



# The Bottom Line for those that Serve

*An analysis of the impacts of an additional \$600 billion in defense cuts*

## Pink Slipping Our Warfighters

- **13% of our warfighters pink slipped:** Roughly 200,000 active duty servicemembers will have to leave service should Congress slash another \$600 billion from national security.
- **1 in 4 defense civilian positions terminated:** Roughly 200,000 defense civilians will get pink slips.
- **\$800 million in unemployment compensation:** As a result of job losses, the DoD will incur a tab of an additional \$800 million a year in unemployment compensation. With this \$800 million the Navy could have completed this year's backlog of ship maintenance and had \$433 million left over.
- **Spike in unemployed veterans:** Finding employment for newly-fired veterans will be difficult. The national unemployment rate is 9%, but the unemployment rate for young Iraq and Afghanistan veterans is 22%. For wounded veterans it is 41%.

*Bottom line: Service members will have to worry about keeping their jobs, as they put their lives on the line for the nation.*

## Breaking Faith with Military Families

- **Less time at home:** Achieving a 1:3 ratio of time deployed versus time at home will be difficult, if not impossible, even in steady state scenarios.
- **Less school funding:** Elimination of DOD supplementary aid to local schools in and around military bases.
- **Fewer education opportunities for spouses:** Significant reductions in tuition assistance for spouses.
- **Potential for overseas tuition bills:** DOD overseas school system required to reduce employees, potentially increase class sizes, and close some schools. Parents could potentially be required to pay 15% of the cost, or approximately \$2,850 per student in tuition.
- **Significantly increased grocery bills:** Grocery savings for families at the commissaries are decimated; 30% savings perhaps reduced to 15% or even zero depending on store structure options.
- **Slashing of quality of life programs:** Loss of \$300 million funding for morale, welfare, and recreation programs.

*Bottom line: No service member, military family, or dependent will escape the impact of cuts to support programs upon which families depend.*

## Billing Our Veterans for Debt Reduction

- **Increased health care and prescription drug costs:** The Obama Administration has released a deficit reduction proposal that contains specific plans to cut \$27 billion in military health care through initiatives such as an annual enrollment fee for TRICARE for Life and a retail pharmacy copay hike.
- **Significant changes to military retirement:** The Administration has also recommended a BRAC-style commission to "civilianize" the military retirement system.

*Bottom line: Retirees and veterans, many on fixed incomes, will see increases in costs for health care and prescription drugs.*