abundance of food should be utilized cooperatively by the State, the Federal Government, and local government units to the maximum extent practicable to safeguard the health and raise the levels of nutrition among low-income households. [P.L. 8-525, 78 Stat.]

Originally, beneficiaries had to pay for the food stamps, and participation by states, cities, and counties was optional. Within participating states, local and state authorities defined eligibility, while the Federal Government paid for the benefits. Because of geographical disparities, some of the nation's poorest families received little or no help.

During the Nixon and Carter Administrations, uniform national eligibility and benefit standards were established with a built-in adjustment for food-price inflation, and the Federal Government additionally assumed half of the states' administrative costs.

B. OBJECTIVES AND ELIGIBILITY CRITERIA

The Food Stamp Program represents the pledge that hunger will not be tolerated in America. It is the tangible expression of the unalterable belief that everyone has a right to food for themselves and their families.

— United States Department of Agriculture [Ref. 6]

The original Food Stamp Act defined the essential objectives of the program as: using the Nation's food supply, removing surplus, and promoting the nutritional well-being of low-income people. These basic objectives guide today's Food Stamp Program.

The program is a federal-state partnership in which the federal government pays for the food stamp benefits and 50 percent of the states' administrative costs. The U.S. Department of Agriculture's Food and Nutrition Service administers the program at the

federal level. The states' responsibilities include certifying eligible households, calculating benefits, and issuing benefits to those who qualify.

Participation in the Food Stamp Program is based upon certain eligibility requirements. To be eligible for the program, everyone in a household¹ must have or applied for a Social Security number, and be in one of the following categories:

- citizens or nationals of the United States;
- legally admitted for permanent residence and have a total of 40 qualifying work credits; (work credits earned by a spouse or parent may count toward the 40 credits, but only for Supplemental Security Income eligibility purposes);
- certain noncitizens who are legally admitted for permanent residence and who are active duty members, or who are honorably discharged veterans of the U.S. armed forces, their spouses and unmarried dependent children; or
- certain American Indians who are born outside the U.S. or who are members of federally recognized Indian tribes. [Ref. 7]

Certain other noncitizens may be eligible for seven years after:

- the date of admission as a refugee under section 207 of the Immigration and Nationality Act (INA);
- the date granted asylum under section 208 of the INA; or
- the date deportation is withheld under section 243(h) of the INA, as in effect before April 1, 1997, or the date removal has been withheld under Section 241(b)(3) of the INA;

¹ For food stamp purposes, individuals who live together in a residential unit and purchase and prepare food together form a household, and all of their income and assets together determine eligibility. If individuals living together don't buy and prepare food together, they can apply separately. Persons who are elderly or disabled who are unable to purchase and prepare food may apply as a separate household if the gross monthly income of the rest of the household is equal to or less than 165 percent of federal poverty guidelines.

- the date admitted as an Amerasian immigrant under section 584 of the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1988; or
- the date granted status as a Cuban or Haitian entrant as defined in section 501 (e) of the Refugee Education Assistance Act of 1980. [Ref. 7]

With certain exceptions, households meeting these eligibility requirements are qualified to receive benefits. Households, except those with elderly or disabled members, must have gross incomes² below 130 percent of the poverty line³ and net incomes below 100 percent of the poverty line to be eligible—See Table 2-1.

People in Household	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$8,350	\$10,430	\$9,590
2	\$11,250	\$14,060	\$12,930
3	\$14,150	\$17,690	\$16,270
4	\$17,050	\$21,320	\$19,610
5	\$19,950	\$24,950	\$22,950
6	\$22,850	\$28,580	\$26,290
7	\$25,750	\$32,210	\$29,630
8	\$28,650	\$35,840	\$32,970
Each Additional Person	\$2,900	\$3,630	\$3,340

Table 2-1. U.S. Department of Health and Human Services
Poverty Guidelines, Calendar Year 2000

Source Data: U.S. Department of Health and Human Services [Ref. 8]

² Gross income means a household's total, non-excluded income, before any deductions have been made. Net income means gross income minus allowable deductions.

³ The poverty line is a simplification of the federal poverty thresholds used for administrative purposes—for instance, determining financial eligibility for certain federal programs. The Department of Health and Human Services issues it each year in the Federal Register.

The Fiscal Year 2000 Food Stamp Program monthly income limitations are shown in

Table 2-2. The effective dates of these limits are October 1999 through September 2000.

People in Household	Gross Monthly Income Limits	Net Monthly Income Limits
1	\$893	\$687
2	\$1,199	\$922
3	\$1,504	\$1,157
4	\$1,810	\$1,392
5	\$2,115	\$1,627
6	\$2,421	\$1,862
7	\$2,726	\$2,097
8	\$3,032	\$2,332
Each Additional Person	+\$306	+\$235

Table 2-2. Food Stamp Program Monthly Allowable Income,
Fiscal Year 2000

Source Data: United States Department of Agriculture

Certain deductions from monthly gross income are allowed, however, there are variations between the states—See Table 2-3 for specifics. In general, the allowable deductions are:

- A 20 percent deduction from earned income.
- A standard deduction for all households—See Table 2-3.
- A dependent care deduction when needed for work, training, or education—but not more than \$200 for each child under age 2 and not more than \$175 for each other dependent.
- Medical expenses for elderly or disabled members which are more than \$35 for the month if they are not paid by insurance or someone else.
- Legally owed child support payments.
- Excess shelter costs which are more than half of the household's income after the other deductions. Allowable costs include the cost of fuel for heating and cooking, electricity, water, the basic fee for one telephone, rent or mortgage payments and taxes on the home. Unless one person in the household is elderly or disabled, the amount of the shelter deduction cannot be more than allowed—See Table 2-3.
- A monthly homeless household shelter deduction of \$143.

Area	Standard Deductions
48 States & DC	\$134
Alaska	\$229
Hawaii	\$189
Guam	\$269
Virgin Islands	\$118
Area	Shelter Deductions
48 States & DC	\$275
Alaska	\$478
Hawaii	\$393
Guam	\$334
Virgin Islands	\$203

Table 2-3. Food Stamp Program Monthly Deductions,
Fiscal Year 2000

Source Data: United States Department of Agriculture

Households can use food stamp benefits to buy any food or food product for human consumption, and seeds and plants to produce food. Households **CANNOT** use food stamp benefits to buy:

- Alcoholic beverages and tobacco
- Lunch counter items or foods to be eaten in the store
- Vitamins or medicines
- Pet foods
- Any non-food items (such as soaps, paper products, laundry products, grooming items, and cosmetics)
- Hot foods that are ready to eat
- Any food marketed to be heated in the store

Food stamps are provided at no cost to participating low-income households to supplement their food purchases and help them maintain a healthy diet. In fiscal year 1998, food stamps were over one-fifth of a participating household's total monthly income—cash plus food stamps. The average monthly food stamp benefit was \$71 per person and over \$16.9 billion was paid out for the year [Ref. 9]. If the value of the food stamps received were counted in addition to cash as gross income, one-fifth of food

stamp households would move from below to above the poverty line. The Fiscal Year 2000 Food Stamp Program maximum monthly income benefits are shown in Table 2-4.

People in Household	Maximum Monthly Allotment
1	\$127
2	\$234
3	\$335
4	\$426
5	\$506
6	\$607
7	\$671
8	\$767
Each Additional Person	\$96

Table 2-4. Food Stamp Program Maximum Monthly Allotments,
Fiscal Year 2000

Source Data: U.S. Department of Agriculture

C. SUMMARY

Today we know more about the importance of adequate nutrition and its importance to good health than ever before. The Food Stamp Program has made a significant impact on reducing hunger in the United States. The current program structure was implemented in 1977 with a goal of alleviating hunger and malnutrition by permitting low-income households to obtain a more nutritious diet through normal channels of trade. The program provides monthly coupons to eligible low-income families which can be used to purchase food. Participation in the program increases the nutritional value of low-income household's home food supplies by 20 to 40 percent and these households tend to spend more on food than low-income non-participating households. [Ref. 10]

The Food Stamp Program is the cornerstone of the U.S. Department of Agriculture's domestic food assistance programs. It is the largest non-categorical Federal welfare program, serving nearly 23 million people a month—9 million families—and providing over \$20 billion in benefits annually [Ref. 11].

III. MILITARY PAY GAP

According to widely published reports, a gap of more than 13 percent separates the pay of military personnel from that of workers in the civilian sector. Although the reports are not always clear about what they mean by "pay gap," many people apparently accept the term at face value as an indication that service members earn less than workers in similar civilian jobs or less than they could earn as civilians. The reported pay gap permeates discussions about military pay policy and may lead to a decision to substantially increase military pay. [Ref. 12]

A. THE STRUCTURE OF MILITARY PAY

Military pay and allowances for active and reserve personnel are authorized in Title 37 of the U.S. Code and are funded through the military personnel accounts.

Military personnel is one of six major budget groups for the Department of Defense.¹ It is the second largest of DOD's budget groups after Operations and Maintenance.

Distinctly different from most civilian workers, military personnel receive at least four different forms of military compensation: basic pay, a housing allowance, a subsistence allowance, and a tax advantage associated with the allowances. Together, those four forms of pay are known as Regular Military Compensation and are used to provide a rough basis for comparison with the pay of civilians. The Congressional Budget Office describes each of the four distinct forms of pay as follows:

Basic pay depends on a service member's pay grade (based on military rank) and years of service. In general, increases based on years of service come every two years, although each pay grade has a point at which increases stop.

¹ The other major account groups are Operations and Maintenance (O&M); Procurement; Research, Development, Test, and Evaluation (RDT&E); Military Construction (MILCON); and Family Housing.

The *Basic Allowance for Housing* (BAH), which replaced two separate housing allowances in 1998, depends on members' pay grade, whether they have dependents, and where they are assigned. The military provides family housing for roughly one-third of personnel with dependents stationed in the United States; the rest live in private housing and receive BAH. Although assignments to family housing units depend on how many dependents service members have, housing allowances do not. Single officers generally may elect to receive a BAH, and most do so. Most single enlisted personnel in pay grades E-6 and above have the same choice; most junior enlisted personnel without families are expected to live in military barracks.

The *Basic Allowance for Subsistence* is the third component. Like the housing allowance, it is not subject to income taxation and can be paid either in cash or in kind (in the form of free meals in government dining facilities). The allowance is paid at one rate for enlisted personnel and at another (lower) rate for officers.

The *federal tax advantage*, the fourth component, is equal to the amount of additional federal income tax that a service member would have to pay if his or her housing and subsistence allowances were not tax-free. Although the tax advantage is an implicit rather than an actual cash payment, it must be considered when comparing civilian and military earnings. [Ref. 12]

Figure 3-1 shows the distribution of Regular Military Compensation among its components for 1998. Table 3-1 shows the monthly basic pay scale and Table 3-2 shows the Basic Allowance for Subsistence scale, both effective January 1, 2000. Table 3-3 shows the number of active duty military personnel by grade as of March 31, 1999.

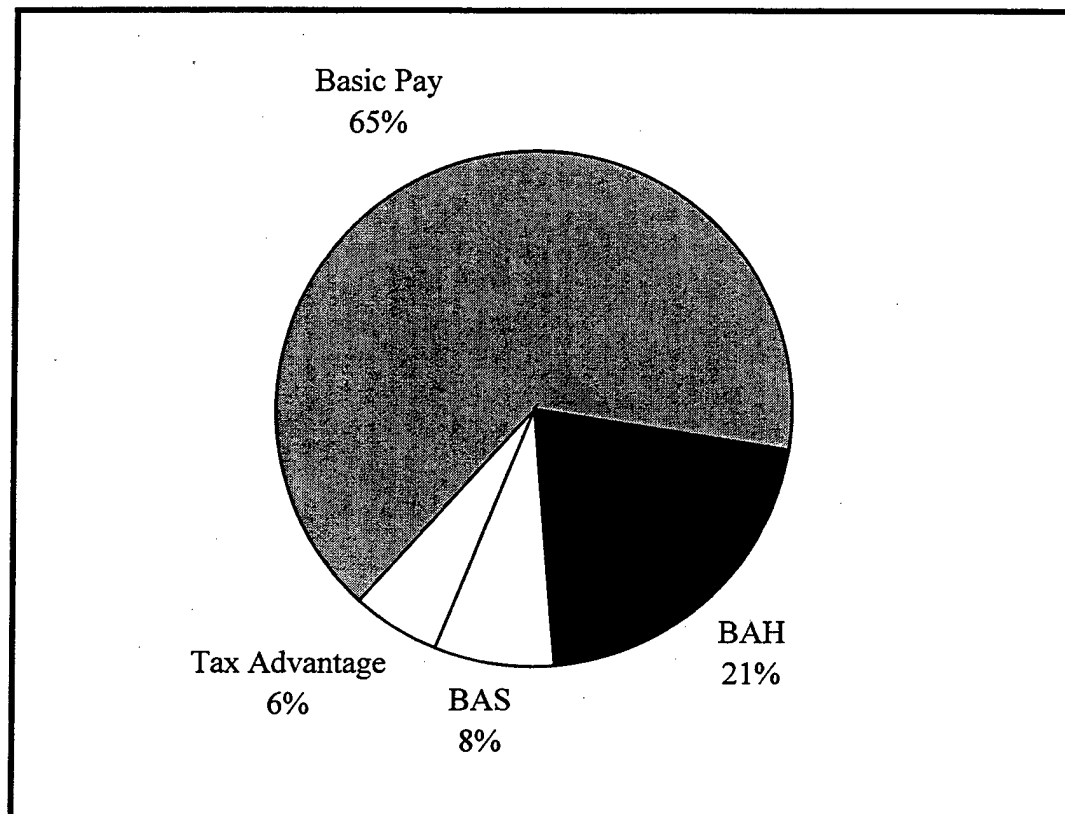


Figure 3-1. Distribution of Regular Military Compensation Among its Components (In Percent)

Source Data: Congressional Budget Office [Ref. 13]

Notes: BAH = Basic Allowance for Housing; BAS = Basic Allowance for Subsistence
The tax advantage is the amount of additional tax that typical personnel would pay if the subsistence and housing allowances were subject to federal income tax.

Commissioned Officers

Pay Grade	Years of Service				
	<2	2	3	4	6
O-10	8,214.90	8,503.80	8,503.80	8,503.80	8,503.80
O-9	7,280.70	7,471.50	7,630.50	7,630.50	7,630.50
O-8	6,594.30	6,792.30	6,953.10	6,953.10	6,953.10
O-7	5,479.50	5,851.80	5,851.80	5,851.80	6,114.60
O-6	4,061.10	4,461.60	4,754.40	4,754.40	4,754.40
O-5	3,248.40	3,813.90	4,077.90	4,077.90	4,077.90
O-4	2,737.80	3,333.90	3,556.20	3,556.20	3,622.20
O-3	2,544.00	2,844.30	3,041.10	3,364.80	3,525.90
O-2	2,218.80	2,423.10	2,910.90	3,009.00	3,071.10
O-1	1,926.30	2,004.90	2,423.10	2,423.10	2,423.10

Pay Grade	8	10	12	14	16
O-10	8,830.20	8,830.20	9,319.50	9,319.50	9,986.40
O-9	7,824.60	7,824.60	8,150.10	8,150.10	8,830.20
O-8	7,471.50	7,471.50	7,824.60	7,824.60	8,150.10
O-7	6,114.60	6,468.90	6,468.90	6,792.30	7,471.50
O-6	4,754.40	4,754.40	4,754.40	4,916.10	5,693.10
O-5	4,077.90	4,200.30	4,427.10	4,723.80	5,077.50
O-4	3,781.80	4,040.40	4,267.50	4,461.60	4,658.10
O-3	3,652.20	3,850.20	4,040.40	4,139.10	4,139.10
O-2	3,071.10	3,071.10	3,071.10	3,071.10	3,071.10
O-1	2,423.10	2,423.10	2,423.10	2,423.10	2,423.10

Pay Grade	18	20	22	24	26
O-10	9,986.40	10,655.10	10,655.10	10,655.10	11,318.40
O-9	8,830.20	9,319.50	9,319.50	9,319.50	9,986.40
O-8	8,503.80	8,830.20	9,048.00	9,048.00	9,048.00
O-7	7,985.40	7,985.40	7,985.40	7,985.40	7,985.40
O-6	5,983.80	6,114.60	6,468.90	6,687.30	7,015.50
O-5	5,368.20	5,531.10	5,724.60	5,724.60	5,724.60
O-4	4,785.90	4,785.90	4,785.90	4,785.90	4,785.90
O-3	4,139.10	4,139.10	4,139.10	4,139.10	4,139.10
O-2	3,071.10	3,071.10	3,071.10	3,071.10	3,071.10
O-1	2,423.10	2,423.10	2,423.10	2,423.10	2,423.10

Table 3-1. Monthly Basic Pay Table, Effective January 1, 2000

Source Data: Defense Finance and Accounting Service [Ref. 14]

**Commissioned Officers With Over 4 Years Active Duty Service
as an Enlisted Member or Warrant Officer**

Pay Grade	Years of Service				
	<2	2	3	4	6
O-3E				3,364.80	3,525.90
O-2E				3,009.00	3,071.10
O-1E				2,423.10	2,588.40

Pay Grade	8	10	12	14	16
O-3E	3,652.20	3,850.20	4,040.40	4,200.30	4,200.30
O-2E	3,168.60	3,333.90	3,461.40	3,556.20	3,556.20
O-1E	2,683.80	2,781.30	2,877.60	3,009.00	3,009.00

Pay Grade	18	20	22	24	26
O-3E	4,200.30	4,200.30	4,200.30	4,200.30	4,200.30
O-2E	3,556.20	3,556.20	3,556.20	3,556.20	3,556.20
O-1E	3,009.00	3,009.00	3,009.00	3,009.00	3,009.00

Warrant Officers

Pay Grade	<2	2	3	4	6
W-5					
W-4	2,592.00	2,781.30	2,781.30	2,844.30	2,974.20
W-3	2,355.90	2,555.40	2,555.40	2,588.40	2,618.70
W-2	2,063.40	2,232.60	2,232.60	2,297.40	2,423.10
W-1	1,719.00	1,971.00	1,971.00	2,135.70	2,232.60

Pay Grade	8	10	12	14	16
W-5					
W-4	3,105.00	3,235.50	3,461.40	3,622.20	3,749.40
W-3	2,810.40	2,974.20	3,071.10	3,168.60	3,263.40
W-2	2,555.40	2,652.60	2,749.80	2,844.30	2,944.50
W-1	2,328.00	2,423.10	2,522.70	2,618.70	2,716.20

Pay Grade	18	20	22	24	26
W-5		4,423.80	4,591.20	4,724.10	4,923.30
W-4	3,850.20	3,974.10	4,107.00	4,235.10	4,427.10
W-3	3,364.80	3,495.90	3,622.20	3,622.20	3,749.40
W-2	3,041.10	3,136.80	3,263.40	3,263.40	3,263.40
W-1	2,810.40	2,910.90	2,910.90	2,910.90	2,910.90

Table 3-1(Cont'd). Monthly Basic Pay Table, Effective January 1, 2000

Source Data: Defense Finance and Accounting Service [Ref. 14]

Enlisted Members

Pay Grade	Years of Service				
	<2	2	3	4	6
E-9					
E-8					
E-7	1,765.80	1,906.20	1,976.10	2,045.70	2,115.60
E-6	1,518.90	1,655.70	1,724.40	1,797.60	1,865.40
E-5	1,332.60	1,450.50	1,521.00	1,587.30	1,691.70
E-4	1,242.90	1,312.80	1,390.20	1,497.30	1,556.70
E-3	1,171.50	1,235.70	1,284.60	1,335.90	1,335.90
E-2	1,127.40	1,127.40	1,127.40	1,127.40	1,127.40
E-1>4	1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
E-1<4	930.30				

Pay Grade	8	10	12	14	16
E-9		3,015.30	3,083.40	3,152.70	3,225.60
E-8	2,528.40	2,601.60	2,669.70	2,739.00	2,811.60
E-7	2,182.80	2,252.70	2,323.20	2,427.90	2,496.90
E-6	1,932.60	2,003.40	2,106.60	2,172.90	2,242.80
E-5	1,761.00	1,830.00	1,898.10	1,932.60	1,932.60
E-4	1,556.70	1,556.70	1,556.70	1,556.70	1,556.70
E-3	1,335.90	1,335.90	1,335.90	1,335.90	1,335.90
E-2	1,127.40	1,127.40	1,127.40	1,127.40	1,127.40
E-1>4	1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
E-1<4					

Pay Grade	18	20	22	24	26
E-9	3,298.20	3,361.50	3,537.90	3,675.60	3,882.60
E-8	2,875.50	2,946.30	3,119.40	3,258.00	3,467.10
E-7	2,566.20	2,599.50	2,774.40	2,912.40	3,119.40
E-6	2,277.00	2,277.00	2,277.00	2,277.00	2,277.00
E-5	1,932.60	1,932.60	1,932.60	1,932.60	1,932.60
E-4	1,556.70	1,556.70	1,556.70	1,556.70	1,556.70
E-3	1,335.90	1,335.90	1,335.90	1,335.90	1,335.90
E-2	1,127.40	1,127.40	1,127.40	1,127.40	1,127.40
E-1>4	1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
E-1<4					

Table 3-1(Cont'd). Monthly Basic Pay Table, Effective January 1, 2000

Source Data: Defense Finance and Accounting Service [Ref. 14]

OFFICERS:		MONTH
		\$158.83
ENLISTED MEMBERS:	E-1<4 MONTHS	ENLISTED
When on leave or authorized to mess separately:	\$7.00/DAY	\$7.58/DAY
When rations in-kind are not available:	7.89/DAY	8.54/DAY
When assigned to duty under emergency conditions where no messing facilities of the United States are available:	10.46/DAY	11.32/DAY
When receiving rations in kind - Partial BAS:	0.85/DAY	0.85/DAY

Table 3-2. Basic Allowance for Subsistence (BAS)

Effective January 1, 2000

Source Data: Defense Finance and Accounting Service [Ref. 15]

Officers	Total	Enlisted	Total
O-10	34		
O-9	116	E-9	10,375
O-8	283	E-8	26,149
O-7	445	E-7	99,021
O-6	11,431	E-6	163,647
O-5	28,472	E-5	232,020
O-4	43,710	E-4	269,031
O-3	68,541	E-3	186,630
O-2	29,098	E-2	93,864
O-1	22,286	E-1	63,644
W-5	453		
W-4	2,107		
W-3	4,024		
W-2	6,521		
W-1	2,254		
Total	219,776	Total	1,134,371

Table 3-3. Active Duty Military Personnel by Grade
as of March 31, 1999

Source Data: Defense Almanac [Ref. 16]

B. UNDERSTANDING THE REPORTED PAY GAP

Although it's often referred to as a *pay gap*, the commonly reported figure of approximately 13 percent is not based on a comparison of military and civilian pay levels.² It does, however, represent one approach to comparing the change in military pay and civilian pay over time. The comparison begins at a somewhat arbitrary starting point. It begins in 1982, after the military received a special 14.3 percent pay raise. This is the last time that military pay was widely acknowledged as generally comparable. Since then, military pay raises have lagged behind private sector wage growth (see Figure 3-2).

The procedure for calculating the reported pay gap compares the increase in military basic pay each year with the increase in an index of pay in the civilian sector. The reported pay gap for each year is the cumulative difference between the two increases, expressed as a percentage of the cumulative growth in military pay. [Ref. 17]

To understand how the procedure works, consider the reported pay gap for 1983. The military pay raise for that year was 4.0 percent, and the civilian pay increase was 8.1 percent. For simplicity, both military and civilian pay is set to an arbitrary value of 100 in 1982. After the 1983 pay raise, the index of military pay stood at 104.0 and the

² Two agencies routinely report estimates of a military pay gap and make available the data underlying their calculations. The Office of the Secretary of Defense began its comparison in 1982. The Retired Officers Association (TROA), whose estimates appear most often in press reports, actually began its comparison in 1972. However, the calculations show cumulative increases in military and civilian pay that are virtually identical. Thus, the calculations are interpreted as beginning from a base of 1982.

civilian index at 108.1. That yields a reported pay gap of 3.94 percent for 1983: $(108.1 - 104.0) \div 104.0 = 0.0394$. The procedure then compares cumulative growth in military and civilian pay through subsequent years (see Figures 3-3 and 3-4).

Christopher Jehn, Assistant Director of the Congressional Budget Office's National Security Division said "No matter how carefully calculated, the pay gap says nothing about either the fairness of military pay or of the adequacy of that pay to support [the Department of Defense's] personnel needs." [Ref. 18] Thus, contrary to what many press reports may suggest, the pay gap does not indicate whether military personnel are paid more or less than workers in comparable jobs in the civilian sector. Rather it's only an index of change; it does not measure pay levels.

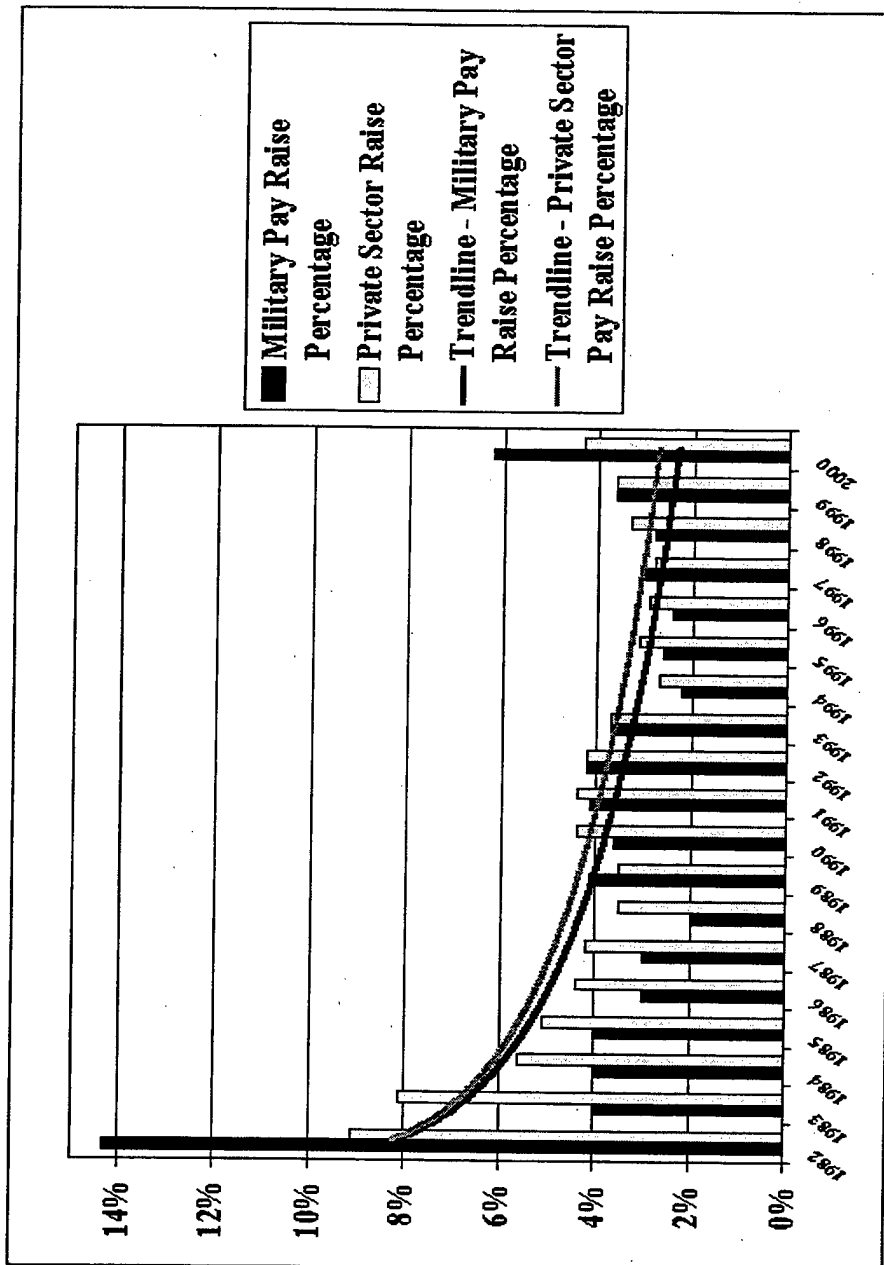


Figure 3-2. Annual Increases in Civilian and Military Pay, 1982 – 2000
Source Data: The Retired Officers Association

NOTE: The 6.2% military raise shown for FY2000 reflects the combination of the 4.8% January 2000 raise, plus a "targeted raise" approved for July 2000. The targeted raise will vary from zero to 5.5%, depending on a member's grade and years of service. If the dollar amount of the July raise were applied equally to all members, it would amount to a 1.4% raise, making the cumulative FY2000 raise 6.2% for the purpose of calculating its overall impact on pay raise comparability.

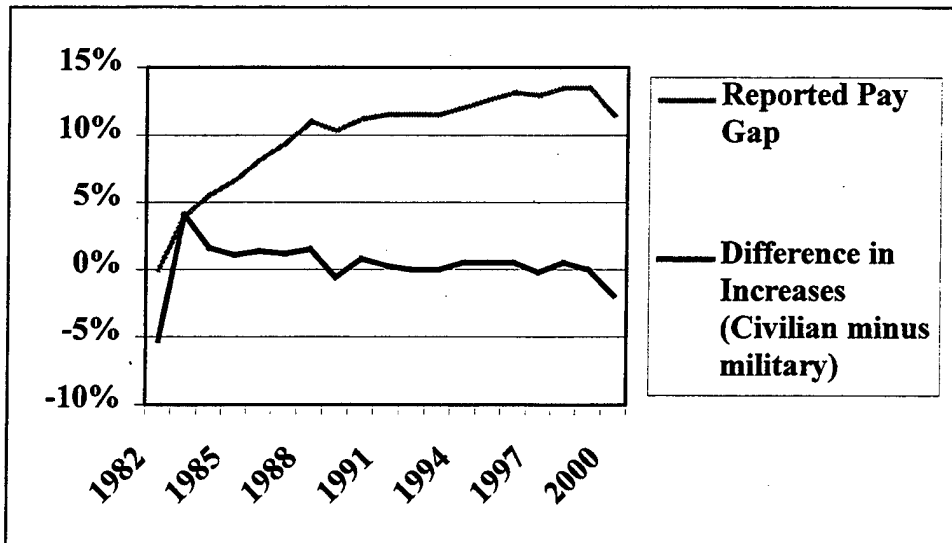


Figure 3-3. Difference Between Increases in Private Sector and Military Pay, 1982 – 2000

Source Data: The Retired Officers Association

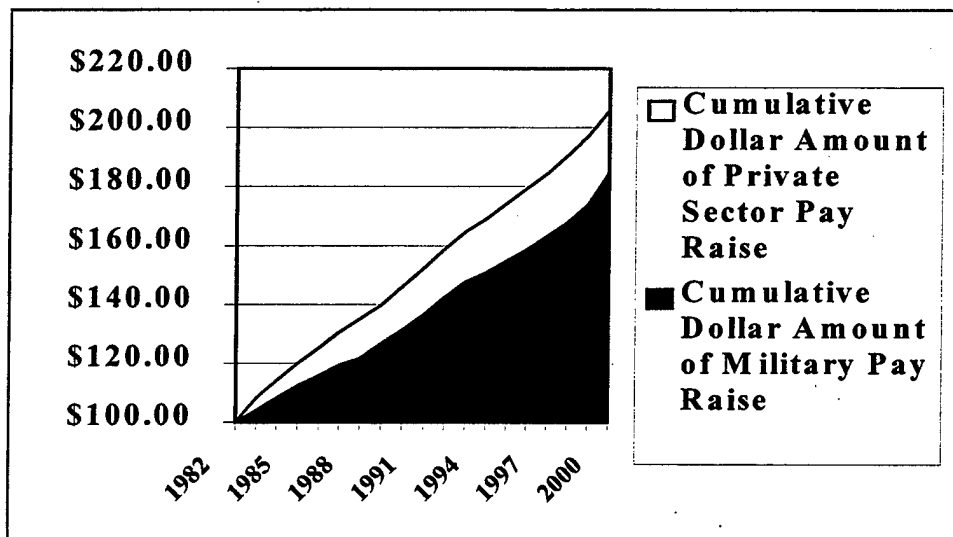


Figure 3-4. Military Pay "Raise" Gap, 1982 – 2000

Source Data: The Retired Officers Association

C. IS THE MILITARY PAY GAP A USEFUL CONCEPT?

According to the Congressional Budget Office, the military pay gap, as calculated following the above approach, suffers from four major shortcomings [Ref. 12].

- It compares military pay growth over one time period with a measure of civilian pay growth over a somewhat different period.³

The calculation for the pay gap compares the growth of military pay over one period with the growth of civilian pay over a different period. To determine the pay gap in 1997, for example, the procedure computes civilian pay growth from March 1981 through September 1995 but measures military pay growth from October 1981 through January 1997. [Ref. 12]

- It selects a starting point for the comparison without a sound analytic basis, yet the results of the pay-gap calculation are very sensitive to changes in that starting point.

The reported pay gap does not begin to track growth in military and civilian pay until after the large military pay raise of Fiscal Year 1982. Starting the comparison either earlier or later results in a much lower estimate of the pay gap. For example, selecting 1980 as the starting point yields a pay gap for 1997 of 5.5 percent; selecting 1990 yields a figure of 1.6 percent. Yet the only reason for starting the comparison in 1982 rather than

³ Although it may seem odd that the reported pay gap measures military and civilian pay growth over different periods, that feature reflects the pay-raise process. In that process, lags are inevitable. For example, basing the military pay raise for fiscal year 2000 on the increase in civilian pay during that year would be impractical because of the lag in the availability of data about civilian pay. When policymakers planning for the military pay raise that became effective in January 2000 examined trends in civilian pay, they looked at the change (as measured by the Employment Cost Index) that occurred between September 1997 and September 1998—a 12 month period ending more than 15 months before the military raise became effective.

earlier or later, is that most people think the pay raise of 1982 created comparability between military and civilian pay levels. [Ref. 12]

- It ignores important sources of change in military pay.

The reported pay gap compares changes in the Employment Cost Index with changes in military basic pay, even though growth rates for the other components of Regular Military Compensation—the housing and subsistence allowances and the tax advantage—can differ from the growth rate for basic pay. The reported pay gap provides an inaccurate assessment of trends in military pay; the growth rates of some components of Regular Military Compensation have differed for service members in different pay grades, no single measure accurately describes the growth in military pay for all categories of personnel. [Ref. 12]

- It does not take into account differences in the demographic composition of the civilian and military labor forces.

Although the Employment Cost Index is widely used as an indicator of civilian wage growth, its use in the pay-gap calculation leads to a distorted picture of trends in military pay relative to civilian pay. The Employment Cost Index measures wage growth for a broad sample of the civilian workforce. Military personnel, when compared with civilian workers, are very young. Since 1982, average pay levels among older workers in the civilian sector have risen faster than among younger workers. Thus, military pay could remain competitive without rising as quickly. [Ref. 12]

These shortcomings tend to make the *pay gap* an inaccurate and unreliable indicator of trends in relative pay. However, since fairness is subjective, some might argue that in a fair system the military would rate larger pay premiums than the private sector due to the sacrifices that military service entails. Any particular approach to comparing military and civilian pay levels cannot address all of the arguments that might be raised. Never-the-less, the pay gap requires attention since the notion of a pay gap can hurt morale, cohesion, commitment, and quality of work.

D. WHY THE MILITARY MIGHT BE ABLE TO PAY LESS THAN CIVILIAN EMPLOYERS

The military offers a highly competitive package of benefits that might allow the Department of Defense to pay less than comparable civilian employers. Foremost, those benefits include both a noncontributory retirement program with immediate payment after 20 years of service and a health plan that provides free treatment to service members and relatively low cost treatment to their dependents. In addition to subsidized grocery and general-merchandise stores in which service members pay no state or local sales taxes, the military also offers its members vocational and advanced training at little to no cost—while they still collect full salary and benefits.

Benefits such as these are often depicted in recruiting literature and advertisements to make the military look particularly attractive. To this end, the military may be able to pay less than civilian employers by touting the many attractive benefits of service. Although it can be argued that the values of these benefits are significant, they do not provide service members significant immediate returns in the form of disposable income. But they do keep them from having to dispose of some of their income.

Legislated entitlements, retired pay accrual, and social security taxes account for nearly the entire military personnel budget. Generally, once service members meet certain criteria, such as years of service, marital status, and duty location, they are entitled to certain benefits. Title 37 of the U.S. Code gives the services discretion over only a limited number of military personnel account categories, primarily special pay that the services use to enhance the accession and retention of certain skilled personnel. These categories represent less than one percent of the total military personnel budget [Ref. 18]. Despite this limitation, General Henry Shelton, Chairman of the Joint Chiefs of Staff, indicated that while experts can argue about its size, a pay gap exists and the Department of Defense is committed to closing it. [Ref. 19]

E. SUMMARY

Concerns about the reported pay gap reflect the importance of military compensation as a factor affecting the military's ability to compete with civilian employers and provide a standard of living that is attractive to prospective recruits. Although it is called a pay gap, it represents only one approach to comparing the change in military and civilian pay over time. Despite its shortcomings, the pay gap requires attention since the notion of a pay gap can hurt morale, cohesion, commitment, and quality of work.

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IV. PRESENTATION OF DATA AND ANALYSIS

To understand how public choices are made, one should look upon individuals—politicians, officials, and voters as well as businessmen and members of households—as utility maximizers. This means that each person gropes for preferredness as *he* sees it; he assesses the costs and gains from alternative actions in terms of his own values and perceptions, for his own senses are the only ones that he can use. [Ref. 20]

A. INTRODUCTION

This chapter organizes the analysis in to three areas. It estimates (1) costs, (2) savings, and (3) breakeven amounts. There are two significant costs involved with this analysis (1) Food Stamp Program benefit costs, and (2) Special Subsistence Allowance costs. Savings is defined as the difference between the cost of Food Stamp Program benefits provided to military personnel and their families and Special Subsistence Allowance costs. Savings, however, may or may not exist depending on decisions made concerning the amount of subsistence deemed appropriate. Finally, and probably most useful to decision makers, a breakeven analysis is presented. The breakeven analysis suggests the amount of subsistence that may be paid such that military personnel and the Federal government are indifferent between the benefits of both programs.

Subsequent to the analysis, this chapter presents information about recent legislation addressing a Special Subsistence Allowance approved by the U.S. Senate and outlined in The Soldiers', Sailors', Airmen's, And Marines Bill of Rights Act of 1999. This initiative was, however, omitted from the National Defense Appropriation Bill for

Fiscal Year 2000. Since this is a very subjective and controversial issue, this chapter presents some significant reasons why lawmakers may have chosen to remove this initiative from the Department of Defense's appropriation.

B. DIFFICULTIES FACED BY THE DEPARTMENT OF DEFENSE

Gross income eligibility for the Food Stamp Program is linked to the national poverty threshold. Families with incomes exceeding 130 percent of the federally established national poverty level are ineligible to participate in the program—See Table 4-1. A Special Subsistence Allowance could raise a service member's gross income enough to be ineligible to participate in the program. Department of Defense officials, however, are reluctant to target funds at military families below the poverty line because of the potential adverse effects that action might have on their peers. This is rooted in maintaining vertical balance and equity within the military's compensation system.

Family Size	Poverty Guidelines	130% of Poverty Line
1	8,350.00	10,855.00
2	11,250.00	14,625.00
3	14,150.00	18,395.00
4	17,050.00	22,165.00
5	19,950.00	25,935.00
6	22,850.00	29,705.00
7	25,750.00	33,475.00
8	28,650.00	37,245.00

Table 4-1. Poverty Guidelines, Fiscal Year 2000

Source Data: U.S. Department of Health and Human Services

Participation in the Food Stamp Program is based on several eligibility factors, including income and family size. It is significant to note that food stamp eligibility does not consider the value of in-kind housing and utilities available to many service members living in government quarters.¹ Therefore, personnel assigned to family housing may be eligible for food stamps while equally ranked members residing in their private home may not be eligible for food stamps. Based on the service member's grade, longevity, pay and allowances, Tables 4-2 and 4-3 present the number of people in a family required for qualification for food stamps, on-base and off-base respectively.² It's important to note that the number of people in a family required to qualify is much higher when the housing allowance is considered as income. This denotes a somewhat arbitrary inequity among service members that stems from rules set by the Department of Agriculture. Should in-kind income be considered, all members would have an equal chance to receive benefits. However, the cost of such a change could drive some newly ineligible military families closer to the brink of financial insecurity. Alternatively, excluding housing allowances for service members living off base, as proposed by Secretary of Defense Cohen, would also treat all service members equally, but could significantly increase eligibility. [Ref. 22]

¹ The Department of Defense estimates that about 59 percent of military food stamp recipients would no longer be eligible for the program if the value of housing and provided utilities were factored into the income equation. [Ref. 21]

² See Appendix A for pay and allowance calculations.

Pay Grade	Years of Service				
	<2	2	3	4	6
E-9					
E-8					
E-7	5	5	5	6	6
E-6	4	5	5	5	5
E-5	4	4	4	4	5
E-4	3	4	4	4	4
E-3	3	3	4	4	4
E-2	3	3	3	3	3
E-1>4	3	3	3	3	3
E-1<4	2				

Pay Grade	8	10	12	14	16
E-9		9 or more	9 or more	9 or more	9 or more
E-8	7	8	8	8	8
E-7	6	7	7	7	7
E-6	6	6	6	6	7
E-5	5	5	5	6	6
E-4	4	4	4	4	4
E-3	4	4	4	4	4
E-2	3	3	3	3	3
E-1>4	3	3	3	3	3
E-1<4					

Pay Grade	18	20	22	24	26
E-9	9 or more	9 or more	9 or more	9 or more	9 or more
E-8	8	9 or more	9 or more	9 or more	9 or more
E-7	7	8	8	9 or more	9 or more
E-6	7	7	7	7	7
E-5	6	6	6	6	6
E-4	4	4	4	4	4
E-3	4	4	4	4	4
E-2	3	3	3	3	3
E-1>4	3	3	3	3	3
E-1<4					
Family Size					

Table 4-2. Food Stamp Qualification for On-Base Military Personnel
Source Data: Fiscal Year 2000 Department of Defense Pay Scale and
U.S. Department of Health and Human Services Poverty Guidelines [Ref. 23]

Pay Grade	Years of Service				
	<2	2	3	4	6
E-9					
E-8					
E-7	6	7	8	8	8
E-6	6	7	7	7	7
E-5	5	6	6	6	6
E-4	5	5	5	6	6
E-3	5	5	5	5	5
E-2	4	4	4	4	4
E-1>4	4	4	4	4	4
E-1<4	4				

Pay Grade	8	10	12	14	16
E-9		9 or more	9 or more	9 or more	9 or more
E-8	9 or more	9 or more	9 or more	9 or more	9 or more
E-7	8	9 or more	9 or more	9 or more	9 or more
E-6	7	8	8	8	8
E-5	7	7	7	7	7
E-4	6	6	6	6	6
E-3	5	5	5	5	5
E-2	4	4	4	4	4
E-1>4	4	4	4	4	4
E-1<4					

Pay Grade	18	20	22	24	26
E-9	9 or more	9 or more	9 or more	9 or more	9 or more
E-8	9 or more	9 or more	9 or more	9 or more	9 or more
E-7	9 or more	9 or more	9 or more	9 or more	9 or more
E-6	8	9 or more	9 or more	9 or more	9 or more
E-5	7	7	7	7	7
E-4	6	6	6	6	6
E-3	5	5	5	5	5
E-2	4	4	4	4	4
E-1>4	4	4	4	4	4
E-1<4					

Family Size

Table 4-3. Food Stamp Qualification for Off-Base Military Personnel
Source Data: Fiscal Year 2000 Department of Defense Pay Scale and
U.S. Department of Health and Human Services Poverty Guidelines [Ref. 23]

C. ESTIMATION OF COSTS

The calculations that follow will help to demonstrate how savings may be realized by providing a Special Subsistence Allowance to military personnel who are eligible for food stamps. Initially the Department of Defense acknowledged that approximately 12,000 military personnel were receiving Food Stamps Program benefits.³ Although estimates have varied between approximately 6,400 and 20,000, recent reports suggest that number may be significantly smaller than 12,000.⁴ Additionally, in Fiscal Year 1998, the national average number of people in a household with children receiving Food Stamp Program benefits was 3.3. The exact demographics about the average family size of military personnel on food stamps is not know for certain.

To demonstrate how savings may be realized by providing a Special Subsistence Allowance, the illustrative calculations that follow use the median values of 12,000 military personnel on food stamps and an average family size of 3.3. Graphs are provided to illustrate the range of values associated with the subjectivity of these values.

³ In a January 1997 News Briefing, the Pentagon said that approximately 12,000 military personnel with families were eligible for food stamp. In remarks on the Senate floor when the Senate bill (The Soldiers', Sailors', Airmen's, And Marines Bill of Rights Act of 1999—S. 4) was introduced on January 19, 1999, Senator John McCain reaffirmed that this figure had not changed. [Ref. 2]

⁴ The number of military personnel receiving food stamps seems to be declining. The Pentagon predicts that scheduled pay increases for military personnel will trim the total number of military personnel on food stamps to 4,000 by 2005. [Ref. 3]

1. Food Stamp Program Benefit Cost

Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998

1.	Food Stamp Program Benefits, FY 1998	\$ 16,879,929,000
2.	<i>Divided by:</i> Food Stamp Program Beneficiaries, FY 1998	19,787,000
3.	Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998	\$ 853.08

Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998

4.	Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998	\$ 853.08
5.	<i>Divided by:</i> 12 Months	12
6.	Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998	\$ 71.09

Average Monthly Food Stamp Program Benefits per Household With Children, FY 1998

7.	Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998	\$ 71.09
8.	<i>Times:</i> Average Household Size With Children, FY 1998	3.3
9.	Average Monthly Food Stamp Program Benefits per Household With Children, FY 1998	\$ 234.60

Average Annual Food Stamp Program Benefits per Household With Children, FY 1988

10.	Average Monthly Food Stamp Program Benefits per Household With Children, FY 1998	\$ 234.60
11.	<i>Times:</i> 12 Months	12
12.	Average Annual Food Stamp Program Benefits per Household With Children, FY 1998	\$ 2,815.20

**Total Annual Food Stamp Program Benefits Received by
Military Personnel and Their Families, FY 1988**

13.	Average Monthly Food Stamp Program Benefits per Household With Children, FY 1998	\$ 2,815.20
14.	<i>Times</i> : Military Food Stamp Program Beneficiaries	12,000
15.	Total Annual Food Stamp Program Benefits Received by Military Personnel and Their Families, FY 1998	\$ 33,782,400

Description of Terms

(line 1) Food Stamp Program Benefits, FY 1998 [Ref. 24]—The dollar amount of all Food Stamp Program benefits paid during Fiscal Year 1998.

(line 2) Food Stamp Program Beneficiaries, FY 1998 [Ref. 24]—The total number of people who received Food Stamp Program benefits during Fiscal Year 1998.

(line 3) Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998 — The total dollar amount of all Food Stamp Program benefits paid during Fiscal Year 1998 divided by the total number of people who received Food Stamp Program benefits during Fiscal Year 1998.

(line 6) Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998 — The average monthly dollar amount of Food Stamp Program benefits received by Food Stamp Program beneficiaries during Fiscal Year 1998.

(line 8) Average Household Size With Children, FY 1998 — The average number of people in a household with children receiving Food Stamp Program benefits during Fiscal Year 1998.

(line 9) Average Monthly Food Stamp Program Benefits per Household With Children, FY 1998 — The average monthly dollar amount of Food Stamp Program benefits received by households with children receiving Food Stamp Program benefits during Fiscal Year 1998.

(line 12) Average Annual Food Stamp Program Benefits per Household With Children, FY 1998— The average annual dollar amount of Food Stamp Program benefits received by households with children receiving Food Stamp Program benefits during Fiscal Year 1998.

(line 14) Military Food Stamp Program Beneficiaries — Despite the fact that an exact number of military personnel on food stamps cannot be determined and is the subject of much controversy, the Department of Defense has acknowledged that approximately 12,000 military personnel are on food stamps.

(line 15) Total Annual Food Stamp Program Benefits Received by Military Personnel and Their Families, FY 1998—The average annual dollar amount of Food Stamp Program benefits received by military personnel and their families during Fiscal Year 1998.

As mentioned earlier in this thesis, the Food Stamp Program is a federal-state partnership in which the federal government pays for the food stamp benefits and 50 percent of the states' administrative costs. Only the total amount of Food Stamp Program benefits is considered variable since the amount of benefits provided is directly proportional to the number of Food Stamp Program beneficiaries. The states' administrative costs are considered fixed and, therefore, are not included in this analysis.

As illustrated above, Food Stamp Program benefits totaled \$16,879,929,000 in Fiscal Year 1998. When disbursed among 19,787,000 Food Stamp Program beneficiaries, the average annual benefit per beneficiary was \$853.08. Further dividing benefits to a monthly basis resulted in an Average Monthly Benefit per Beneficiary of \$71.09. For this analysis, the target Food Stamp Program beneficiary was a member of a household with children. Therefore, the national average monthly amount of Food Stamp Program benefits received by a household with children was \$234.60 in Fiscal Year 1998.

Although exact demographics about military personnel on food stamps are not known, it's fair to assume that military members on food stamps are typically the most junior personnel with one or more children. Thus, the aforementioned average number of people per household with children is an appropriate measure to characterize military personnel on food stamps. Table 4-4 provides information about the total number of active duty military personnel and their dependents. Based on this information, the average number of children per family unit with children is 1.54. Thus, assuming two parent families, the average number of people per military family is 3.54.

This cannot be confused with the average number of people per military household with children receiving food stamps. This number is not known for certain, however, the national average number of people in a household with children receiving Food Stamp Program benefits may be significantly less than in military families receiving food stamps. As a basis for analysis this thesis assumes that the average military

household with children receiving food stamps had 3.3 people and received approximately \$234.60 in monthly Food Stamp Program benefits during Fiscal Year 1998.

	Officers	Enlisted	Total
Total Number of Military Personnel (Excluding Cadets)	223,281	1,171,148	1,394,429
Total Number of Dependents of Active Duty Military Personnel	398,649	1,550,698	1,949,347
Percent of Personnel Who Are Married	70.36%	51.88%	54.84%
Spouse	157,099	607,574	764,673
Children	239,748	934,384	1,174,132
Parents/Other	1,802	8,740	10,542
Average Number Per Family Unit	2.54	2.55	2.55
Children	1.53	1.54	1.54

Table 4-4. Active Duty Personnel and Their Dependents
as of September 30, 1998

Source Data: Defense Almanac [Ref. 25]

To accommodate the subjectivity concerning the number of military personnel receiving food stamps and the average number of people in a military family with children receiving food stamps, Figure 4-1 illustrates the estimated Food Stamp Program benefits received by military personnel—as a function of average military family size with children receiving food stamps and number of military personnel receiving food stamps.

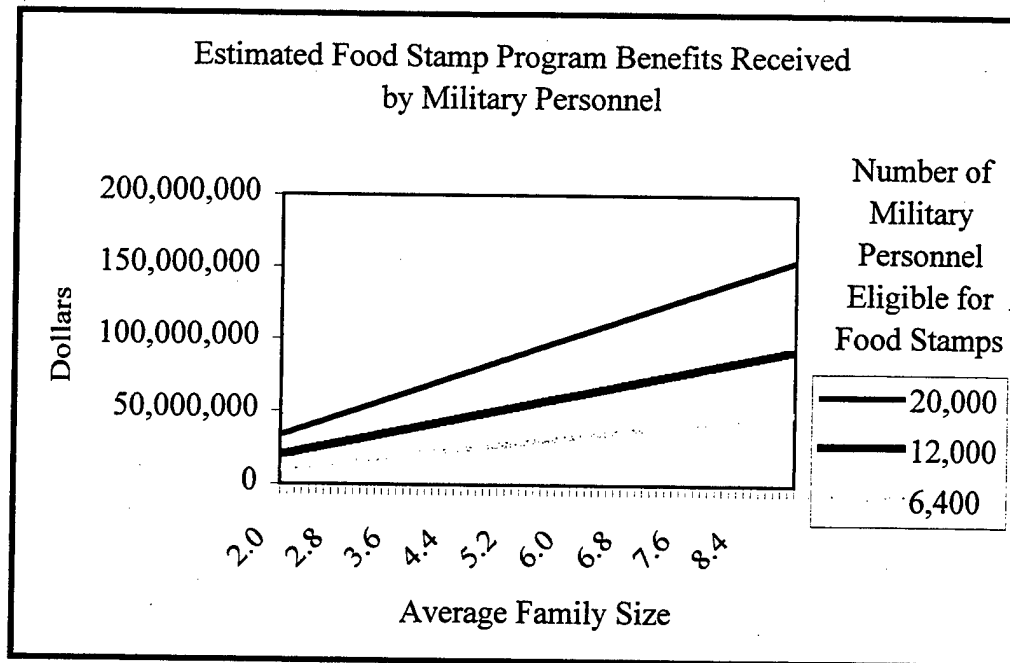


Figure 4-1. Estimated Food Stamp Program Benefits Received by Military Personnel

As a basis for analysis, this thesis assumes that the total Food Stamp Program benefits received by 12,000 military personnel and their families in Fiscal Year 1998 was \$33,782,400. This amount was considered the total Food Stamp Program benefit cost realized by the Federal Government for all military personnel on food stamps during Fiscal Year 1998. This total ranges from \$18,017,280 to \$56,304,000 as the number of eligible military members varies from 6,400 to 20,000, respectively. The range increases or decreases if average family size is greater than or less than 3.3 family members.

2. Special Subsistence Allowance Cost

Monthly Cost of Special Subsistence Allowance

1.	Monthly Special Subsistence Allowance per Military Person Eligible for Food Stamps	\$	180.00
2.	<i>Times</i> : Military Food Stamp Program Beneficiaries		12,000
3.	Monthly Cost of Special Subsistence Allowance	\$	2,160,000

Annual Cost of Special Subsistence Allowance

4.	Monthly Cost of Special Subsistence Allowance	\$	2,160,000
5.	<i>Times</i> : 12 Months		12
6.	Annual Cost of Special Subsistence Allowance	\$	25,920,000

Description of Terms

(line 1) Monthly Special Subsistence Allowance per Military Person Eligible for Food Stamps — As a basis for this analysis, the Special Subsistence Allowance was assumed equal to the amount approved in The Soldiers', Sailors', Airmen's, and Marines Bill of Rights Act of 1999.

(line 3) Monthly Cost of Special Subsistence Allowance — The total monthly cost of providing a Special Subsistence Allowance of \$180 per month to 12,000 military personnel who are eligible for food stamps.

(line 6) Annual Cost of Special Subsistence Allowance — The total annual cost of providing a Special Subsistence Allowance of \$180 per month to 12,000 military personnel who are eligible for food stamps.

This thesis gives particular attention to providing military personnel eligible for food stamps a monthly special subsistence allowance. Additionally, the analysis was based on a Special Subsistence Allowance of \$180 per month as approved in the Soldiers', Sailors', Airmen's, And Marines Bill of Rights Act of 1999. The intent of this Special Subsistence Allowance was to ensure that military personnel would no longer be eligible for Food Stamp Program benefits.⁵ The annual cost of a Special Subsistence Allowance—that provides \$180 per month to 12,000 military personnel—would be \$25,920,000. Figure 4-2 illustrates the estimated cost of a Special Subsistence Allowance as a function of both size of military family with children receiving food stamps and the number of military personnel receiving food stamps.

⁵ This analysis assumes that providing a Special Subsistence Allowance of \$180 per month causes personnel previously eligible for Food Stamp Program benefits to no longer be eligible. Certain other factors, including additional income provided by a spouse, are considered in eligibility determination. It is beyond the scope of this thesis to consider all factors considered. Therefore, as a basis for analysis, this thesis assumes that a monthly Special Subsistence Allowance of \$180 will ensure that *all* personnel previously eligible for Food Stamp Program benefits would no longer be eligible.

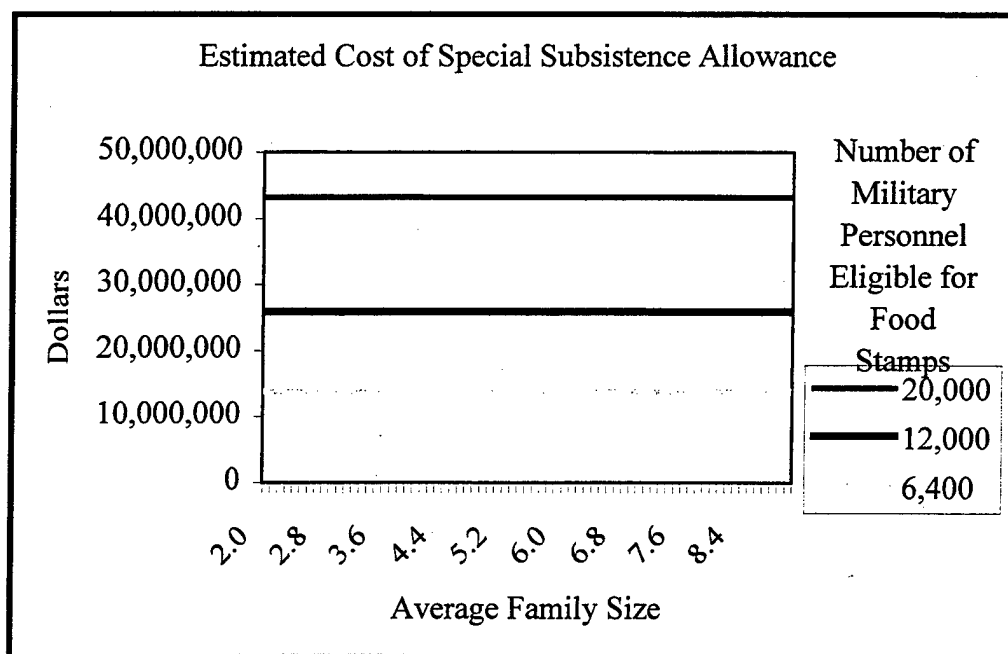


Figure 4-2. Estimated Cost of Special Subsistence Allowance

D. ESTIMATION OF SAVINGS

Estimated Annual Savings Realized by the Federal Government

1.	Estimated Annual Food Stamp Program Benefits Received by Military Personnel	\$	33,782,400
2.	<i>Less:</i> Estimated Cost of Special Subsistence Allowance	\$	25,920,000
3.	Estimated Annual Savings Realized by the Federal Government	\$	7,862,400

Description of Terms

(line 1) Estimated Annual Food Stamp Program Benefits Received by Military Personnel—The average annual dollar amount of Food Stamp Program benefits received by military personnel and their families during Fiscal Year 1998, as calculated in Subsection 1.

(line 2) Estimated Annual Cost of Special Subsistence Allowance — The total annual cost of providing a Special Subsistence Allowance of \$180 per month to 12,000 military personnel who are eligible for food stamps, as calculated in subsection 2.

(line 3) Estimated Annual Savings Realized by the Federal Government—The difference between the average annual Food Stamp Program benefits received by military personnel and their families and the total annual cost of providing a Special Subsistence Allowance of \$180 per month to 12,000 military personnel who are eligible for food stamps.

Assuming that the size of the average military family with children receiving food stamps is 3.3, this analysis suggests that the Federal government may realize savings by providing a Special Subsistence Allowance of \$180 to 12,000 military personnel who are eligible for food stamps. However, assuming that the \$180 precludes the service member from receiving or qualifying for food stamps, Figure 4-3 illustrates that a savings is realized as long as the actual size of the average military family with children receiving food stamps is greater than 2.5. Again, projected savings will increase (decrease) if either the number of beneficiaries increases (decreases) or family size increases (decreases).

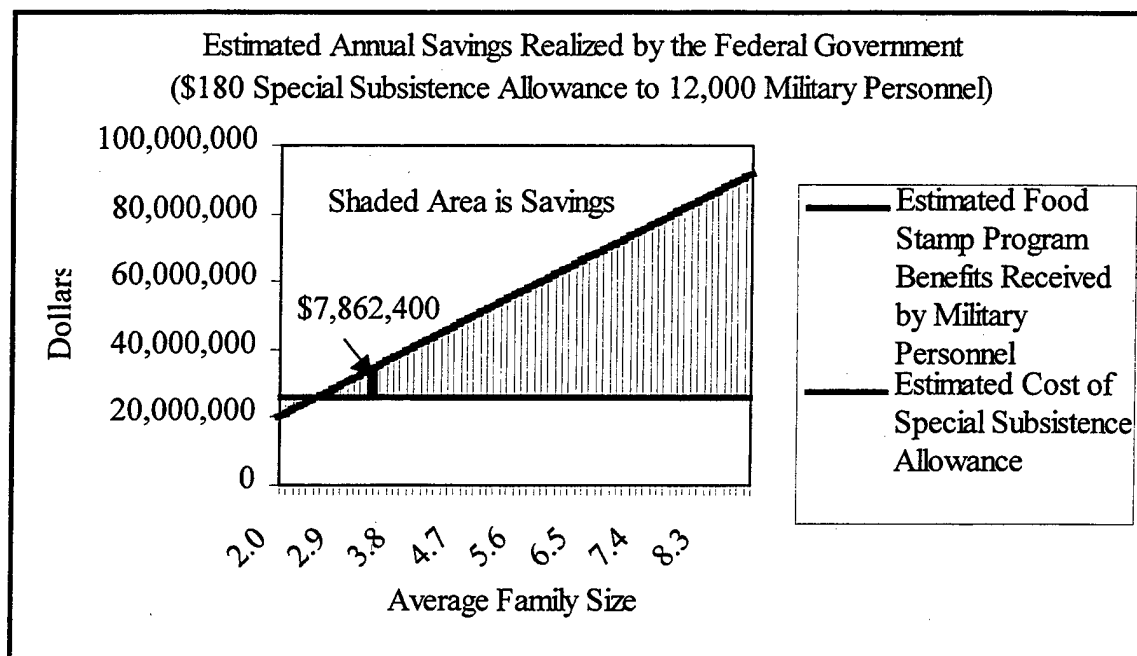


Figure 4-3. Estimated Annual Savings Realized by the Federal Government⁶

As defined earlier in this thesis, savings is the difference between the cost of providing Food Stamp Program benefits and the cost of providing a Special Subsistence Allowance. The Federal Government could save \$7,862,400 by realigning funds from the Department of Agriculture—Food Stamp Program benefits to the Department of Defense to provide a Special Subsistence Allowance. Provided that some administrative responsibilities are also shifted to the Department of Defense, savings may be decreased by the additional administrative cost absorbed by the Department of Defense.

⁶ See Appendix B for cost-benefit calculations.

E. BREAKEVEN ANALYSIS

Monthly Breakeven Cost of Special Subsistence Allowance

1. Estimated Annual Food Stamp Program Benefits Saved	\$	33,782,400
2. <i>Divided by:</i> 12 Months		12
3. Monthly Breakeven Cost of Special Subsistence Allowance	\$	2,815,200

Breakeven Monthly Special Subsistence Allowance per Military Person Eligible for Food Stamps

4. Monthly Breakeven Cost of Special Subsistence Allowance	\$	2,815,200
5. <i>Divided by:</i> Military Food Stamp Program Beneficiaries		12,000
6. Breakeven Monthly Special Subsistence Allowance per Military Person Eligible for Food Stamps	\$	234.60

Description of Terms

(line 1) Estimated Annual Food Stamp Program Benefits Saved—The total annual dollar amount of Food Stamp Program benefits that would no longer be required by removing all military personnel from food stamps. This analysis assumes that the Special Subsistence Allowance to military personnel would replace Food Stamp Program benefits.

(line 3) Monthly Breakeven Cost of Special Subsistence Allowance—The total monthly dollar amount of Food Stamp Program benefits that would no longer be required. This amount is also the maximum total dollar amount of Special Subsistence Allowance costs that may be incurred without costing more than was previously being spent on Food Stamp Program benefits.

(line 6) Breakeven Amount of Monthly Special Subsistence Allowance per Military Person Eligible for Food Stamps—As seen earlier in this analysis, the average monthly dollar amount of Food Stamp Program benefits received by households with children receiving Food Stamp Program benefits during Fiscal Year 1998.

Based on providing a Special Subsistence Allowance of \$180 per month to military personnel who are eligible for food stamps, Figure 4-4 illustrates the breakeven subsistence allowance. The breakeven subsistence allowance is equal to the estimated monthly Food Stamp Program benefit. Provided that the actual average number of people in military families with children receiving food stamps is 3.3, a Special Subsistence Allowance could be provided up to an amount equal to the breakeven amount, \$234.60. The difference between the estimated monthly Food Stamp Program benefits and Special Subsistence Allowance represents the government's savings per beneficiary, or the beneficiaries' loss of benefits if they are no longer eligible for food stamps. This does not consider any additional administrative costs mentioned previously in Section C.

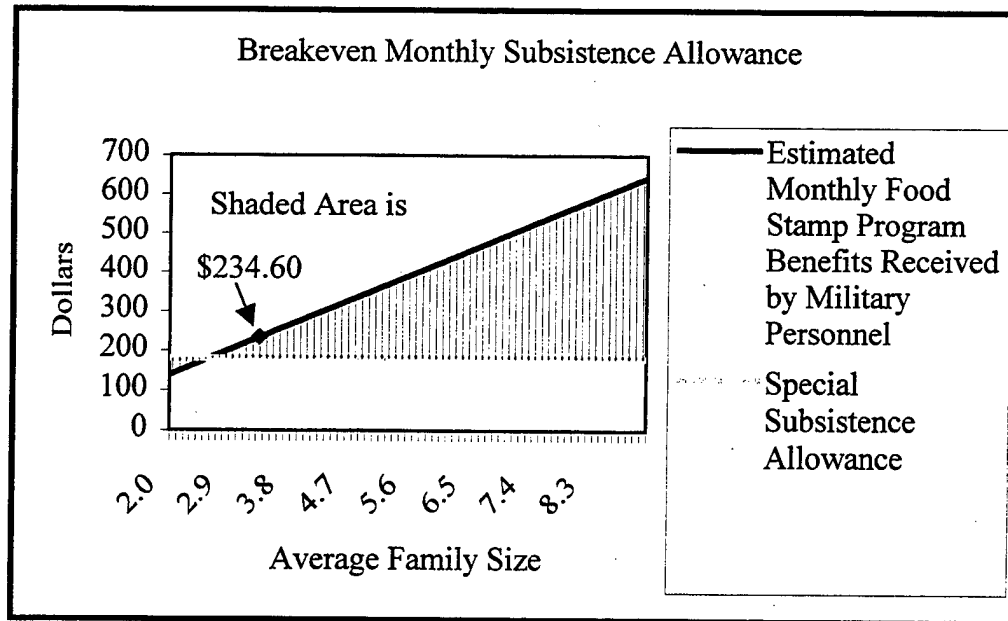


Figure 4-4. Breakeven Monthly Subsistence Allowance

F. RECENT LEGISLATION

Secretary of Defense Cohen said in letters to Capital Hill:

While the number is small, I am disturbed that even one service member would be considered living below the poverty line regardless of its cause and the Department will continue to seek solutions to this problem. Unfortunately, the proposals we have examined thus far, such as redistributing pay raises to junior enlisted or supplementing pay or allowances to members with large families, were found to be unwise. While these changes would assist the small number of service members in poverty, they would damage the retention, morale, and productivity of the force as a whole. [Ref. 21]

The Soldiers', Sailors', Airmen's, And Marines Bill of Rights Act of 1999—S. 4, was passed by the U.S. Senate in February 1999 to increase various elements of military compensation for current and former members of the armed forces. Specifically, Section 103 provided a new Special Subsistence Allowance for military personnel who qualified for food stamps. Eligibility for the allowance would terminate if the member no longer

qualified for food stamps due to promotion, pay increases, or transfer to a different duty station. The allowance was to significantly reduce the amount of Food Stamp Program benefits paid by the Department of Agriculture.

Because the bill would affect direct spending and revenue, pay-as-you-go procedures would apply. Direct spending is another term for mandatory spending. As defined in the Deficit Control Act, as amended, direct spending comprises entitlements, the Food Stamp Program, and budget authority provided by laws other than annual appropriation acts. In contrast, discretionary spending refers to spending for programs whose funding levels are determined and controlled in annual appropriation acts. [Ref. 26] The allowance provided to military personnel would not be direct spending, because the Department of Defense would fund it from its annual appropriation. Therefore, the Department of Defense would require an increase in its annual appropriation to off set the additional spending or have to reduce spending in one or more of its other discretionary spending programs.

As outlined in Section 103, the Special Subsistence Allowance was to begin in Fiscal Year 2000 if provided in the National Defense Appropriation Bill For Fiscal Year 2000. This bill, however, did not mention the Special Subsistence Allowance provided in the Soldiers', Sailors', Airmen's, and Marines Bill of Rights Act of 1999. Therefore, this legislation prevented any additional subsistence for military personnel on food stamps in Fiscal Year 2000.

G. SUMMARY

While everyone in a position to address military families receiving federal food stamps favors eliminating the problem, it's much easier said than done. There are many subjective elements that must be considered when deciding whether to pay military personnel additional subsistence when they are eligible for food stamps.

This analysis compared the costs of providing these personnel with Food Stamp Program benefits to the cost of providing a Special Subsistence Allowance in lieu of food stamps. On the surface, the Federal Government may realize significant savings if the additional subsistence is set at \$180 per beneficiary per month, as posed in Senate legislation. Further, this savings can only be realized with appropriate transfer of funds from mandatory spending to discretionary spending accounts and it is mandated that the Special Subsistence Allowance makes service members ineligible for food stamps.

The break-even analysis suggests that by properly transferring funds, the Department of Defense could pay a Special Subsistence Allowance up to an amount equal to the average annual food stamp program benefit per household with children. Despite such savings to the Federal Government, the Department of Defense remains reluctant to provide additional compensation to its most junior personnel who are receiving Food Stamp Program benefits.

The Department of Defense is enthusiastic about getting its personnel off food stamps, however, it is constrained by the foundation that its compensation system encourages advancement and longevity. Therefore, providing additional income to military personnel eligible for food stamps is not considered a favorable alternative.

V. CONCLUSIONS AND RECOMMENDATIONS

Whether reference is made to the 'interests' or 'satisfactions' of the members...[of a group], to the 'well-being' of a local community or a whole nation, the notion is much the same: if a change in circumstances or implementation of a policy somehow increases the welfare of the individuals in question, then that change is good and that policy is desirable. [Ref. 27]

A. CONCLUSIONS

The purpose of this thesis is to explain that despite the strong economy that we now enjoy, thousands of military personnel and their families are relying on food stamps. Many reasons have been posed, however, the one that seems to stand out as the most significant is that there are now more very junior personnel who are married with children than in previous years.

If this thesis serves its intended purpose, it should help readers decide what policies and actions they prefer. It will not, however, help one decide what policies are correct from the standpoint of the "*public interest*," as there is no ultimately correct measure of the public interest. Cost-benefit analysis can facilitate decision making if the data and analysis are viewed from a purely numerical sense. However, a broader look makes it easy to get lost in the myriad of subjective views and opinions. Despite the absolute savings that may be realized by changing current policies, determining the correct action is illusive and there may not be a correct or universally agreed-upon solution.

While everyone in a position to address military families receiving federal food stamps favors eliminating the problem, it's much easier said than done. There are many subjective elements that must be considered when deciding whether to pay additional subsistence to military personnel who find themselves in need of food stamps.

The analysis compared the costs associated with providing eligible personnel with Food Stamp Program benefits to the cost of providing a Special Subsistence Allowance in lieu of food stamps. On the surface, the Federal Government may realize approximately \$7,862,400 savings if the additional subsistence is set at \$180 per beneficiary per month, as posed in Senate legislation. These savings can only be realized with appropriate transfer of funds from mandatory spending to discretionary spending accounts.

Despite such savings, the Department of Defense remains reluctant to provide additional compensation to its most junior personnel. The Department of Defense is enthusiastic about getting its personnel off food stamps, however, it is constrained by its compensation system, which uses promotion and pay increases to encourage advancement and longevity as a basis for compensation. Therefore, providing military personnel eligible for food stamps additional income is not necessarily considered a favorable alternative.

Today we know more about the importance of adequate nutrition and its importance to good health than ever before. The Food Stamp Program has made a significant impact on reducing hunger in the United States and the program is the cornerstone of the U.S. Department of Agriculture's domestic food assistance programs.

However, there is significant public discontent about sending their military personnel in harms way when their families are relying on food stamps.

Additional concerns about the reported pay gap reflect the importance of military compensation as a factor affecting service members' quality of life. Although it is called a pay gap, it represents only one approach to comparing the changes in military and civilian pay over time. Despite its shortcomings, the pay gap requires attention since the notion of a pay gap can hurt morale, cohesion, commitment, and quality of work and further add to the discontent about military personnel on food stamps.

B. RECOMMENDATIONS

Despite any savings that may be realized, providing a Special Subsistence Allowance to eligible military personnel in lieu of food stamps may not be the best alternative. Paying additional subsistence is counter-productive to maintaining balance and equity with in the military's compensation system. Such payment would tend to increase inequities between singles and those with dependents; further creating inequities between members with average as opposed to large families.

The Special Subsistence Allowance in lieu of food stamps could also have devastating financial effects for some while providing a cash bonus for others. Assuming that a monthly Special Subsistence Allowance of \$180 were provided to all personnel eligible for food stamps, those previously receiving less than that amount would be better off than those who previously received more in Food Stamp Program benefits. This significant inequity further erodes the perceived benefits of providing a Special Subsistence Allowance. However, should a more equitable distribution of funds occur,

military personnel may be indifferent between receiving Food Stamp Program benefits or a Special Subsistence Allowance; but any savings previously identified would not materialize.

Whether a Special Subsistence Allowance of a set or need-based amount is provided, any savings identified in this analysis may or may not exist. For example, should the Department of Defense absorb some of the administrative responsibilities associated with determining eligibility of its members, additional administrative costs may be incurred which reduce any savings previously identified.

Concern about future funding of a Special Subsistence Allowance is also a key aspect in deciding whether to require the Department of Defense to provide a Special Subsistence Allowance. Provided that funds are transferred from mandatory spending accounts to the Department of Defense in year one, it's possible that in year two or later the Special Subsistence Allowance could be considered discretionary. The Department of Defense would then be forced to choose between continuing to pay the Special Subsistence Allowance or funding another program that may be vital to operational readiness at that time. Without a basis in law, the military personnel currently receiving Food Stamp Program benefits may be left in a difficult position in the future. The savings that may be realized by providing a Special Subsistence Allowance may not be enough to warrant jeopardizing these personnel in the future with a quick short-term fix. Therefore, this alternative is probably not reasonable.

C. SUGGESTIONS FOR FURTHER RESEARCH

As mentioned throughout this thesis, a number of assumptions were made to perform a basic cost-benefit analysis of providing a Special Subsistence Allowance to military personnel who are eligible for food stamps. Unfortunately, it was beyond the scope of this thesis to validate most assumptions prior to performing the analysis. For example, the number of military personnel currently receiving food stamps is very illusive. Although there are accurate estimates based on demographics, pay scale, and population characteristics, the actual number of military personnel receiving food stamps is not known. Answering this question would be an excellent area for further study. Determining the actual number of military personnel receiving food stamps would provide a much better lever toward solving the problem.

Another area worthy of further study is determining the *right* amount of subsistence required to maintain the standard of living for personnel receiving food stamps. This thesis considered a Special Subsistence Allowance of \$180 per month. However, the average household with children receiving food stamps in 1998 received about \$234 a month. If all food stamp eligible personnel received \$180 some would receive less subsistence than they were receiving under the Food Stamp Program. If a measure of the right amount of subsistence could be determined, a more accurate determination of the cost of additional subsistence could be presented.

While this thesis examined the reported military/civilian pay gap, it did not compare military to civilian pay for "equivalent" jobs. For example, if some military personnel are on food stamps but are receiving comparable pay to personnel in the private

sector with equivalent jobs, this may not be too big of an issue. It's interesting to note that about 8% of Americans are on food stamps while the number of military personnel receiving such aid appears to be below 1% of the total force. [Ref. 3] Despite those percentages, a true comparison of pay between the private sector and the Department of Defense could indicate whether military compensation is in fact *fair*.

The military food stamp issue seems to have no bounds; however, one final recommended area of study is to survey military personnel on food stamps to determine whether they are subject to perceived or real ridicule about receiving food stamps. Most assume that there's a significant stigma about receiving food stamps; hence, the concern about the number of military personnel on food stamps. Perhaps, this very concern is drawing undue attention to the issue.

This thesis should help the reader understand the many subjective concerns about military personnel on food stamps. It is important to consider the various alternatives that may be presented as solutions to the generally accepted problem of having military personnel on food stamps, weigh all available facts, opinions, and public views; and make decisions by drawing upon one's own system of beliefs.

**APPENDIX A -- PAY AND ALLOWANCE CALCULATIONS
FOR ENLISTED PERSONNEL**

Pay Grade	Years of Service					
	<2	2	3	4	6	8
Annual Basic Pay						
E-9						
E-8						30,340.80
E-7	21,189.60	22,874.40	23,713.20	24,548.40	25,387.20	26,193.60
E-6	18,226.80	19,868.40	20,692.80	21,571.20	22,384.80	23,191.20
E-5	15,991.20	17,406.00	18,252.00	19,047.60	20,300.40	21,132.00
E-4	14,914.80	15,753.60	16,682.40	17,967.60	18,680.40	18,680.40
E-3	14,058.00	14,828.40	15,415.20	16,030.80	16,030.80	16,030.80
E-2	13,528.80	13,528.80	13,528.80	13,528.80	13,528.80	13,528.80
E-1>4	12,067.20	12,067.20	12,067.20	12,067.20	12,067.20	12,067.20
E-1<4	11,163.60					
Annual Basic Pay + Annual BAS						
E-9						
E-8						33,457.90
E-7	24,306.70	25,991.50	26,830.30	27,665.50	28,504.30	29,310.70
E-6	21,343.90	22,985.50	23,809.90	24,688.30	25,501.90	26,308.30
E-5	19,108.30	20,523.10	21,369.10	22,164.70	23,417.50	24,249.10
E-4	18,031.90	18,870.70	19,799.50	21,084.70	21,797.50	21,797.50
E-3	17,175.10	17,945.50	18,532.30	19,147.90	19,147.90	19,147.90
E-2	16,645.90	16,645.90	16,645.90	16,645.90	16,645.90	16,645.90
E-1>4	15,184.30	15,184.30	15,184.30	15,184.30	15,184.30	15,184.30
E-1<4	14,280.70					
Annual Basic Pay + Annual BAS + Annual BAH						
E-9						
E-8						41,464.30
E-7	31,740.70	33,425.50	34,264.30	35,099.50	35,938.30	36,744.70
E-6	28,212.70	29,854.30	30,678.70	31,557.10	32,370.70	33,177.10
E-5	25,285.90	26,700.70	27,546.70	28,342.30	29,595.10	30,426.70
E-4	23,399.50	24,238.30	25,167.10	26,452.30	27,165.10	27,165.10
E-3	22,171.90	22,942.30	23,529.10	24,144.70	24,144.70	24,144.70
E-2	21,408.70	21,408.70	21,408.70	21,408.70	21,408.70	21,408.70
E-1>4	19,947.10	19,947.10	19,947.10	19,947.10	19,947.10	19,947.10
E-1<4	19,043.50					

Pay Grade	Years of Service					
	10	12	14	16	18	20
Annual Basic Pay						
E-9	36,183.60	37,000.80	37,832.40	38,707.20	39,578.40	40,338.00
E-8	31,219.20	32,036.40	32,868.00	33,739.20	34,506.00	35,355.60
E-7	27,032.40	27,878.40	29,134.80	29,962.80	30,794.40	31,194.00
E-6	24,040.80	25,279.20	26,074.80	26,913.60	27,324.00	27,324.00
E-5	21,960.00	22,777.20	23,191.20	23,191.20	23,191.20	23,191.20
E-4	18,680.40	18,680.40	18,680.40	18,680.40	18,680.40	18,680.40
E-3	16,030.80	16,030.80	16,030.80	16,030.80	16,030.80	16,030.80
E-2	13,528.80	13,528.80	13,528.80	13,528.80	13,528.80	13,528.80
E-1>4	12,067.20	12,067.20	12,067.20	12,067.20	12,067.20	12,067.20
E-1<4						
Annual Basic Pay + Annual BAS						
E-9	39,300.70	40,117.90	40,949.50	41,824.30	42,695.50	43,455.10
E-8	34,336.30	35,153.50	35,985.10	36,856.30	37,623.10	38,472.70
E-7	30,149.50	30,995.50	32,251.90	33,079.90	33,911.50	34,311.10
E-6	27,157.90	28,396.30	29,191.90	30,030.70	30,441.10	30,441.10
E-5	25,077.10	25,894.30	26,308.30	26,308.30	26,308.30	26,308.30
E-4	21,797.50	21,797.50	21,797.50	21,797.50	21,797.50	21,797.50
E-3	19,147.90	19,147.90	19,147.90	19,147.90	19,147.90	19,147.90
E-2	16,645.90	16,645.90	16,645.90	16,645.90	16,645.90	16,645.90
E-1>4	15,184.30	15,184.30	15,184.30	15,184.30	15,184.30	15,184.30
E-1<4						
Annual Basic Pay + Annual BAS + Annual BAH						
E-9	47,983.90	48,801.10	49,632.70	50,507.50	51,378.70	52,138.30
E-8	42,342.70	43,159.90	43,991.50	44,862.70	45,629.50	46,479.10
E-7	37,583.50	38,429.50	39,685.90	40,513.90	41,345.50	41,745.10
E-6	34,026.70	35,265.10	36,060.70	36,899.50	37,309.90	37,309.90
E-5	31,254.70	32,071.90	32,485.90	32,485.90	32,485.90	32,485.90
E-4	27,165.10	27,165.10	27,165.10	27,165.10	27,165.10	27,165.10
E-3	24,144.70	24,144.70	24,144.70	24,144.70	24,144.70	24,144.70
E-2	21,408.70	21,408.70	21,408.70	21,408.70	21,408.70	21,408.70
E-1>4	19,947.10	19,947.10	19,947.10	19,947.10	19,947.10	19,947.10
E-1<4						

Pay Grade	Years of Service		
	22	24	26
Annual Basic Pay			
E-9	42,454.80	44,107.20	46,591.20
E-8	37,432.80	39,096.00	41,605.20
E-7	33,292.80	34,948.80	37,432.80
E-6	27,324.00	27,324.00	27,324.00
E-5	23,191.20	23,191.20	23,191.20
E-4	18,680.40	18,680.40	18,680.40
E-3	16,030.80	16,030.80	16,030.80
E-2	13,528.80	13,528.80	13,528.80
E-1>4	12,067.20	12,067.20	12,067.20
E-1<4			
Annual Basic Pay + Annual BAS			
E-9	45,571.90	47,224.30	49,708.30
E-8	40,549.90	42,213.10	44,722.30
E-7	36,409.90	38,065.90	40,549.90
E-6	30,441.10	30,441.10	30,441.10
E-5	26,308.30	26,308.30	26,308.30
E-4	21,797.50	21,797.50	21,797.50
E-3	19,147.90	19,147.90	19,147.90
E-2	16,645.90	16,645.90	16,645.90
E-1>4	15,184.30	15,184.30	15,184.30
E-1<4			
Annual Basic Pay + Annual BAS + Annual BAH			
E-9	54,255.10	55,907.50	58,391.50
E-8	48,556.30	50,219.50	52,728.70
E-7	43,843.90	45,499.90	47,983.90
E-6	37,309.90	37,309.90	37,309.90
E-5	32,485.90	32,485.90	32,485.90
E-4	27,165.10	27,165.10	27,165.10
E-3	24,144.70	24,144.70	24,144.70
E-2	21,408.70	21,408.70	21,408.70
E-1>4	19,947.10	19,947.10	19,947.10
E-1<4			

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APPENDIX B -- COST-BENEFIT CALCULATIONS

6,400 Military Food Stamp Program Benefit Recipients

Food Stamp Program Benefits, FY 1998	Divided by: Food Stamp Program Beneficiaries, FY 1998	Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998	Divided by: 12 Months	Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998	Average Military Household Size With Children	Average Monthly Food Stamp Program Benefits per Military Household With Children	Times: 12 Months	Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998
16,879,929,000	19,787,000	853.08	12	71.09	2.0	142.18	12	1,706.16
16,879,929,000	19,787,000	853.08	12	71.09	2.1	149.29	12	1,791.48
16,879,929,000	19,787,000	853.08	12	71.09	2.2	156.40	12	1,876.80
16,879,929,000	19,787,000	853.08	12	71.09	2.3	163.51	12	1,962.12
16,879,929,000	19,787,000	853.08	12	71.09	2.4	170.62	12	2,047.44
16,879,929,000	19,787,000	853.08	12	71.09	2.5	177.73	12	2,132.76
16,879,929,000	19,787,000	853.08	12	71.09	2.6	184.83	12	2,217.96
16,879,929,000	19,787,000	853.08	12	71.09	2.7	191.94	12	2,303.28
16,879,929,000	19,787,000	853.08	12	71.09	2.8	199.05	12	2,388.60
16,879,929,000	19,787,000	853.08	12	71.09	2.9	206.16	12	2,473.92
16,879,929,000	19,787,000	853.08	12	71.09	3.0	213.27	12	2,559.24
16,879,929,000	19,787,000	853.08	12	71.09	3.1	220.38	12	2,644.56
16,879,929,000	19,787,000	853.08	12	71.09	3.2	227.49	12	2,729.88
16,879,929,000	19,787,000	853.08	12	71.09	3.3	234.60	12	2,815.20
16,879,929,000	19,787,000	853.08	12	71.09	3.4	241.71	12	2,900.52
16,879,929,000	19,787,000	853.08	12	71.09	3.5	248.82	12	2,985.84
16,879,929,000	19,787,000	853.08	12	71.09	3.6	255.92	12	3,071.04
16,879,929,000	19,787,000	853.08	12	71.09	3.7	263.03	12	3,156.36
16,879,929,000	19,787,000	853.08	12	71.09	3.8	270.14	12	3,241.68
16,879,929,000	19,787,000	853.08	12	71.09	3.9	277.25	12	3,327.00
16,879,929,000	19,787,000	853.08	12	71.09	4.0	284.36	12	3,412.32
16,879,929,000	19,787,000	853.08	12	71.09	4.1	291.47	12	3,497.64
16,879,929,000	19,787,000	853.08	12	71.09	4.2	298.58	12	3,582.96
16,879,929,000	19,787,000	853.08	12	71.09	4.3	305.69	12	3,668.28
16,879,929,000	19,787,000	853.08	12	71.09	4.4	312.80	12	3,753.60
16,879,929,000	19,787,000	853.08	12	71.09	4.5	319.91	12	3,838.92
16,879,929,000	19,787,000	853.08	12	71.09	4.6	327.01	12	3,924.12
16,879,929,000	19,787,000	853.08	12	71.09	4.7	334.12	12	4,009.44
16,879,929,000	19,787,000	853.08	12	71.09	4.8	341.23	12	4,094.76
16,879,929,000	19,787,000	853.08	12	71.09	4.9	348.34	12	4,180.08
16,879,929,000	19,787,000	853.08	12	71.09	5.0	355.45	12	4,265.40
16,879,929,000	19,787,000	853.08	12	71.09	5.1	362.56	12	4,350.72
16,879,929,000	19,787,000	853.08	12	71.09	5.2	369.67	12	4,436.04
16,879,929,000	19,787,000	853.08	12	71.09	5.3	376.78	12	4,521.36
16,879,929,000	19,787,000	853.08	12	71.09	5.4	383.89	12	4,606.68

6,400 Military Food Stamp Program Benefit Recipients								
Food Stamp Program Benefits, FY 1998	Divided by: Food Stamp Program Beneficiaries, FY 1998	Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998	Divided by: 12 Months	Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998	Average Military Household Size With Children	Average Monthly Food Stamp Program Benefits per Military Household With Children	Times: 12 Months	Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998
16,879,929,000	19,787,000	853.08	12	71.09	5.5	391.00	12	4,692.00
16,879,929,000	19,787,000	853.08	12	71.09	5.6	398.10	12	4,777.20
16,879,929,000	19,787,000	853.08	12	71.09	5.7	405.21	12	4,862.52
16,879,929,000	19,787,000	853.08	12	71.09	5.8	412.32	12	4,947.84
16,879,929,000	19,787,000	853.08	12	71.09	5.9	419.43	12	5,033.16
16,879,929,000	19,787,000	853.08	12	71.09	6.0	426.54	12	5,118.48
16,879,929,000	19,787,000	853.08	12	71.09	6.1	433.65	12	5,203.80
16,879,929,000	19,787,000	853.08	12	71.09	6.2	440.76	12	5,289.12
16,879,929,000	19,787,000	853.08	12	71.09	6.3	447.87	12	5,374.44
16,879,929,000	19,787,000	853.08	12	71.09	6.4	454.98	12	5,459.76
16,879,929,000	19,787,000	853.08	12	71.09	6.5	462.09	12	5,545.08
16,879,929,000	19,787,000	853.08	12	71.09	6.6	469.19	12	5,630.28
16,879,929,000	19,787,000	853.08	12	71.09	6.7	476.30	12	5,715.60
16,879,929,000	19,787,000	853.08	12	71.09	6.8	483.41	12	5,800.92
16,879,929,000	19,787,000	853.08	12	71.09	6.9	490.52	12	5,886.24
16,879,929,000	19,787,000	853.08	12	71.09	7.0	497.63	12	5,971.56
16,879,929,000	19,787,000	853.08	12	71.09	7.1	504.74	12	6,056.88
16,879,929,000	19,787,000	853.08	12	71.09	7.2	511.85	12	6,142.20
16,879,929,000	19,787,000	853.08	12	71.09	7.3	518.96	12	6,227.52
16,879,929,000	19,787,000	853.08	12	71.09	7.4	526.07	12	6,312.84
16,879,929,000	19,787,000	853.08	12	71.09	7.5	533.18	12	6,398.16
16,879,929,000	19,787,000	853.08	12	71.09	7.6	540.29	12	6,483.48
16,879,929,000	19,787,000	853.08	12	71.09	7.7	547.39	12	6,568.68
16,879,929,000	19,787,000	853.08	12	71.09	7.8	554.50	12	6,654.00
16,879,929,000	19,787,000	853.08	12	71.09	7.9	561.61	12	6,739.32
16,879,929,000	19,787,000	853.08	12	71.09	8.0	568.72	12	6,824.64
16,879,929,000	19,787,000	853.08	12	71.09	8.1	575.83	12	6,909.96
16,879,929,000	19,787,000	853.08	12	71.09	8.2	582.94	12	6,995.28
16,879,929,000	19,787,000	853.08	12	71.09	8.3	590.05	12	7,080.60
16,879,929,000	19,787,000	853.08	12	71.09	8.4	597.16	12	7,165.92
16,879,929,000	19,787,000	853.08	12	71.09	8.5	604.27	12	7,251.24
16,879,929,000	19,787,000	853.08	12	71.09	8.6	611.38	12	7,336.56
16,879,929,000	19,787,000	853.08	12	71.09	8.7	618.48	12	7,421.76
16,879,929,000	19,787,000	853.08	12	71.09	8.8	625.59	12	7,507.08
16,879,929,000	19,787,000	853.08	12	71.09	8.9	632.70	12	7,592.40
16,879,929,000	19,787,000	853.08	12	71.09	9.0	639.81	12	7,677.72

12,000 Military Food Stamp Program Benefit Recipients								
Food Stamp Program Benefits, FY 1998	Divided by: Food Stamp Program Beneficiaries, FY 1998	Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998	Divided by: 12 Months	Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998	Average Military Household Size With Children	Average Monthly Food Stamp Program Benefits per Military Household With Children	Times: 12 Months	Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998
16,879,929,000	19,787,000	853.08	12	71.09	2.0	142.18	12	1,706.16
16,879,929,000	19,787,000	853.08	12	71.09	2.1	149.29	12	1,791.48
16,879,929,000	19,787,000	853.08	12	71.09	2.2	156.40	12	1,876.80
16,879,929,000	19,787,000	853.08	12	71.09	2.3	163.51	12	1,962.12
16,879,929,000	19,787,000	853.08	12	71.09	2.4	170.62	12	2,047.44
16,879,929,000	19,787,000	853.08	12	71.09	2.5	177.73	12	2,132.76
16,879,929,000	19,787,000	853.08	12	71.09	2.6	184.83	12	2,217.96
16,879,929,000	19,787,000	853.08	12	71.09	2.7	191.94	12	2,303.28
16,879,929,000	19,787,000	853.08	12	71.09	2.8	199.05	12	2,388.60
16,879,929,000	19,787,000	853.08	12	71.09	2.9	206.16	12	2,473.92
16,879,929,000	19,787,000	853.08	12	71.09	3.0	213.27	12	2,559.24
16,879,929,000	19,787,000	853.08	12	71.09	3.1	220.38	12	2,644.56
16,879,929,000	19,787,000	853.08	12	71.09	3.2	227.49	12	2,729.88
16,879,929,000	19,787,000	853.08	12	71.09	3.3	234.60	12	2,815.20
16,879,929,000	19,787,000	853.08	12	71.09	3.4	241.71	12	2,900.52
16,879,929,000	19,787,000	853.08	12	71.09	3.5	248.82	12	2,985.84
16,879,929,000	19,787,000	853.08	12	71.09	3.6	255.92	12	3,071.04
16,879,929,000	19,787,000	853.08	12	71.09	3.7	263.03	12	3,156.36
16,879,929,000	19,787,000	853.08	12	71.09	3.8	270.14	12	3,241.68
16,879,929,000	19,787,000	853.08	12	71.09	3.9	277.25	12	3,327.00
16,879,929,000	19,787,000	853.08	12	71.09	4.0	284.36	12	3,412.32
16,879,929,000	19,787,000	853.08	12	71.09	4.1	291.47	12	3,497.64
16,879,929,000	19,787,000	853.08	12	71.09	4.2	298.58	12	3,582.96
16,879,929,000	19,787,000	853.08	12	71.09	4.3	305.69	12	3,668.28
16,879,929,000	19,787,000	853.08	12	71.09	4.4	312.80	12	3,753.60
16,879,929,000	19,787,000	853.08	12	71.09	4.5	319.91	12	3,838.92
16,879,929,000	19,787,000	853.08	12	71.09	4.6	327.01	12	3,924.12
16,879,929,000	19,787,000	853.08	12	71.09	4.7	334.12	12	4,009.44
16,879,929,000	19,787,000	853.08	12	71.09	4.8	341.23	12	4,094.76
16,879,929,000	19,787,000	853.08	12	71.09	4.9	348.34	12	4,180.08
16,879,929,000	19,787,000	853.08	12	71.09	5.0	355.45	12	4,265.40
16,879,929,000	19,787,000	853.08	12	71.09	5.1	362.56	12	4,350.72
16,879,929,000	19,787,000	853.08	12	71.09	5.2	369.67	12	4,436.04
16,879,929,000	19,787,000	853.08	12	71.09	5.3	376.78	12	4,521.36
16,879,929,000	19,787,000	853.08	12	71.09	5.4	383.89	12	4,606.68

12,000 Military Food Stamp Program Benefit Recipients								
Food Stamp Program Benefits, FY 1998	Divided by: Food Stamp Program Beneficiaries, FY 1998	Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998	Divided by: 12 Months	Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998	Average Military Household Size With Children	Average Monthly Food Stamp Program Benefits per Military Household With Children	Times: 12 Months	Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998
16,879,929,000	19,787,000	853.08	12	71.09	5.5	391.00	12	4,692.00
16,879,929,000	19,787,000	853.08	12	71.09	5.6	398.10	12	4,777.20
16,879,929,000	19,787,000	853.08	12	71.09	5.7	405.21	12	4,862.52
16,879,929,000	19,787,000	853.08	12	71.09	5.8	412.32	12	4,947.84
16,879,929,000	19,787,000	853.08	12	71.09	5.9	419.43	12	5,033.16
16,879,929,000	19,787,000	853.08	12	71.09	6.0	426.54	12	5,118.48
16,879,929,000	19,787,000	853.08	12	71.09	6.1	433.65	12	5,203.80
16,879,929,000	19,787,000	853.08	12	71.09	6.2	440.76	12	5,289.12
16,879,929,000	19,787,000	853.08	12	71.09	6.3	447.87	12	5,374.44
16,879,929,000	19,787,000	853.08	12	71.09	6.4	454.98	12	5,459.76
16,879,929,000	19,787,000	853.08	12	71.09	6.5	462.09	12	5,545.08
16,879,929,000	19,787,000	853.08	12	71.09	6.6	469.19	12	5,630.28
16,879,929,000	19,787,000	853.08	12	71.09	6.7	476.30	12	5,715.60
16,879,929,000	19,787,000	853.08	12	71.09	6.8	483.41	12	5,800.92
16,879,929,000	19,787,000	853.08	12	71.09	6.9	490.52	12	5,886.24
16,879,929,000	19,787,000	853.08	12	71.09	7.0	497.63	12	5,971.56
16,879,929,000	19,787,000	853.08	12	71.09	7.1	504.74	12	6,056.88
16,879,929,000	19,787,000	853.08	12	71.09	7.2	511.85	12	6,142.20
16,879,929,000	19,787,000	853.08	12	71.09	7.3	518.96	12	6,227.52
16,879,929,000	19,787,000	853.08	12	71.09	7.4	526.07	12	6,312.84
16,879,929,000	19,787,000	853.08	12	71.09	7.5	533.18	12	6,398.16
16,879,929,000	19,787,000	853.08	12	71.09	7.6	540.29	12	6,483.48
16,879,929,000	19,787,000	853.08	12	71.09	7.7	547.39	12	6,568.68
16,879,929,000	19,787,000	853.08	12	71.09	7.8	554.50	12	6,654.00
16,879,929,000	19,787,000	853.08	12	71.09	7.9	561.61	12	6,739.32
16,879,929,000	19,787,000	853.08	12	71.09	8.0	568.72	12	6,824.64
16,879,929,000	19,787,000	853.08	12	71.09	8.1	575.83	12	6,909.96
16,879,929,000	19,787,000	853.08	12	71.09	8.2	582.94	12	6,995.28
16,879,929,000	19,787,000	853.08	12	71.09	8.3	590.05	12	7,080.60
16,879,929,000	19,787,000	853.08	12	71.09	8.4	597.16	12	7,165.92
16,879,929,000	19,787,000	853.08	12	71.09	8.5	604.27	12	7,251.24
16,879,929,000	19,787,000	853.08	12	71.09	8.6	611.38	12	7,336.56
16,879,929,000	19,787,000	853.08	12	71.09	8.7	618.48	12	7,421.76
16,879,929,000	19,787,000	853.08	12	71.09	8.8	625.59	12	7,507.08
16,879,929,000	19,787,000	853.08	12	71.09	8.9	632.70	12	7,592.40
16,879,929,000	19,787,000	853.08	12	71.09	9.0	639.81	12	7,677.72

20,000 Military Food Stamp Program Benefit Recipients								
Food Stamp Program Benefits, FY 1998	Divided by: Food Stamp Program Beneficiaries, FY 1998	Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998	Divided by: 12 Months	Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998	Average Military Household Size With Children	Average Monthly Food Stamp Program Benefits per Military Household With Children	Times: 12 Months	Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998
16,879,929,000	19,787,000	853.08	12	71.09	2.0	142.18	12	1,706.16
16,879,929,000	19,787,000	853.08	12	71.09	2.1	149.29	12	1,791.48
16,879,929,000	19,787,000	853.08	12	71.09	2.2	156.40	12	1,876.80
16,879,929,000	19,787,000	853.08	12	71.09	2.3	163.51	12	1,962.12
16,879,929,000	19,787,000	853.08	12	71.09	2.4	170.62	12	2,047.44
16,879,929,000	19,787,000	853.08	12	71.09	2.5	177.73	12	2,132.76
16,879,929,000	19,787,000	853.08	12	71.09	2.6	184.83	12	2,217.96
16,879,929,000	19,787,000	853.08	12	71.09	2.7	191.94	12	2,303.28
16,879,929,000	19,787,000	853.08	12	71.09	2.8	199.05	12	2,388.60
16,879,929,000	19,787,000	853.08	12	71.09	2.9	206.16	12	2,473.92
16,879,929,000	19,787,000	853.08	12	71.09	3.0	213.27	12	2,559.24
16,879,929,000	19,787,000	853.08	12	71.09	3.1	220.38	12	2,644.56
16,879,929,000	19,787,000	853.08	12	71.09	3.2	227.49	12	2,729.88
16,879,929,000	19,787,000	853.08	12	71.09	3.3	234.60	12	2,815.20
16,879,929,000	19,787,000	853.08	12	71.09	3.4	241.71	12	2,900.52
16,879,929,000	19,787,000	853.08	12	71.09	3.5	248.82	12	2,985.84
16,879,929,000	19,787,000	853.08	12	71.09	3.6	255.92	12	3,071.04
16,879,929,000	19,787,000	853.08	12	71.09	3.7	263.03	12	3,156.36
16,879,929,000	19,787,000	853.08	12	71.09	3.8	270.14	12	3,241.68
16,879,929,000	19,787,000	853.08	12	71.09	3.9	277.25	12	3,327.00
16,879,929,000	19,787,000	853.08	12	71.09	4.0	284.36	12	3,412.32
16,879,929,000	19,787,000	853.08	12	71.09	4.1	291.47	12	3,497.64
16,879,929,000	19,787,000	853.08	12	71.09	4.2	298.58	12	3,582.96
16,879,929,000	19,787,000	853.08	12	71.09	4.3	305.69	12	3,668.28
16,879,929,000	19,787,000	853.08	12	71.09	4.4	312.80	12	3,753.60
16,879,929,000	19,787,000	853.08	12	71.09	4.5	319.91	12	3,838.92
16,879,929,000	19,787,000	853.08	12	71.09	4.6	327.01	12	3,924.12
16,879,929,000	19,787,000	853.08	12	71.09	4.7	334.12	12	4,009.44
16,879,929,000	19,787,000	853.08	12	71.09	4.8	341.23	12	4,094.76
16,879,929,000	19,787,000	853.08	12	71.09	4.9	348.34	12	4,180.08
16,879,929,000	19,787,000	853.08	12	71.09	5.0	355.45	12	4,265.40
16,879,929,000	19,787,000	853.08	12	71.09	5.1	362.56	12	4,350.72
16,879,929,000	19,787,000	853.08	12	71.09	5.2	369.67	12	4,436.04
16,879,929,000	19,787,000	853.08	12	71.09	5.3	376.78	12	4,521.36
16,879,929,000	19,787,000	853.08	12	71.09	5.4	383.89	12	4,606.68

20,000 Military Food Stamp Program Benefit Recipients								
Food Stamp Program Benefits, FY 1998	Divided by: Food Stamp Program Beneficiaries, FY 1998	Average Annual Food Stamp Program Benefits per Beneficiary, FY 1998	Divided by: 12 Months	Average Monthly Food Stamp Program Benefits per Beneficiary, FY 1998	Average Military Household Size With Children	Average Monthly Food Stamp Program Benefits per Military Household With Children	Times: 12 Months	Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998
16,879,929,000	19,787,000	853.08	12	71.09	5.5	391.00	12	4,692.00
16,879,929,000	19,787,000	853.08	12	71.09	5.6	398.10	12	4,777.20
16,879,929,000	19,787,000	853.08	12	71.09	5.7	405.21	12	4,862.52
16,879,929,000	19,787,000	853.08	12	71.09	5.8	412.32	12	4,947.84
16,879,929,000	19,787,000	853.08	12	71.09	5.9	419.43	12	5,033.16
16,879,929,000	19,787,000	853.08	12	71.09	6.0	426.54	12	5,118.48
16,879,929,000	19,787,000	853.08	12	71.09	6.1	433.65	12	5,203.80
16,879,929,000	19,787,000	853.08	12	71.09	6.2	440.76	12	5,289.12
16,879,929,000	19,787,000	853.08	12	71.09	6.3	447.87	12	5,374.44
16,879,929,000	19,787,000	853.08	12	71.09	6.4	454.98	12	5,459.76
16,879,929,000	19,787,000	853.08	12	71.09	6.5	462.09	12	5,545.08
16,879,929,000	19,787,000	853.08	12	71.09	6.6	469.19	12	5,630.28
16,879,929,000	19,787,000	853.08	12	71.09	6.7	476.30	12	5,715.60
16,879,929,000	19,787,000	853.08	12	71.09	6.8	483.41	12	5,800.92
16,879,929,000	19,787,000	853.08	12	71.09	6.9	490.52	12	5,886.24
16,879,929,000	19,787,000	853.08	12	71.09	7.0	497.63	12	5,971.56
16,879,929,000	19,787,000	853.08	12	71.09	7.1	504.74	12	6,056.88
16,879,929,000	19,787,000	853.08	12	71.09	7.2	511.85	12	6,142.20
16,879,929,000	19,787,000	853.08	12	71.09	7.3	518.96	12	6,227.52
16,879,929,000	19,787,000	853.08	12	71.09	7.4	526.07	12	6,312.84
16,879,929,000	19,787,000	853.08	12	71.09	7.5	533.18	12	6,398.16
16,879,929,000	19,787,000	853.08	12	71.09	7.6	540.29	12	6,483.48
16,879,929,000	19,787,000	853.08	12	71.09	7.7	547.39	12	6,568.68
16,879,929,000	19,787,000	853.08	12	71.09	7.8	554.50	12	6,654.00
16,879,929,000	19,787,000	853.08	12	71.09	7.9	561.61	12	6,739.32
16,879,929,000	19,787,000	853.08	12	71.09	8.0	568.72	12	6,824.64
16,879,929,000	19,787,000	853.08	12	71.09	8.1	575.83	12	6,909.96
16,879,929,000	19,787,000	853.08	12	71.09	8.2	582.94	12	6,995.28
16,879,929,000	19,787,000	853.08	12	71.09	8.3	590.05	12	7,080.60
16,879,929,000	19,787,000	853.08	12	71.09	8.4	597.16	12	7,165.92
16,879,929,000	19,787,000	853.08	12	71.09	8.5	604.27	12	7,251.24
16,879,929,000	19,787,000	853.08	12	71.09	8.6	611.38	12	7,336.56
16,879,929,000	19,787,000	853.08	12	71.09	8.7	618.48	12	7,421.76
16,879,929,000	19,787,000	853.08	12	71.09	8.8	625.59	12	7,507.08
16,879,929,000	19,787,000	853.08	12	71.09	8.9	632.70	12	7,592.40
16,879,929,000	19,787,000	853.08	12	71.09	9.0	639.81	12	7,677.72

6,400 Military Food Stamp Program Benefit Recipients								
Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998	Times: Military Food Stamp Program Beneficiaries	Total Annual Food Stamp Program Benefits Received by Military Personnel (Col 3)	Monthly Special Subsistence Allowance	Times: Military Food Stamp Program Beneficiaries	Monthly Cost of Special Subsistence Allowance (Col 6)	Times: 12 Months	Annual Cost of Special Subsistence Allowance	Annual Cost or Savings Realized by the Federal Government (Col 3 - Col 6)
1,706.16	6,400	10,919,424	180	6,400	1,152,000	12	13,824,000	(2,904,576)
1,791.48	6,400	11,465,472	180	6,400	1,152,000	12	13,824,000	(2,358,528)
1,876.80	6,400	12,011,520	180	6,400	1,152,000	12	13,824,000	(1,812,480)
1,962.12	6,400	12,557,568	180	6,400	1,152,000	12	13,824,000	(1,266,432)
2,047.44	6,400	13,103,616	180	6,400	1,152,000	12	13,824,000	(720,384)
2,132.76	6,400	13,649,664	180	6,400	1,152,000	12	13,824,000	(174,336)
2,217.96	6,400	14,194,944	180	6,400	1,152,000	12	13,824,000	370,944
2,303.28	6,400	14,740,992	180	6,400	1,152,000	12	13,824,000	916,992
2,388.60	6,400	15,287,040	180	6,400	1,152,000	12	13,824,000	1,463,040
2,473.92	6,400	15,833,088	180	6,400	1,152,000	12	13,824,000	2,009,088
2,559.24	6,400	16,379,136	180	6,400	1,152,000	12	13,824,000	2,555,136
2,644.56	6,400	16,925,184	180	6,400	1,152,000	12	13,824,000	3,101,184
2,729.88	6,400	17,471,232	180	6,400	1,152,000	12	13,824,000	3,647,232
2,815.20	6,400	18,017,280	180	6,400	1,152,000	12	13,824,000	4,193,280
2,900.52	6,400	18,563,328	180	6,400	1,152,000	12	13,824,000	4,739,328
2,985.84	6,400	19,109,376	180	6,400	1,152,000	12	13,824,000	5,285,376
3,071.04	6,400	19,654,656	180	6,400	1,152,000	12	13,824,000	5,830,656
3,156.36	6,400	20,200,704	180	6,400	1,152,000	12	13,824,000	6,376,704
3,241.68	6,400	20,746,752	180	6,400	1,152,000	12	13,824,000	6,922,752
3,327.00	6,400	21,292,800	180	6,400	1,152,000	12	13,824,000	7,468,800
3,412.32	6,400	21,838,848	180	6,400	1,152,000	12	13,824,000	8,014,848
3,497.64	6,400	22,384,896	180	6,400	1,152,000	12	13,824,000	8,560,896
3,582.96	6,400	22,930,944	180	6,400	1,152,000	12	13,824,000	9,106,944
3,668.28	6,400	23,476,992	180	6,400	1,152,000	12	13,824,000	9,652,992
3,753.60	6,400	24,023,040	180	6,400	1,152,000	12	13,824,000	10,199,040
3,838.92	6,400	24,569,088	180	6,400	1,152,000	12	13,824,000	10,745,088
3,924.12	6,400	25,114,368	180	6,400	1,152,000	12	13,824,000	11,290,368
4,009.44	6,400	25,660,416	180	6,400	1,152,000	12	13,824,000	11,836,416
4,094.76	6,400	26,206,464	180	6,400	1,152,000	12	13,824,000	12,382,464
4,180.08	6,400	26,752,512	180	6,400	1,152,000	12	13,824,000	12,928,512
4,265.40	6,400	27,298,560	180	6,400	1,152,000	12	13,824,000	13,474,560
4,350.72	6,400	27,844,608	180	6,400	1,152,000	12	13,824,000	14,020,608
4,436.04	6,400	28,390,656	180	6,400	1,152,000	12	13,824,000	14,566,656
4,521.36	6,400	28,936,704	180	6,400	1,152,000	12	13,824,000	15,112,704
4,606.68	6,400	29,482,752	180	6,400	1,152,000	12	13,824,000	15,658,752

6,400 Military Food Stamp Program Benefit Recipients								
Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998	Times: Military Food Stamp Program Beneficiaries	Total Annual Food Stamp Program Benefits Received by Military Personnel (Col 3)	Monthly Special Subsistence Allowance	Times: Military Food Stamp Program Beneficiaries	Monthly Cost of Special Subsistence Allowance (Col 6)	Times: 12 Months	Annual Cost of Special Subsistence Allowance	Annual Cost or Savings Realized by the Federal Government (Col 3 - Col 6)
4,692.00	6,400	30,028,800	180	6,400	1,152,000	12	13,824,000	16,204,800
4,777.20	6,400	30,574,080	180	6,400	1,152,000	12	13,824,000	16,750,080
4,862.52	6,400	31,120,128	180	6,400	1,152,000	12	13,824,000	17,296,128
4,947.84	6,400	31,666,176	180	6,400	1,152,000	12	13,824,000	17,842,176
5,033.16	6,400	32,212,224	180	6,400	1,152,000	12	13,824,000	18,388,224
5,118.48	6,400	32,758,272	180	6,400	1,152,000	12	13,824,000	18,934,272
5,203.80	6,400	33,304,320	180	6,400	1,152,000	12	13,824,000	19,480,320
5,289.12	6,400	33,850,368	180	6,400	1,152,000	12	13,824,000	20,026,368
5,374.44	6,400	34,396,416	180	6,400	1,152,000	12	13,824,000	20,572,416
5,459.76	6,400	34,942,464	180	6,400	1,152,000	12	13,824,000	21,118,464
5,545.08	6,400	35,488,512	180	6,400	1,152,000	12	13,824,000	21,664,512
5,630.28	6,400	36,033,792	180	6,400	1,152,000	12	13,824,000	22,209,792
5,715.60	6,400	36,579,840	180	6,400	1,152,000	12	13,824,000	22,755,840
5,800.92	6,400	37,125,888	180	6,400	1,152,000	12	13,824,000	23,301,888
5,886.24	6,400	37,671,936	180	6,400	1,152,000	12	13,824,000	23,847,936
5,971.56	6,400	38,217,984	180	6,400	1,152,000	12	13,824,000	24,393,984
6,056.88	6,400	38,764,032	180	6,400	1,152,000	12	13,824,000	24,940,032
6,142.20	6,400	39,310,080	180	6,400	1,152,000	12	13,824,000	25,486,080
6,227.52	6,400	39,856,128	180	6,400	1,152,000	12	13,824,000	26,032,128
6,312.84	6,400	40,402,176	180	6,400	1,152,000	12	13,824,000	26,578,176
6,398.16	6,400	40,948,224	180	6,400	1,152,000	12	13,824,000	27,124,224
6,483.48	6,400	41,494,272	180	6,400	1,152,000	12	13,824,000	27,670,272
6,568.68	6,400	42,039,552	180	6,400	1,152,000	12	13,824,000	28,215,552
6,654.00	6,400	42,585,600	180	6,400	1,152,000	12	13,824,000	28,761,600
6,739.32	6,400	43,131,648	180	6,400	1,152,000	12	13,824,000	29,307,648
6,824.64	6,400	43,677,696	180	6,400	1,152,000	12	13,824,000	29,853,696
6,909.96	6,400	44,223,744	180	6,400	1,152,000	12	13,824,000	30,399,744
6,995.28	6,400	44,769,792	180	6,400	1,152,000	12	13,824,000	30,945,792
7,080.60	6,400	45,315,840	180	6,400	1,152,000	12	13,824,000	31,491,840
7,165.92	6,400	45,861,888	180	6,400	1,152,000	12	13,824,000	32,037,888
7,251.24	6,400	46,407,936	180	6,400	1,152,000	12	13,824,000	32,583,936
7,336.56	6,400	46,953,984	180	6,400	1,152,000	12	13,824,000	33,129,984
7,421.76	6,400	47,499,264	180	6,400	1,152,000	12	13,824,000	33,675,264
7,507.08	6,400	48,045,312	180	6,400	1,152,000	12	13,824,000	34,221,312
7,592.40	6,400	48,591,360	180	6,400	1,152,000	12	13,824,000	34,767,360
7,677.72	6,400	49,137,408	180	6,400	1,152,000	12	13,824,000	35,313,408

12,000 Military Food Stamp Program Benefit Recipients								
Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998	Times: Military Food Stamp Program Beneficiaries	Total Annual Food Stamp Program Benefits Received by Military Personnel (Col 3)	Monthly Special Subsistence Allowance	Times: Military Food Stamp Program Beneficiaries	Monthly Cost of Special Subsistence Allowance (Col 6)	Times: 12 Months	Annual Cost of Special Subsistence Allowance	Annual Cost or Savings Realized by the Federal Government (Col 3 - Col 6)
1,706.16	12,000	20,473,920	180	12,000	2,160,000	12	25,920,000	(5,446,080)
1,791.48	12,000	21,497,760	180	12,000	2,160,000	12	25,920,000	(4,422,240)
1,876.80	12,000	22,521,600	180	12,000	2,160,000	12	25,920,000	(3,398,400)
1,962.12	12,000	23,545,440	180	12,000	2,160,000	12	25,920,000	(2,374,560)
2,047.44	12,000	24,569,280	180	12,000	2,160,000	12	25,920,000	(1,350,720)
2,132.76	12,000	25,593,120	180	12,000	2,160,000	12	25,920,000	(326,880)
2,217.96	12,000	26,615,520	180	12,000	2,160,000	12	25,920,000	695,520
2,303.28	12,000	27,639,360	180	12,000	2,160,000	12	25,920,000	1,719,360
2,388.60	12,000	28,663,200	180	12,000	2,160,000	12	25,920,000	2,743,200
2,473.92	12,000	29,687,040	180	12,000	2,160,000	12	25,920,000	3,767,040
2,559.24	12,000	30,710,880	180	12,000	2,160,000	12	25,920,000	4,790,880
2,644.56	12,000	31,734,720	180	12,000	2,160,000	12	25,920,000	5,814,720
2,729.88	12,000	32,758,560	180	12,000	2,160,000	12	25,920,000	6,838,560
2,815.20	12,000	33,782,400	180	12,000	2,160,000	12	25,920,000	7,862,400
2,900.52	12,000	34,806,240	180	12,000	2,160,000	12	25,920,000	8,886,240
2,985.84	12,000	35,830,080	180	12,000	2,160,000	12	25,920,000	9,910,080
3,071.04	12,000	36,852,480	180	12,000	2,160,000	12	25,920,000	10,932,480
3,156.36	12,000	37,876,320	180	12,000	2,160,000	12	25,920,000	11,956,320
3,241.68	12,000	38,900,160	180	12,000	2,160,000	12	25,920,000	12,980,160
3,327.00	12,000	39,924,000	180	12,000	2,160,000	12	25,920,000	14,004,000
3,412.32	12,000	40,947,840	180	12,000	2,160,000	12	25,920,000	15,027,840
3,497.64	12,000	41,971,680	180	12,000	2,160,000	12	25,920,000	16,051,680
3,582.96	12,000	42,995,520	180	12,000	2,160,000	12	25,920,000	17,075,520
3,668.28	12,000	44,019,360	180	12,000	2,160,000	12	25,920,000	18,099,360
3,753.60	12,000	45,043,200	180	12,000	2,160,000	12	25,920,000	19,123,200
3,838.92	12,000	46,067,040	180	12,000	2,160,000	12	25,920,000	20,147,040
3,924.12	12,000	47,089,440	180	12,000	2,160,000	12	25,920,000	21,169,440
4,009.44	12,000	48,113,280	180	12,000	2,160,000	12	25,920,000	22,193,280
4,094.76	12,000	49,137,120	180	12,000	2,160,000	12	25,920,000	23,217,120
4,180.08	12,000	50,160,960	180	12,000	2,160,000	12	25,920,000	24,240,960
4,265.40	12,000	51,184,800	180	12,000	2,160,000	12	25,920,000	25,264,800
4,350.72	12,000	52,208,640	180	12,000	2,160,000	12	25,920,000	26,288,640
4,436.04	12,000	53,232,480	180	12,000	2,160,000	12	25,920,000	27,312,480
4,521.36	12,000	54,256,320	180	12,000	2,160,000	12	25,920,000	28,336,320
4,606.68	12,000	55,280,160	180	12,000	2,160,000	12	25,920,000	29,360,160

12,000 Military Food Stamp Program Benefit Recipients								
Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998	Times: Military Food Stamp Program Beneficiaries	Total Annual Food Stamp Program Benefits Received by Military Personnel (Col 3)	Monthly Special Subsistence Allowance	Times: Military Food Stamp Program Beneficiaries	Monthly Cost of Special Subsistence Allowance (Col 6)	Times: 12 Months	Annual Cost of Special Subsistence Allowance	Annual Cost or Savings Realized by the Federal Government (Col 3 - Col 6)
4,692.00	12,000	56,304,000	180	12,000	2,160,000	12	25,920,000	30,384,000
4,777.20	12,000	57,326,400	180	12,000	2,160,000	12	25,920,000	31,406,400
4,862.52	12,000	58,350,240	180	12,000	2,160,000	12	25,920,000	32,430,240
4,947.84	12,000	59,374,080	180	12,000	2,160,000	12	25,920,000	33,454,080
5,033.16	12,000	60,397,920	180	12,000	2,160,000	12	25,920,000	34,477,920
5,118.48	12,000	61,421,760	180	12,000	2,160,000	12	25,920,000	35,501,760
5,203.80	12,000	62,445,600	180	12,000	2,160,000	12	25,920,000	36,525,600
5,289.12	12,000	63,469,440	180	12,000	2,160,000	12	25,920,000	37,549,440
5,374.44	12,000	64,493,280	180	12,000	2,160,000	12	25,920,000	38,573,280
5,459.76	12,000	65,517,120	180	12,000	2,160,000	12	25,920,000	39,597,120
5,545.08	12,000	66,540,960	180	12,000	2,160,000	12	25,920,000	40,620,960
5,630.28	12,000	67,563,360	180	12,000	2,160,000	12	25,920,000	41,643,360
5,715.60	12,000	68,587,200	180	12,000	2,160,000	12	25,920,000	42,667,200
5,800.92	12,000	69,611,040	180	12,000	2,160,000	12	25,920,000	43,691,040
5,886.24	12,000	70,634,880	180	12,000	2,160,000	12	25,920,000	44,714,880
5,971.56	12,000	71,658,720	180	12,000	2,160,000	12	25,920,000	45,738,720
6,056.88	12,000	72,682,560	180	12,000	2,160,000	12	25,920,000	46,762,560
6,142.20	12,000	73,706,400	180	12,000	2,160,000	12	25,920,000	47,786,400
6,227.52	12,000	74,730,240	180	12,000	2,160,000	12	25,920,000	48,810,240
6,312.84	12,000	75,754,080	180	12,000	2,160,000	12	25,920,000	49,834,080
6,398.16	12,000	76,777,920	180	12,000	2,160,000	12	25,920,000	50,857,920
6,483.48	12,000	77,801,760	180	12,000	2,160,000	12	25,920,000	51,881,760
6,568.68	12,000	78,824,160	180	12,000	2,160,000	12	25,920,000	52,904,160
6,654.00	12,000	79,848,000	180	12,000	2,160,000	12	25,920,000	53,928,000
6,739.32	12,000	80,871,840	180	12,000	2,160,000	12	25,920,000	54,951,840
6,824.64	12,000	81,895,680	180	12,000	2,160,000	12	25,920,000	55,975,680
6,909.96	12,000	82,919,520	180	12,000	2,160,000	12	25,920,000	56,999,520
6,995.28	12,000	83,943,360	180	12,000	2,160,000	12	25,920,000	58,023,360
7,080.60	12,000	84,967,200	180	12,000	2,160,000	12	25,920,000	59,047,200
7,165.92	12,000	85,991,040	180	12,000	2,160,000	12	25,920,000	60,071,040
7,251.24	12,000	87,014,880	180	12,000	2,160,000	12	25,920,000	61,094,880
7,336.56	12,000	88,038,720	180	12,000	2,160,000	12	25,920,000	62,118,720
7,421.76	12,000	89,061,120	180	12,000	2,160,000	12	25,920,000	63,141,120
7,507.08	12,000	90,084,960	180	12,000	2,160,000	12	25,920,000	64,164,960
7,592.40	12,000	91,108,800	180	12,000	2,160,000	12	25,920,000	65,188,800
7,677.72	12,000	92,132,640	180	12,000	2,160,000	12	25,920,000	66,212,640

20,000 Military Food Stamp Program Benefit Recipients								
Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998	Times: Military Food Stamp Program Beneficiaries	Total Annual Food Stamp Program Benefits Received by Military Personnel (Col 3)	Monthly Special Subsistence Allowance	Times: Military Food Stamp Program Beneficiaries	Monthly Cost of Special Subsistence Allowance (Col 6)	Times: 12 Months	Annual Cost of Special Subsistence Allowance	Annual Cost or Savings Realized by the Federal Government (Col 3 - Col 6)
1,706.16	20,000	34,123,200	180	20,000	3,600,000	12	43,200,000	(9,076,800)
1,791.48	20,000	35,829,600	180	20,000	3,600,000	12	43,200,000	(7,370,400)
1,876.80	20,000	37,536,000	180	20,000	3,600,000	12	43,200,000	(5,664,000)
1,962.12	20,000	39,242,400	180	20,000	3,600,000	12	43,200,000	(3,957,600)
2,047.44	20,000	40,948,800	180	20,000	3,600,000	12	43,200,000	(2,251,200)
2,132.76	20,000	42,655,200	180	20,000	3,600,000	12	43,200,000	(544,800)
2,217.96	20,000	44,359,200	180	20,000	3,600,000	12	43,200,000	1,159,200
2,303.28	20,000	46,065,600	180	20,000	3,600,000	12	43,200,000	2,865,600
2,388.60	20,000	47,772,000	180	20,000	3,600,000	12	43,200,000	4,572,000
2,473.92	20,000	49,478,400	180	20,000	3,600,000	12	43,200,000	6,278,400
2,559.24	20,000	51,184,800	180	20,000	3,600,000	12	43,200,000	7,984,800
2,644.56	20,000	52,891,200	180	20,000	3,600,000	12	43,200,000	9,691,200
2,729.88	20,000	54,597,600	180	20,000	3,600,000	12	43,200,000	11,397,600
2,815.20	20,000	56,304,000	180	20,000	3,600,000	12	43,200,000	13,104,000
2,900.52	20,000	58,010,400	180	20,000	3,600,000	12	43,200,000	14,810,400
2,985.84	20,000	59,716,800	180	20,000	3,600,000	12	43,200,000	16,516,800
3,071.04	20,000	61,420,800	180	20,000	3,600,000	12	43,200,000	18,220,800
3,156.36	20,000	63,127,200	180	20,000	3,600,000	12	43,200,000	19,927,200
3,241.68	20,000	64,833,600	180	20,000	3,600,000	12	43,200,000	21,633,600
3,327.00	20,000	66,540,000	180	20,000	3,600,000	12	43,200,000	23,340,000
3,412.32	20,000	68,246,400	180	20,000	3,600,000	12	43,200,000	25,046,400
3,497.64	20,000	69,952,800	180	20,000	3,600,000	12	43,200,000	26,752,800
3,582.96	20,000	71,659,200	180	20,000	3,600,000	12	43,200,000	28,459,200
3,668.28	20,000	73,365,600	180	20,000	3,600,000	12	43,200,000	30,165,600
3,753.60	20,000	75,072,000	180	20,000	3,600,000	12	43,200,000	31,872,000
3,838.92	20,000	76,778,400	180	20,000	3,600,000	12	43,200,000	33,578,400
3,924.12	20,000	78,482,400	180	20,000	3,600,000	12	43,200,000	35,282,400
4,009.44	20,000	80,188,800	180	20,000	3,600,000	12	43,200,000	36,988,800
4,094.76	20,000	81,895,200	180	20,000	3,600,000	12	43,200,000	38,695,200
4,180.08	20,000	83,601,600	180	20,000	3,600,000	12	43,200,000	40,401,600
4,265.40	20,000	85,308,000	180	20,000	3,600,000	12	43,200,000	42,108,000
4,350.72	20,000	87,014,400	180	20,000	3,600,000	12	43,200,000	43,814,400
4,436.04	20,000	88,720,800	180	20,000	3,600,000	12	43,200,000	45,520,800
4,521.36	20,000	90,427,200	180	20,000	3,600,000	12	43,200,000	47,227,200
4,606.68	20,000	92,133,600	180	20,000	3,600,000	12	43,200,000	48,933,600

20,000 Military Food Stamp Program Benefit Recipients								
Average Annual Food Stamp Program Benefits per Military Household With Children, FY 1998	Times: Military Food Stamp Program Beneficiaries	Total Annual Food Stamp Program Benefits Received by Military Personnel (Col 3)	Monthly Special Subsistence Allowance	Times: Military Food Stamp Program Beneficiaries	Monthly Cost of Special Subsistence Allowance (Col 6)	Times: 12 Months	Annual Cost of Special Subsistence Allowance	Annual Cost or Savings Realized by the Federal Government (Col 3 - Col 6)
4,692.00	20,000	93,840,000	180	20,000	3,600,000	12	43,200,000	50,640,000
4,777.20	20,000	95,544,000	180	20,000	3,600,000	12	43,200,000	52,344,000
4,862.52	20,000	97,250,400	180	20,000	3,600,000	12	43,200,000	54,050,400
4,947.84	20,000	98,956,800	180	20,000	3,600,000	12	43,200,000	55,756,800
5,033.16	20,000	100,663,200	180	20,000	3,600,000	12	43,200,000	57,463,200
5,118.48	20,000	102,369,600	180	20,000	3,600,000	12	43,200,000	59,169,600
5,203.80	20,000	104,076,000	180	20,000	3,600,000	12	43,200,000	60,876,000
5,289.12	20,000	105,782,400	180	20,000	3,600,000	12	43,200,000	62,582,400
5,374.44	20,000	107,488,800	180	20,000	3,600,000	12	43,200,000	64,288,800
5,459.76	20,000	109,195,200	180	20,000	3,600,000	12	43,200,000	65,995,200
5,545.08	20,000	110,901,600	180	20,000	3,600,000	12	43,200,000	67,701,600
5,630.28	20,000	112,605,600	180	20,000	3,600,000	12	43,200,000	69,405,600
5,715.60	20,000	114,312,000	180	20,000	3,600,000	12	43,200,000	71,112,000
5,800.92	20,000	116,018,400	180	20,000	3,600,000	12	43,200,000	72,818,400
5,886.24	20,000	117,724,800	180	20,000	3,600,000	12	43,200,000	74,524,800
5,971.56	20,000	119,431,200	180	20,000	3,600,000	12	43,200,000	76,231,200
6,056.88	20,000	121,137,600	180	20,000	3,600,000	12	43,200,000	77,937,600
6,142.20	20,000	122,844,000	180	20,000	3,600,000	12	43,200,000	79,644,000
6,227.52	20,000	124,550,400	180	20,000	3,600,000	12	43,200,000	81,350,400
6,312.84	20,000	126,256,800	180	20,000	3,600,000	12	43,200,000	83,056,800
6,398.16	20,000	127,963,200	180	20,000	3,600,000	12	43,200,000	84,763,200
6,483.48	20,000	129,669,600	180	20,000	3,600,000	12	43,200,000	86,469,600
6,568.68	20,000	131,373,600	180	20,000	3,600,000	12	43,200,000	88,173,600
6,654.00	20,000	133,080,000	180	20,000	3,600,000	12	43,200,000	89,880,000
6,739.32	20,000	134,786,400	180	20,000	3,600,000	12	43,200,000	91,586,400
6,824.64	20,000	136,492,800	180	20,000	3,600,000	12	43,200,000	93,292,800
6,909.96	20,000	138,199,200	180	20,000	3,600,000	12	43,200,000	94,999,200
6,995.28	20,000	139,905,600	180	20,000	3,600,000	12	43,200,000	96,705,600
7,080.60	20,000	141,612,000	180	20,000	3,600,000	12	43,200,000	98,412,000
7,165.92	20,000	143,318,400	180	20,000	3,600,000	12	43,200,000	100,118,400
7,251.24	20,000	145,024,800	180	20,000	3,600,000	12	43,200,000	101,824,800
7,336.56	20,000	146,731,200	180	20,000	3,600,000	12	43,200,000	103,531,200
7,421.76	20,000	148,435,200	180	20,000	3,600,000	12	43,200,000	105,235,200
7,507.08	20,000	150,141,600	180	20,000	3,600,000	12	43,200,000	106,941,600
7,592.40	20,000	151,848,000	180	20,000	3,600,000	12	43,200,000	108,648,000
7,677.72	20,000	153,554,400	180	20,000	3,600,000	12	43,200,000	110,354,400

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