

June 4, 2015

The Honorable James M. Inhofe
United States Senate
Washington, DC 20510

The Honorable Barbara A. Mikulski
United States Senate
Washington, DC 20510

Dear Senator Inhofe and Senator Mikulski,

On behalf of the 390,000 members of the Military Officers Association of America (MOAA), I am writing to express MOAA's strong support for your proposed amendment to the FY 2016 Defense Authorization Act that would call for a comprehensive report and assessment of potential costs and benefits of privatizing Department of Defense Commissaries.

This amendment requires a study in lieu of the Senate Armed Service Committee (SASC) language that mandated a privatization pilot in at least five commissaries chosen from the commissary agency's largest U.S. markets. MOAA commends this approach. To conduct a privatization pilot without proper assessment could result in unintended consequences, putting this highly valued benefit at risk.

The commissary is a vital part of military compensation providing a significant benefit to military families. The average family of four who shops exclusively at the commissary sees a savings of up to 30 percent.

We are very concerned that the \$322 million reduction to the commissary subsidy included in the SASC mark would significantly diminish the benefit. Such a reduction would lead to increased prices; a reduction in operating hours and days of operations; and reduction in store staff. A decrease in the commissary savings would negatively impact our military families. A military family of four would experience a loss of over \$2,970 in purchasing power annually. We remain hopeful that this will be resolved in conference.

MOAA is grateful for your continued leadership and support on this crucial issue and pledges our support to help secure inclusion of this amendment in the FY 2016 Defense Authorization Act.

Sincerely,

Best Regards
Norbert Ryan

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