



State Active Duty Reimbursement Guarding Readiness Resources Act

Issue:

National Guard equipment is federally owned. That equipment – such as aircraft, vehicles, and communications systems – is often used while responding to State Active Duty (SAD) missions, including natural disasters and civil emergencies.

States are required to provide reimbursement to the federal government for the maintenance costs associated with this use (DoD FMR 7000.14-R). The Miscellaneous Receipts Act (31 U.S.C. § 3302(b)) mandates that any funds received by the federal government must be deposited into the U.S. Treasury unless otherwise explicitly stated. Thus, preventing those funds from being returned to the National Guard units to conduct that much needed maintenance and maintain readiness.



Why This Happens:

States reimburse costs through the U.S. Property and Fiscal Officer (USPFO).

Because reimbursement funds originate at the state level, outside congressional appropriations, they trigger the Miscellaneous Receipts Act (MRA).

The MRA requires these funds to be deposited into the U.S. Treasury. As a result, the National Guard cannot retain or reuse reimbursed funds for maintenance or repair.

The Impact:

Readiness for federal missions is degraded.

Equipment used for SAD missions is not fully restored or repaired.

Maintenance shortfalls accumulate unpredictably.

State response usage exceeds programmed O&M funding.

States must pull funding from other areas to address the maintenance needs.

Support **S.807 / H.R.1695** – Guarding Readiness Resources Act
Cosponsors – Senators Lee and Duckworth / Representatives Harrigan and Neguse



NGAUS POC: Julian Plamann, Julian.Plamann@ngaus.org
Deputy Director, Government Affairs, Joint & Personnel Programs

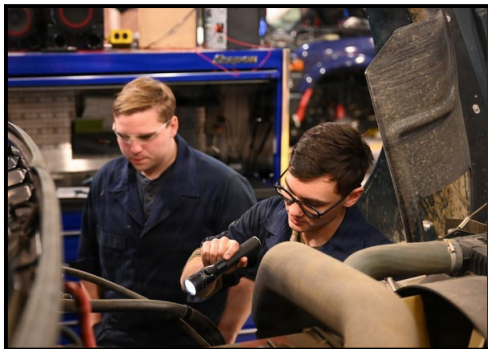


The Solution: Guarding Readiness Resources Act

S. 807 – Senators Mike Lee and Duckworth

H.R. 1695 – Representatives Harrigan and Davis

This legislation would **exempt SAD reimbursement payments from the MRA** by amending **Section 710 of Title 32, U.S. Code.**



Alaska Air National Guard conducts intake inspection.



Texas Army National Guard conducts maintenance checks.

What This Does:

- Allows USPFOS to retain approximately \$28M annually in SAD reimbursement funds
- Ensures reimbursed funds return directly to National Guard units
- Enables timely maintenance, repair, and replacement of federal equipment
- Preserves readiness for federally directed missions
- Aligns fiscal policy with operational reality

Why It Matters:

- No new spending
- No change to state reimbursement obligations
- Allows funds to be used for their intended purpose
- Protects readiness without expanding federal costs
- Supports governors and Guard units responding to emergencies

Bottom Line – Readiness is Restored, Not Depleted

The Guarding Readiness Resources Act ensures the National Guard is always ready to respond to state emergencies and federal missions.

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