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HEARING ON PLANS FOR A NEW GI EDUCATION PROGRAM
FOR THE ALL VOLUNTEER MILITARY

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WEDNESDAY, MARCH 31, 1982

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House of Representatives,
Subcommittee on Education, Training and Employment,
Committee on Veterans' Affairs,
Washington, D. C.

The subcommittee met, pursuant to notice, at 9:00 a.m.,
in room 334, Cannon House Office Building, the Honorable
Robert W. Edgar (chairman of the subcommittee) presiding.

Members present: Representatives Edgar, Dowdy and
Siljander.

*Mr. Edgar. The Subcommittee on Education, Training
and Employment will come to order.

We anticipate several other members of Congress being
here shortly. I have a short opening statement I would like
to read. Then we will hear from the Honorable Duncan Hunter,
who will testify on H.R. 1400 and other educational bills.
Then we will receive testimony from four panels.

We think that the hearing this morning can go fairly
rapidly, but we also feel very strongly that this is an
important hearing, probably the last in a long series of
formal hearings to determine the need and the value of a

1 GI educational program.

2 This is the eighth formal hearing of the House Committee
3 on Veterans' Affairs and its Subcommittee on Education, ...
4 Training and Employment scheduled to review the plans for
5 a new GI education program for the all volunteer military.

6 Last year the committee amended and reported H.R. 1400,
7 "The Veterans' Educational Assistance Act of 1981,"
8 originally introduced by the chairman of the full committee,
9 Congressman Sonny Montgomery.

10 Our decision to develop H.R. 1400 was based on the
11 recommendation of the President of the United States, Ronald
12 Reagan, who had campaigned on the promise of a restoration
13 of the GI Bill.

14 Passage of the legislation was encouraged by Acting
15 Assistant Secretary of Defense for Manpower, Reserve Affairs
16 and Logistics, Robert A. Stone, who stated before our
17 subcommittee on March 19th, 1981 the following:

18 "Let me assure this committee that the Department of
19 Defense is committed to the development and implementation
20 of an effective educational incentives program for military
21 personnel. Both President Reagan and Secretary Weinberger
22 have made this commitment publicly."

23 The Chief of Staff of the United States Army, General
24 Edward C. Meyer, gave his strong support for a new program,
25 very similar in scope to H.R. 1400.

1 The Manpower Chiefs of the uniformed services, two of
2 whom are here again today, described the utter failure of
3 the contributory education program, "The Veterans'
4 Educational Assistance Program," VEAP, which was thrown
5 together to replace the Vietnam era GI Bill in 1976.

6 They called for a new GI Bill with meaningful benefits
7 that would translate into a valuable recruitment and
8 retention incentive for all volunteer military service.

9 Veterans' organizations, military organizations and
10 educational community people all endorsed the proposal as
11 an investment in the soldier and an investment in the
12 citizen.

13 But our most valuable testimony came from field
14 hearings. Well over 100 active duty personnel from all
15 the services expressed their deep frustration with the
16 failure of VEAP, and recruiters and career counselors told
17 us tales of the dangers of a Rube/Goldberg make-do program
18 that few understood and even fewer would actually benefit
19 from.

20 They said to us, "Give us the tools, and we can build
21 a quality defense force that represents the true cross-
22 section of American youth. We need to get more out of
23 serving our country than just a paycheck and a slap on the
24 back. Give us a GI Bill. Make it simple, easy for
25 recruiters to explain and parents and recruits to understand.

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Make it equitable, but above all, make it permanent. It is time to stop switching signals on the all volunteer force."

So we reported H.R. 1400, with the continuing assurance from the Department of Defense that they, too, would bring a proposal for a new educational assistance program to Capitol Hill.

Despite these assurances, Dr. Lawrence Korb, Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics, came before our subcommittee with no recommendation on March 11. I must express my own frustration and deep concern over this action. Once again, the signal switch has been thrown on the all volunteer force.

This action by the Department of Defense was made, as I understand it, primarily by budget considerations, despite the fact that funding for the program either already exists through existing sources or could be available. Department of Defense played a game of budget blackmail with the services.

"We know you want the new GI Bill. If you want it that bad, you are going to have to pay for it," is the comment that they said. "You are going to have to pay for it yourselves, and we are not going to let you ask for any more money to fund it even in the out-years."

1 I think that kind of statement really speaks for
2 itself. There was not much motivation there, but we can
3 work out the funding problems, I believe, if we get
4 cooperation from this committee and the Armed Services
5 Committee.

6 The Department of Defense's position was also excused
7 because of recent, positive recruiting trends for the
8 Armed Forces which stem not from the value of any
9 educational program, but from the highest unemployment rates
10 in decades. Evidence will show that these trends are only
11 temporary. Hopefully, the economy will get better.
12 Unfortunately, the present, outdated education program will
13 not.

14 I do not think you will wait until it rains to fix the
15 roof, and hopefully, we will start fixing the roof again
16 this morning.

17 We have as our first witness the Honorable Duncan
18 Hunter, member of the House of Representatives.

19 Duncan, we are pleased to have you here this morning,
20 and we ask you to give us your statement, summarize it in
21 any way you wish. Your full statement will be made a part
22 of the record.

23 [The following was received for the record.]

24 *****COMMITTEE INSERT*****
25

STATEMENT OF HON. DUNCAN HUNGER, U.S. HOUSE OF REPRESENTATIVES.

*Mr. Hunger. Thank you, Mr. Chairman. I appreciate the opportunity to testify before the subcommittee today. I highly commend this committee for its continued interest in providing educational benefits for military personnel.

As you know, Mr. Chairman, three weeks ago the Department of Defense testified before a joint hearing of this subcommittee and Military Personnel and Compensation Subcommittee of the Armed Services Committee, and in that hearing, they declined to endorse a new GI Bill, citing improved recruitment statistics and the cost of the program.

They proposed to continue the current VEAP program with a supplemental or kicker option through Fiscal Year 1983.

I am here this morning, Mr. Chairman, to tell you that despite the Defense Department's position, I am still in favor of a new GI Bill, and I continue to strongly support H.R. 1400.

I am not going to go into all the reasons for my support, since I have made that position known in the past. I will just mention a couple of things which struck me as I listened to the Defense Department testify at the joint hearing several weeks ago.

First, when we talk of a new GI Bill, we are talking

1 of a program that is going to have a major impact on military
2 manpower for the next decade. DOD has taken a short-term
3 view of the situation, which is essentially a "wait and see"
4 attitude. They want to put off consideration of a new GI
5 Bill for at least a year.

6 However, I think the time to act is right now. One
7 or two years of good recruiting statistics does not
8 necessarily solve the manpower shortage that we have
9 incurred over the last decade, and it does not address the
10 manpower needs for the next decade. We should act now to
11 address the long-term situation.

12 Secondly, I do not think DOD's proposals do much to
13 affect the quality of life of the military member. It has
14 been said that one way to recruit and retain quality
15 personnel is to treat the military member as a first class
16 citizen, and I believe that to be a very commendable
17 attitude, and I am committed to doing everything that I can
18 to further that goal.

19 One thing that we can do to further both of these goals
20 is to provide an educational benefit to the serviceman. I
21 have said this before, and I repeat now, that the greatest
22 thing a young person can give to the nation is military
23 service, and the greatest thing that the nation can give
24 to its young people is an education.

25 I know, and I am sure you agree, that VEAP does not and

1 will not add to the quality of life or make the service
2 member feel like a first class citizen.

3 A cash bonus program, while it may or may not be an
4 efficient, cost-effective method for recruiting and retaining
5 high quality personnel, just does not add much to the
6 quality of life. It may make the service member feel good
7 to have a big chunk of cash in his pocket, but we all know
8 that it may be only a very temporary thing.

9 An education is something that will have a lifelong
10 impact and will do more than anything else to improve the
11 quality of life of that service member.

12 There is one thing about the DOD's position that was
13 expressed and manifested in that hearing that I commend,
14 and I would like to bring it to your attention, and that
15 very simply is your proposal to extend the 1989 limiting
16 date on the current GI bill until 10 years after an eligible
17 member leaves the service.

18 I have heard testimony both from the DOD and from the
19 Navy that the current limiting date is very important to
20 them. Statistics show that 41 percent of third term service
21 members listed the 1989 deadline as the primary reason they
22 were leaving the service, when asked.

23 I think it is clear that the 1989 deadline is a serious
24 drain on military manpower. As each month goes by, we are
25 losing highly trained, experienced personnel. This drain

1 is serious; it is occurring now; and it is serious affecting
2 our military readiness.

3 While I realize that a new GI Bill will take care of
4 this situation, and I will continue to press for prompt
5 passage of a new bill, we simply cannot wait to see if we
6 are going to get a new bill. I would hope that the
7 committee sees the urgency of the situation, and I hope we
8 can work together to find a solution to this problem as soon
9 as possible.

10 Mr. Chairman, just very briefly, as you know, I had
11 a GI Bill forum in San Diego last year, and we had 39
12 witnesses who represented thousands of military people,
13 primarily Navy people in the San Diego community, and they
14 took polls and had discussions and bull sessions, and they
15 came up with a number of ideas concerning the GI Bill.

16 I would like to very briefly recount several of their
17 statements concerning the VEAP program and the GI Bill.

18 What motivated one person that I did meet, who
19 participated in VEAP, I asked, "What motivated you to
20 participate in the VEAP program, the voluntary program?"
21 That was Personnelman Jose Valdez. His answer was, "It's
22 better than nothing."

23 My next question to another gentleman: "How about GI
24 benefits for critical skills?"

25 The answer: "I have a friend who is a fire control

1 technician due to re-enlist. He'll get a \$14,000 bonus.
2 If I re-enlist, I'll be lucky to get a good set of orders,"
3 and I think that this depicts a serious problem that we have
4 in the services right now, and that is the disparity of
5 treatment in skills, and I think that goes a long way to
6 promoting the idea that we are creating some type of a
7 mercenary force.

8 Along with that is the notion that we are becoming so
9 complicated that it is very difficult for a young service
10 member or their family to be able to tell what they are going
11 to get if this young person joins the service, and in my
12 estimation, they should be able to analyze the benefits that
13 are available without having to retain an attorney.

14 As you know, the GI Bill is something that is known
15 to most people in the country, that the family can sit
16 around the breakfast table, and they can discuss it. They
17 will know what they are going to get. They are going to
18 know that they will not have to be in what is considered
19 a critical skill to be able to receive those benefits, and
20 I think that is important.

21 Another point that was skipped over by the DOD several
22 weeks ago that I think is important to remember is the fact
23 that right now, I believe, we are spending about \$1.4 billion
24 in recruiting or in advertising to support this volunteer
25 force.

1 In my estimation, if we had a GI Bill which has a
2 reputation and which is believed to be solid by the American
3 public, we could substantially reduce that advertising.
4 That was not figured in or was not considered by Mr. Korb
5 in his statement.

6 Another statistic that I thought was important was the
7 recent statistic that was released by the Secretary of the
8 Navy to the effect that they have saved now in pilot
9 training some \$450 billion by improving retention in the
10 last year, and that brings up the fact that we have
11 investments, training investments, in our skilled personnel
12 anywhere from around 100,000 for the average petty officer
13 to close to a million for our pilots.

14 Again, in my estimation, the GI Bill, and particularly
15 this bill with its transferability provisions, would
16 greatly enhance that retention. It would more than pay for
17 itself in the training investment dollars that are saved.

18 Let me give you just a couple more statements by
19 some of the people that attended this forum on March 21,
20 1981.

21 These are direct quotes: "The transferability option
22 is of the greatest importance to me as a retention
23 incentive." That was a chief petty officer.

24 "Let's face it. Education is the most important
25 proposition you can offer a person in today's world. To

1 live better, you must be better educated," a seaman.

2 "A participatory education program was a mistake, and
3 the GI Bill should be brought back ASAP," a petty officer.

4 "Just bring back the GI Bill we had in the first place,"
5 a Sergeant Major, U. S. Marine Corps.

6 "If you want better quality personnel in the military,
7 bring back the GI Bill. It's as simple as that," a petty
8 officer.

9 The statements go on and on, Mr. Chairman, and I would
10 simply close by saying that it was the overwhelming
11 conclusion of all of the witnesses who participated,
12 including a re-enlistment specialist, that the VEAP program
13 is not working, and that a GI Bill, and particularly a GI
14 Bill with transferability features, would be a great tool
15 in aiding retention and recruiting.

16 Thank you, Mr. Chairman.

17 *Mr. Edgar. Thank you very much for your taking the
18 time today to come and, once again, articulate your strong
19 feelings about a new GI Bill. May I invite you, if you have
20 the time, to stay and listen to some of our panels.

21 I think you make a wise point about the training
22 savings, if, in fact, we eliminated VEAP and ultra-VEAP and
23 if, in fact, we put in place a GI Bill that perhaps would
24 not necessitate expending what the Defense Department
25 estimated was about a \$3.3 billion price tag to lift the

1 1989 delimiting date, which is going to cost a lot of money.

2 We did some research and discovered that our total
3 H.R. 1400 on into the 1990s will cost less than lifting the
4 delimiting date, which is a strange calculation, but it is
5 an important one to underscore.

6 If we add to that the training savings and savings in
7 all these other kinds of programs, I think we have the funds
8 available, with a little help from our friends, to put in
9 place a long-term, consistent, equitable, permanent GI
10 education program for retention and recruitment purposes,
11 and you have been very good in articulating that both last
12 year and this year.

13 Hopefully, within the next six weeks we can make sure
14 that it becomes a reality, at least through the House.

15 *Mr. Hunter. Thank you, Mr. Chairman.

16 Mr. Chairman, you mentioned one point, one further point
17 I would like to bring up that you have touched on. To
18 recruit and train and maintain one boiler technician in the
19 Navy through 14 years, we must recruit and train 16 people
20 to get one of them to a 14-year level. To get one operation
21 specialist to a 14-year level, we must recruit and train
22 24 individuals, and to get one electronics technician to
23 a 14-year level, we must recruit and train 15 individuals.

24 So I think that the potential dollars that we could
25 save through H.R. 1400, which has made the GI Bill a

retention tool, would be very beneficial to the Government and would offset the cost that is projected.

Thank you very much.

*Mr. Edgar. Thank you for your statement.

I would like to call now our first panel of military personnel: Lt. General Maxwell Thurman, Vice Admiral Lando Zech, Jr., Lt. General E. J. Bronars, Maj. General William R. Usher, and Admiral R. P. Cueronni.

Gentlemen, we appreciate your coming this morning.

Before you begin your testimony, I would like to apologize to each of you and to each of your services. We held recently the joint hearing with the Armed Services Committee, and many of you and your counterparts took a great deal of time and effort to come and sit patiently behind a civilian witness as he testified for the Department of Defense, and it was my hope that we would have the time and the opportunity to question each of you on your personal feelings, as well as your professional feelings, on how an educational program might help or hurt your particular services.

We did not have the opportunity at that time to question you, and I apologize for taking your time and your energies, and I really appreciate your taking the time to be there.

One aspect of it, even though it was an inconvenience

1 to some of you, you had a chance to hear Dr. Korb's statement
2 in total and some of the questions that were asked of him,
3 and as we begin today and move into your statements of this
4 morning, I hope that you will reflect not only on the
5 prepared remarks that you have, the comments that you want
6 to make today, but also in any questions that you would like
7 to respond to of that previous hearing.

8 Now, let me begin by going down through each of the
9 services and give you an opportunity to make an opening
10 statement, if you like, and then we will move to questions.

11 Let's start with General Thurman.

12 STATEMENT OF LT. GENERAL MAXWELL R. THURMAN, DEPUTY
13 CHIEF OF STAFF FOR PERSONNEL, U. S. ARMY.

14 *Lt. Gen. Thurman. Thank you, Mr. Chairman.

15 First of all, we appreciate the opportunity -- I am
16 sure that I speak for my colleagues -- to speak before you,
17 and secondly, on behalf of the men and women of the Armed
18 Forces, we appreciate the extent to which the Congress has
19 helped all of us in terms of passing the financial pay raises
20 in the last two years, which have materially assisted our
21 young men and women to stay with us.

22 I did not really have a prepared statement, but let
23 me just summarize what I understand the current Department
24 of Defense position is, and that is that they prefer to
25 continue the VEAP with pickers, extend the GI Bill delimiting

1 date, and incidentally, the United States Army with an end
2 strength of about 785,000, there are some 202,000 people
3 who are currently on active duty before 1976 who would be
4 affected if the delimiting date is not taken care of, and
5 finally, the other major provision is to extend the VEAP
6 through 1983.

7 Now, as the Army's recruiter for the last two years
8 and now the DCSPER, one of the things that is essential is
9 that we get a long-term educational incentive program that
10 is not subject to the vargeries of year-by-year determination.
11 The marketing approach in all of that, currently we are on
12 the market with the ultra-VEAP which, while doing very nicely
13 this year, requires a separate marketing strategy.

14 When I call it the college education fund, the Army
15 college education fund for the ultra-VEAP, it by no means
16 represents a GI bill which is in the lexicon of every person
17 of America.

18 As my personal view, we need a GI Bill, and many of
19 the features of the H.R. 1400 are similar to the features
20 that we perceive. I would just make a couple of comments
21 about that.

22 One is the Army feels that there should be a provision
23 for reservists, and that is currently not in the bill, and
24 the other main feature that we might disagree with on is
25 officer enfranchisement, and in our case, most of our

1 officers come to us from the United States Military Academy
2 or the ROTC, and therefore, the Government in some way or
3 another has had a hand in educating them, and so we perceive
4 that that may not be necessary for officers.

5 However, it is necessary for warrant officers who grow
6 through the ranks as enlisted personnel before they become
7 warrant officers.

8 So with that as a general notion, you have my personal
9 view as to what we need, sir.

10 *Mr. Edgar. Thank you very much for your candid
11 statement, and I have some specific questions for you, but
12 I would like to give each of the services an opportunity
13 to give at least an opening comment.

14 Vice Admiral Zech.

15 STATEMENT OF VICE ADMIRAL LANDO W. ZECH, JR.,
16 DEPUTY CHIEF OF STAFF FOR NAVAL OPERATIONS, U.S. ARMY.

17 *Vice Admiral Zech. Thank you, Mr. Chairman.

18 I do not have a formal statement.

19 I have testified before this committee previously, and
20 our Navy position has not changed. Navy does support a
21 non-contributory educational benefit program. We realize
22 that, as I have heard you state, Mr. Chairman, before, the
23 patriotism should be rewarded. I believe that is a very
24 fundamental issue that we are deliberating today, and I
25 think that it shows your view of education as it applies

1 to our country, as opposed specifically to an education
2 bill that might be viewed as just a recruiting or even an
3 retention enticement.

4 An education bill, in my view, is very important for
5 our country. It is something that our country receives
6 great benefit from and could certainly be viewed upon as
7 one of the more significant benefits that our country has,
8 as well as our military services.

9 In the Navy we view the educational bill as an
10 entitlement as opposed to what one could term as a force
11 management tool. In other words, we look upon the
12 educational bill as one that should be universally applied
13 to officers as well as enlisted.

14 Our officers do not all come from the military academy,
15 the Naval Academy, or from ROTC units. Many of them come
16 from having paid their own way through college through our
17 officer candidate program.

18 We believe that the educational bill should be applied
19 as a non-contributory bill and should be funded by the
20 Veterans' Association. We believe that provisions should
21 be structured into a GI Bill which would provide for people
22 staying in the service rather than getting out of the
23 service. In other words, it should be properly structured
24 to encourage re-enlistment, as well as encourage initial
25 recruitment.

1 We believe that a properly structured GI Bill
2 essentially then would be very beneficial for our country
3 as well as for the military services.

4 When we have been asked this year to fund the bill
5 ourselves in the Navy, we have looked very carefully at
6 this proposal, and we have concluded that in the short term,
7 this year, we could not, in good conscience, fund the GI
8 Bill from our Navy resources that we have now.

9 On the other hand, for the future, looking at the
10 declining market, we face essentially a 24 percent reduction
11 in qualified males between now and 1994, and also looking
12 at the possibility of an improving economy, we see the need
13 in the years ahead, and how many years ahead we are not
14 sure, but we do see that in the years ahead there will be
15 undoubtedly the necessity of bringing in the quality people
16 we need from a great cross-section of our country.

17 In order to do that, we believe that an educational
18 bill would be a very, very necessary, important part of our
19 recruitment and retention effort.

20 However, I would just conclude by saying again that
21 we look at an educational bill as an entitlement, as
22 something that is good for our country, as well as good for
23 our services. In looking at it from that broad viewpoint,
24 we believe it should be funded by our country and not
25 necessarily taken out of our Navy resources.

1 With that in mind, Mr. Chairman, we would support the
2 GI Bill. With the VEAP program, however, we would, indeed,
3 support that for the short term for this coming year, if
4 we have to fund the educational program.

5 So I would then just close by saying that we believe,
6 as you do, Mr. Chairman, that patriotism should be
7 rewarded, and that a GI Bill would be good for our country
8 as well as for the military services.

9 Thank you, Mr. Chairman.

10 *Mr. Edgar. Thank you very much for that statement.

11 Lt. General Bronars.

12 STATEMENT OF LT. GENERAL E. J. BRONARS, DEPUTY
13 CHIEF OF STAFF FOR MANPOWER, U.S. MARINE CORPS.

14 *Lt. General Bronars. I am pleased to be here, Mr.
15 Chairman.

16 I do not have an opening statement.

17 I believe that the main approach to educational
18 benefits that I heard Mr. Korb take was to use educational
19 benefits as a means of managing levels in skill areas, in
20 particular areas that are experiencing difficulty in
21 satisfying, and I believe that is a different approach than
22 what we look upon a GI Bill to represent, and that is as
23 an entitlement.

24 We believe that is a more narrow approach that is being
25 taken by the Department of Defense and does not expand the

1 marketplace as a true GI Bill, universally applied, would,
2 but we feel there is great benefits in terms of an
3 attraction particularly to the quality young men and women
4 that all of the services are vitally interested in to man
5 our sophisticated weapons systems and equipment that will
6 be fielded in the 1980s, and the demand for that quality
7 will be greater and greater.

8 While the availability of quality young men and women
9 graduating from the high schools will diminish substantially
10 over those same years, and as you pointed out in your
11 opening statement, when the economy improves, we would
12 expect that the competition for this quality from industry
13 will almost mandate that we have an attraction such as a
14 true GI Bill educational benefit package that would influence
15 young people to come in the military to serve their
16 country.

17 We like many of the provisions of H.R. 1400 because
18 it not only provides an incentive for enlistee. It provides
19 an inducement for remaining on active duty, and indeed, it
20 encourages an individual to make the military a career. We
21 like all of those provisions, and we think that the thrust
22 in H.R. 1400 would provide the necessary support for the
23 all volunteer force that we feel will be needed in the
24 1980s.

25 Thank you, Mr. Chairman.

1 *Mr. Edgar. Thank you for that very good statement.
2 Maj. General Usher.

3 STATEMENT OF MAJOR GENERAL WILLIAM R. USHER,
4 DIRECTOR OF PERSONNEL PLANS, U. S. AIR FORCE.

5 *Maj. General Usher. Mr. Chairman, I appreciate the
6 opportunity to appear before you this morning on behalf of
7 the Air Force.

8 I want to thank you on behalf of all the men and women
9 in the Air Force for your support for the educational
10 system.

11 Like the other witnesses, I do not have a prepared
12 statement, but I would like to make a few introductory
13 remarks.

14 The Air Force feels strongly that we need a new
15 educational assistance program to support the all volunteer
16 force over the long haul, both in pursuit of recruiting and
17 career retention objectives.

18 As my boss, General Iosue pointed out when he
19 testified before this committee last year, if you look
20 down the road here in the 1980s, we are expanding the size
21 of the Air Force. The other services are expanding. The
22 technological content of the Air Force is increasing. We
23 expect more competition for critical skills from private
24 industry, and as pointed out by General Bronars, the youth
25 cohort from which we recruit is declining out through the

1 remainder of this decade.

2 So sustaining a quality all volunteer force is going
3 to be a tougher proposition, and we think that a sound,
4 constant, predictable, understandable educational benefit
5 program is going to be very important to sustaining that
6 quality that we need to provide the combat capability of
7 our Armed Forces.

8 In the short term, it is true that we are meeting our
9 recruiting and retention objectives quite well, thanks to
10 the help of the Congress in that regard, but also we have
11 sort of got everything going for us. Unemployment is high.
12 In our unique idiom, airline hiring is way down. We have
13 had the pay raises I mentioned, and of course, there has
14 been increased national awareness of the importance of our
15 Armed Forces.

16 But those trends, I should point out, could change very
17 quickly, and as you so aptly put it, you do not fix the roof
18 when it is raining. You do that in fair weather so that
19 you geat ready for the storms ahead.

20 But given the guidelines that were placed on us by OSD,
21 where we were asked to fund any program that we desired out
22 of current resources, we just felt that the programs that
23 we had laboriously traded off within our own budget, put
24 together, were needed programs and ones that we could not
25 trade away in the short term, and therefore, we felt very

1 strongly that we could not go ahead at this time and fund
2 such a program out of our own sources.

3 I think our concern also stems from another two points.
4 First of all, we felt that a sort of infinitely variable,
5 by skill, by service, by year kind of program would be very
6 difficult for potential recruits, as well as people already
7 on board, to understand and comprehend. It would be very
8 difficult to administer because, of course, the pay-up years
9 if you will, exceed 30.

10 Further, we thought it sort of missed the point, as
11 pointed out by other witnesses, that we were not really
12 after a force management tool here. We were after a tool
13 that gave us a firm foundation, an underpinning, and felt
14 it very important that at least most aspects of the program
15 be constant and common among the services.

16 We believe the basic benefits should be non-contributory
17 and believe there ought to be a second tier, as well as
18 transferability for purposes of retaining highly skilled,
19 costly trained individuals, and we feel very strongly, in
20 the case of the Air Force, that officers should be covered.
21 We have basically three reasons.

22 First of all, in the Air Force, it is our officers
23 who primarily carry the fight to the enemy in the first
24 place, and for reasons of equity, we believe that they must
25 be included.

1 Second of all, while they serve in the Air Force, they
2 sometimes serve in skills such as weapons controllers,
3 missilemen, where they acquire skills that are not easily
4 transferable to the civilian sector when they do leave.

5 Thirdly, we also get many of our officers from other
6 than ROTC and the academy, and some of those degrees which
7 they acquire are perishable, and they, too, have in many
8 cases a problem with making the transition back to civilian
9 life.

10 We think the payback from a program such as this would
11 be very considerable to society as a whole, and we also
12 think there would be some internal offset in terms of
13 better quality, lower attrition, and so forth.

14 So we think the time is now to put the structure on
15 the books at least, to maintain a quality AVF over the
16 coming decade.

17 *Mr. Edgar. Admiral Cueronni.

18 STATEMENT OF ADMIRAL R. P. CUERONNI, CHIEF OF
19 PERSONNEL, U. S. COAST GUARD.

20 *Admiral Cueronni. Mr. Chairman, thank you very much
21 for inviting the Coast Guard to appear before you this
22 morning.

23 I think I can very succinctly put our comments on the
24 floor. We think the bill is great. We would like to have
25 it, but the simple fact is we cannot afford it.

1 I speak now from my own personal standpoint. I think
2 I would support everything the gentlemen at the table have
3 said. We would like to have a GI Bill, one that is simple,
4 easy to administer, one that is non-contributory, but if we
5 cannot have that, we would like to see the GI Bill extended
6 beyond 1989, and as a last resort, we would support VEAP.

7 Thank you, sir.

8 *Mr. Edgar. Thank you very much for your very strong
9 statements.

10 I wish we had a group of sergeant-at-arms that could
11 go out and get Mr. Korb and Mr. Weinberger and a number of
12 other people to come and to hear your statements.

13 I am a bit confused. We had Mr. Korb come and give
14 a very articulate statement, and the bottom line of his
15 statement was that the Department of Defense does not want
16 a GI Bill this year.

17 You heard Mr. Weinberger say that it makes sense to
18 have a GI Bill, and we have many quotes from the President
19 of the United States, Ronald Reagan, in his strong support
20 for education as an incentive for recruitment and retention.

21 We have over 125 members of the House and many members
22 of the Senate who have co-signed legislation to support a
23 GI Bill, and we have all five of you coming in and saying,
24 if I can summarize each of your statements, to the question,
25 do we need a GI Bill, the answer is yes. To the other

1 question, can we afford to pay for it under the rules and
2 regulations that the Department of Defense has requested,
3 there is some hesitancy. Probably the answer is no to that
4 question.

5 I guess I fantacized as to suppose on the MX missile
6 we had to pay for that out of petty cash or the M-1 tank,
7 we had to go and ask the question, can we afford it, and
8 I think what I heard at least some of the people out in the
9 field and the recruiters saying is that we need a simple,
10 permanent, understandable education entitlement not only
11 for recruitment and retention purposes, but to some degree
12 for strategic purposes, and that is just like you get new
13 equipment to make sure that the all volunteer military is
14 adequately serviced with equipment, you need quality personnel
15 to service that equipment.

16 Would any of you disagree with that concern or have
17 any comments about the value of highly educated and highly
18 qualified personnel to run some of the sophisticated
19 equipment that we are funding within the service?

20 *Vice Admiral Zech. I would be pleased to respond,
21 Mr. Chairman, if I may.

22 Because the Navy has had a unique problem in the past
23 few years as regards a shortage of petty officers, which
24 you have heard about before, and as we look to the future
25 and see the achievements we have made of the past year with

1 the support of Congress, we really made a rather remarkable
2 turnaround in our retention efforts.

3 We see our retention going up in all areas which gives
4 us the confidence that we can, indeed, man our Navy of the
5 future. We can, at the same time, improve readiness in the
6 fleet as we are growing our Navy.

7 However, we are well aware of the fact that our Navy
8 is getting more sophisticated and more technical, and we
9 do, indeed, foresee the need for more technical people in
10 our Navy as we proceed in the future. Therefore, it is very
11 necessary that we take initiatives to keep these highly
12 trained people we have and to retain them.

13 This is why the Navy, too, is very interested in the
14 extension of the 1989 date because the petty officers that
15 we have in the Navy, some 200,000 of them now, are eligible
16 for that bill and do, indeed, put to lose the GI Bill very
17 high on their list of concerns as regards their concern
18 whether they will re-enlist or not.

19 So these are the very technical people that we are
20 talking about who are interested in education, who believe
21 in education, and we foresee in the future -- I am looking
22 three and four to five, ten, 15 years ahead now -- we
23 perceive that as our Navy gets more technical, as we need
24 to put more technical people into our Navy and into our
25 ships and our aircraft and our weapons systems, that the

1 growing petty officer's needs speak directly towards
2 encouraging quality people to come in our Navy and to remain
3 in our Navy, and certainly an education bill provides that
4 very incentive to keep our Navy the quality Navy we need
5 and to build an increasing sophisticated and quality Navy
6 of the future.

7 *Mr. Edgar. Thank you very much.

8 General Thurman.

9 *Lt. General Thurman. Just one quick add-on to that.

10 You know, except for the last five years or so, every
11 serviceman or woman who has entered the Armed Forces of
12 America since 1940 has had some sort of educational stipend
13 associated with the GI Bill, and if you look at the
14 language back in the 1966 Act, it talks about the first
15 time in that that says "enhance and make more attractive
16 service in the Armed Forces of the United States." It does
17 not talk about paying off the disamenity as the number one
18 principle from which we come.

19 Now, in the case of the Army, the Congress has
20 legislated several controls for us which we are happy to
21 live within. One is to make sure we get at least 65 percent
22 high school diploma graduates per year in the male category,
23 and the other is moving in 1983 down to not more than 20
24 percent Category IV.

25 I will tell you flat out as long as the current

educational loan grant program, running at anywhere from 5 to 6 million dollars based upon however the Congress acts on the current budget before it, then the United States Army is going to have to have some sort of long-term educational program in order to make both its own and the Congressional mandate. So we have to have that in the down range view.

*Mr. Edgar. Thank you.

Would anyone like to comment before me? I have some comments I would like to make.

*Lt. General Bronars. We would probably all have to say we do not necessarily need a GI Bill today, but I think we would all say that in the immediate future it certainly is going to be important to have one in place. I think we ought to move on it.

I would like to give you some statistics, if there is any question of the value of educational benefits or the attraction that educational benefits has for our youngsters. In looking at our statistics back to 1977 when the Vietnam Era GI Bill terminated, in December of 1976, the last month that an individual could be eligible for that GI Bill, the Marine Corps enlisted 7,209 young men. That was 3,075 above what we expected to enlist, and it turns out that it was 218 percent higher than the average monthly enlistment for the next 9 months and 46 percent higher for the average

1 monthly enlistment for the previous 9 months, and all it
2 tells me is that young people were joining the services in
3 December of 1976 because they saw the great value to them
4 as individuals that educational benefits of that nature
5 provided.

6 *Mr. Edgar. Let me ask all of you some specific
7 questions, and let me start with General Thurman.

8 Can you tell me who made the decision that the services
9 would have to fund the GI Bill out of their own pockets?

10 *General Thurman. We received on the fifth day, I
11 believe, of February a request from the Deputy Secretary
12 of Defense to reply by the 16th of February to Secretary
13 Korb on a proposal under the accrual methodology and some
14 other specific parameters that he specified if we wanted
15 to fund the GI Bill.

16 At the same instant, the budget had been put to bed
17 for 1983. As a matter of fact, it was submitted to the
18 Congress on the 8th day of February. So we had been in the
19 process, at least in the Army, of wrestling the budget down,
20 getting the final marks on that, putting the galleys
21 together, having it printed for distribution on the 8th of
22 February.

23 So it was almost an impossibility at the instant for
24 us to go back and jerry-rig the programs to on an accrual
25 basis come up with 300 and some million dollars in the case

of the Army for funding at that particular time.

*Mr. Edgar. Did the services have any opportunity to offer an argument to this decision?

*Lt. General Thurman. We sent back a paper in our case on the 25th of February that stated that given the ground rules, we could not afford it for 1983, although we preferred to go to a GI Bill. We could not afford it under the circumstances given.

*Mr. Edgar. We put some money, \$170 million, in the VA budget for the first-year costs of H.R. 1400. Are you aware that that first-year cost does not kick in until 1985?

Lt. General Thurman. I am not aware of that, sir.

*Mr. Edgar. Can you give me other instances where the Defense Department would have come to you under this similar kind of circumstance? Do you remember a time or an issue where they came to you like this?

*Lt. General Thurman. I am relatively newly arrived in the Department since 1 August. That is the first time that has occurred on my watch.

*Mr. Edgar. You talked a little bit about the VEAP and the ultra-VEAP program in your opening statement. Let me ask you a specific question. Do you believe the super-VEAP will take the place of the GI Bill this year or in the future?

1 *Lt. General Thurman. I will call it the ultra-VEAP,
2 since that is the \$15,200 program we have for a two-year
3 term in service and the \$20,100 program apparently after
4 three and four years. That will not do it in the long haul
5 under the notion that we are separating on a preferential
6 basis. Only those people who can get that are the upper
7 scoring youngsters who score above 50 on the Armed Forces
8 Qualification Test, and incidentally, that program will cost
9 us in the long run \$200 million a year, whereas the GI Bill,
10 under the notion of the H.R. 1400 with some minor
11 modifications and even enfranchisement of reserves, the
12 maximum rate is only \$641 million for the U. S. Army. That
13 includes the reserves.

14 So the delta value for the Army between the ultimate
15 cost of the ultra-VEAP continued on ad infinitum is a \$400
16 million problem.

17 *Mr. Edgar. This is a question I would like to ask
18 each of you, but let me start with you, General Thurman.

19 Suppose money was not a problem and that the Congress
20 of the United States funded adequately H.R. 1400, passed
21 it in the House, passed it in the Senate, the President
22 signed it into law as is, that is, with the five basic
23 provisions, provision number one being a loan forgiveness
24 provision, provision number two being \$300 a month for 36
25 months for three years of service for 36 months, a \$600

1 benefit for the second tier of re-enlistment benefit, if
2 you serve six years you get \$600, fourth, item of
3 transferability, being able to transfer up to \$600 a month
4 for 36 months to your dependents if you stay beyond the
5 tenth year and commit yourself to a career in the all
6 volunteer military, and finally at the discretion of the
7 Secretaries, the ability to have a leave of absence provision,
8 those five major provisions.

9 Suppose that was passed out of the House, out of the
10 Senate, on the President's desk, signed into law without
11 amendment. What would be, first, the negative of that, and
12 secondly, what would be the positive of that?

13 *Lt. General. Thurman. On the negative side, there
14 is one feature that you did not recount that has been the
15 Army position and was ratified, I guess, by the CBO studies,
16 as well as the Rand Corporation studies, and that is the
17 discretion of the Department of Defense, the Secretary of
18 the Defense Department, to provide for a kicker, and it is
19 universally considered that from the Army being running
20 number three in the marketplace with American youth that
21 there has to be some sort of or maybe some sort of kicker
22 is required for critical skills. That is the major negative
23 I find in the statement that you just issued, sir, and if
24 that was included, then I could find no negatives in it.
25 I could find only positives.

R _____ O _____

1 *Mr. Edgar. Thank you.

2 We do have a kicker in our legislation. Do you think
3 that kicker as presently stated in the legislation is
4 adequate, or are you suggesting --

5 *Lt. General Thurman. No, you just did not recount
6 that.

7 *Mr. Edgar. I see.

8 *Lt. General Thurman. And I just wanted to make that
9 clear.

10 The last comment I will make about that --

11 *Mr. Edgar. My staff is kicking me because I did not
12 include the kicker.

13 *Lt. General Thurman. The last thing that I indicated
14 in my opening comment was that we do favor the reserve
15 forces being a participant in the GI Bill at a rate that
16 is commensurate with the reserve service, as opposed to the
17 active service, on a differential basis.

18 *Mr. Edgar. Thank you.

19 Admiral Zech, before I get to your specific questions,
20 let me ask you that same question so that it is fresh in
21 our mind. If it was passed as is, with all of the provisions,
22 what would be the negative for the Navy and then what would
23 be the positive?

24 *Vice Admiral Zech. The negative for the Navy would
25 be, frankly, just what we would prefer to see is some minor

1 modifications to the bill. If it were passed as is, we
2 would prefer to see the second tier go to eight years instead
3 of six years in order to provide people to serve longer in
4 order to get the maximum benefit, in other words, use that
5 as a retention feature.

6 We would also prefer to see the transition feature for
7 those covered by the Vietnam Era GI Bill, in the 1400 Bill,
8 we view it as penalizing those who transition because they
9 have to serve considerably more time under the 1400 to get
10 the same benefit that they have already earned at the
11 present time. They should have the option, in my view, to
12 keep the provisions of the Vietnam Era Bill extended beyond
13 1989.

14 The third provision is the kicker. We do not believe
15 that kickers are appropriate in an education bill. We
16 believe the education bill should be simple, universally
17 applied, and a bill that is not used to manage recruiting
18 difficulties.

19 *Mr. Edgar. May I interrupt you at that point?

20 *Vice Admiral Zech. Yes, sir.

21 *Mr. Edgar. I respect your opinion and your position
22 for your particular service. Am I hearing you right that
23 you are saying that you do not believe that the kicker is
24 necessary. But suppose the bill passed with a kicker. You
25 would have the discretion not to use the kicker.

1 *Vice Admiral Zech. We appreciate that, and we would
2 probably not use the kicker. We would naturally, if it were
3 applied for the Army, then we would like the option of using
4 it if we had to, but my point, Mr. Chairman, is that there
5 are other ways to accommodate the situation that the kicker
6 is designed for.

7 For example, bonuses, we believe that bonuses are the
8 proper way to administer or to address the problem rather
9 than the kicker in the GI Bill, which applies to specific
10 people, only to critical skills. It can be demoralizing
11 for many people, as Mr. Hunter testified earlier. You heard
12 him say that some young people recognize that their
13 shipmates get a large bonus, and they are just hoping for
14 a good set of orders.

15 Likewise, a good GI Bill, we believe, should apply to
16 shipmates equally.

17 On the positive side though, we believe that H.R. 1400
18 with the features that I have mentioned as possible
19 exceptions would be a very acceptable bill and would
20 enhance readiness in our Navy.

21 We, too, would agree that some provision for reserves
22 should be added to the bill, but we believe that it should
23 be based on active service, and therefore, some reduced
24 benefit for reserves would be supported by Navy.

25 *Mr. Edgar. Now, the question that I have for you

1 you answered partially in the opening statement. From
2 testimony last year, the subcommittee heard that the Navy
3 is anticipating retention problems arising from termination
4 of the Vietnam Era GI Bill in 1989. Would you briefly
5 describe the scope of the problem?

6 *Vice Admiral Zech. Yes, sir. We have some 200,000
7 people that are eligible for the GI Bill, the Vietnam Era
8 GI Bill, as it is now. In our surveys of people who are
9 leaving the Navy, the interest in the GI Bill has been
10 claiming on the reasons for leaving to the point that it
11 is now one of the primary reasons that people are leaving
12 the service.

13 Some of the petty officers that we are losing are
14 putting that down as their first and most important reason.
15 Admiral Hayward was leaving to Europe recently, and at one
16 of the bases, he talked to seven petty officers who were
17 leaving the Navy. Six of those seven put the GI Bill as
18 their top reason for leaving the service. In other words,
19 they did not want to lose the benefits of the GI Bill, and
20 that was the reason they were leaving the service.

21 *Mr. Edgar. What I am hearing you say then is that
22 educational benefits or the lack of them because of imperfect
23 program or because of delimiting date can either be an
24 incentive or a disincentive for retention.

25 *Vice Admiral Zech. That is correct. We have 100,000

1 of our approximately 500,000 people in the Navy now involved
2 in some kind of off-duty educational program. Our Navy
3 people are very, very interested in education, and I might
4 add that, in my view, is a significant number because of
5 the long deployments of so many of our people who are
6 unable to avail themselves of these off-duty programs.

7 Educational benefits are of great interest to our young
8 Navy people, and I believe that that figure alone, one-fifth
9 of our people involved in these programs, is indicative of
10 that interest.

11 *Mr. Edgar. One quick fix to your problem is to lift
12 the delimiting date of 1989, and were you at all shocked
13 at the fact that the Administration, while rejecting a
14 permanent, consistent GI Bill, was quickly willing to
15 support a \$3.3 billion lifting of the 1989 delimiting date
16 and simply say that the Defense Department would pick up
17 that tab?

18 *Vice Admiral Zech. Well, I think it was a recognition,
19 Mr. Chairman, of the real need to extend that date. I
20 believe that was the real reason. I think all the services
21 feel quite similarly that that 1989 date should, indeed,
22 be extended.

23 *Mr. Edgar. Thank you. I have additional questions.
24 I would like to recognize at this point a very active
25 Congressperson and a co-sponsor of H.R. 1400, Congressman

1 Siljander.

2 *Mr. Siljander. Thank you, Mr. Chairman.

3 Are you saying that, in your opinion, one of the
4 biggest reasons that servicemen and women are leaving is
5 because of lack of educational benefits? Am I reading you
6 correctly?

7 *Vice Admiral Zech. Not quite. We have a survey, and
8 many reasons are put down for leaving the service. The lack
9 of pay and long deployments lead the list, although I might
10 say that with the efforts of Congress in the past year and
11 a half, long deployments and lack of pay are now equal
12 rather than pay being so far in front.

13 However, on the list is the question of the GI Bill,
14 and the survey asks, what are your reasons for leaving the
15 service. Individuals then may indicate whether the GI
16 Bill or its level of importance playing in their decision
17 making to leave the service.

18 So we track these surveys and watch the figures
19 carefully, and what I am saying is that the propensity to
20 leave the service, the GI Bill part of the survey has been
21 increasing. It is climbing higher to the top of our survey
22 for the reason that people leave the service. So it
23 indicates to us that it is the lack of educational bills
24 or the desire to take advantage, really, of the Vietnam Era
25 GI Bill is a significant reason for people leaving the

1 **service.**

2 What we are concerned about is we have so many of them
3 eligible for that bill now that we do not want to lose those
4 petty officers. So there is a real need to extend that
5 date.

6 *Mr. Siljander. Would the rest of you agree with that?

7 *Lt. General Thurman. Let me just comment about that.

8 In the Army, as I indicated, and perhaps you were not here,
9 but we have about 200,000 people who are currently
10 enfranchised with those rights. Now, if the right disappears
11 in 1989, then clearly the people who have those rights are
12 going to take that into consideration with respect to
13 whether or not they should get out in order to take advantage
14 of that.

15 Each one of those cases is each person making an
16 individual decision in his own view, but that is a major
17 downer at a time when we are trying to keep that long-term
18 career person in.

19 *Maj. General Usher. If I could make a point on that,
20 Mr. Congressman, it has been sort of asserted that we do
21 not have to worry about that right now because if you
22 subtract four years of college from 1989, that gives you
23 1985. Well, many of our people, I would say, indeed, most,
24 could not afford to go to school full time. They would have
25 to hold another job, which would probably extend their

1 educational program over much more than four years. So they
2 are beginning to look now about getting out, getting a job,
3 and then taking advantage of the Vietnam Era GI Bill.

4 *Mr. Edgar. If the gentlemen would yield, one point
5 that I think has to be underscored, and this is why the point
6 is so startling, is that one of the arguments that Defense
7 Department used in rejecting any educational bill was the
8 cost, and yet the cost for extending the delimiting date
9 for those presently in the service is \$3.3 billion, and if
10 you add to that the cost of extending that delimiting date
11 and making it fair and equitable to Vietnam Era veterans
12 would be far in excess of the \$3.3 billion, and the cost
13 of H.R. 1400 well into the 1990s is less than the \$3.3 billion
14 that the Defense Department is willing to spend on this
15 benefit.

16 I think if we are going to be concerned about
17 recruitment and retention, that pressure on retention
18 proves that education is an incentive, and if it is going
19 to cost us with the support of the Department of Defense,
20 the lifting of that 1989 date, which the chairman of this
21 committee and some others have not agreed to do, not
22 myself particularly, but Congressman Sonny Montgomery, I
23 think we really have to raise a question as to whether or
24 not we cannot reform the educational benefits so that those
25 persons will not feel the pressure to leave. They will

1 have benefits whether they stay that will be equal to or
2 greater than those benefits because let's remember
3 approximately for GI benefits under the Vietnam Era
4 legislation, they would get \$340 or \$350 a month for 36
5 months. Under this program they would get \$300 a month for
6 three years of service, but most of these people would have
7 six years of service and receive \$600 a month, which is
8 much more closely aligned to the real cost of education,
9 and I think we ought to make that very clear to those who
10 would rapidly jump on the lifting of the delimiting date
11 as the answer to this what I consider an important problem,
12 but it is a very short-term answer to a very long-term
13 problem.

14 You still get to the point where those who come in have
15 a very flip-flop situation with VEAP, ultra-VEAP, super-
16 VEAP, whatever.

17 Excuse me for taking that time.

18 *Mr. Siljander. I appreciate that.

19 Is there any way, or do you already have statistics
20 from all the branches to substantiate some of these things?

21 *Lt. General Bronars. I think it is a fact of life.
22 The Marine Corps is probably reflective of the situation
23 that exists in all the services. We have an end strength
24 of 192,000. Sixty-five thousand Marines are eligible for
25 the Vietnam Era GI Bill.

1 Right now we are finding that a good percentage of them
2 are thinking about getting out, and a greater percentage
3 will be thinking about getting out as we get within a four-
4 year profile.

5 What we have to do if we want to eliminate that is just
6 to extend the authorization for taking advantage of the GI
7 Bill, the Vietnam Era GI Bill, or allow transferability into
8 a new GI Bill that has benefits equal to or better than,
9 as Mr. Edgar pointed out, the one that they are giving up,
10 and that would solve the problem equally well.

11 *Mr. Siljander. I guess just to help substantiate our
12 argument, are there statistics that you could supply to us,
13 unless you already have, in each of the branches?

14 *Lt. General Thurman. Yes, we run surveys, and we will
15 be happy to run that survey --

16 *Mr. Siljander. I think it would be helpful to me in
17 arguing these points that you are presenting with some sort
18 of empirical data to relate to the rest of our colleagues.

19 Thank you.

20 *Vice Admiral Zech. We have statistics, too, Navy
21 could supply you. In fact, we have calculated that to
22 extend the 1989 date would cost \$126 million for Navy,
23 starting in 1990, \$16.6 million and declining each year out
24 to the year 2015, where it would cost \$1 million, but the
25 total of that would be \$126 million for Navy.

1 *Mr. Siljander. Thank you very much.

2 *Mr. Edgar.. We would like to talk to somebody who
3 feels they can project to 2015, 2016. There are a number
4 of questions we have about what it would look like then.

5 Congressman, do you have any additional questions? I
6 have some specific questions.

7 *Mr. Siljander. No.

8 *Mr. Edgar. All right. General Bronars, I wonder if
9 you might reflect on that other umbrella question that I
10 asked about. Suppose we passed it as is. What would be
11 the negatives and what would be the positives?

12 *Lt. General Bronars. I think my response would
13 basically run parallel to that already given.

14 One of the things you are trying to accomplish in this
15 piece of legislation is to assist not only recruiting, but
16 to influence retention. Just a thought. I do not have any
17 problem with one month entitlement for one month of service,
18 but I sort of lean to Admiral Zech's formula that we try
19 to retain them based on a second tier on towards ten years
20 of actual service. He mentioned eight, and that seems like
21 a good, reasonable years of service to expect to accomplish
22 through this as a commitment on the part of the individual
23 to earn educational entitlements.

24 So if you looked on the basic entitlement as one year
25 of academic entitlement for one year of service, and if you

1 look for a four-year academic entitlements, you could
2 commit them to four years of service.

3 The second tier would be the \$300 per month for nine
4 months for an academic year, increasing to \$600 a month.
5 That would commit them to eight years of service, and then
6 the following feature, of course, transferability, which
7 sort of influence them into considering it a career.

8 As far as some of the provisions you mentioned, I do
9 not support the provision of providing additional
10 educational assistance for critical skills. I feel that
11 if we are going to identify it as an entitlement for serving
12 the country that all individuals wearing the uniform,
13 regardless of what skill area they happen to be serving their
14 country in, should receive comparable entitlements for
15 comparable years of service.

16 I do not support the educational leave of absence
17 provision that you mentioned mainly because we already
18 offer such programs to give individuals an opportunity to
19 complete their degree education, and if we made it an
20 entitlement for everybody to use, it would have a disruptive,
21 destabilizing effect on our force structure, and I do not
22 think that we can afford it. I would rather see that
23 provision out of the piece of legislation that is being
24 seriously considered.

25 *Mr. Edgar. You talked about it being destabilizing.

1 Suppose it was passed over your objections. Could you
2 survive?

3 *Lt. General Bronars. Yes, sir. The Marine Corps can
4 survive anything.

5 *Mr. Edgar. I figured that.

6 [Laughter.]

7 *Lt. General Bronars. As far as having a general
8 provision in the legislation for reserve entitlement, I
9 agree with General Thurman that it is important that we have
10 educational benefits identified for our reserve programs.
11 By the same token, I believe that we are being very
12 successful, at least in the Marine Corps, in using the
13 educational benefits already available as part of the
14 selective reserve incentive program. So as a consequence,
15 until we have more data, I think that this piece of
16 legislation does not necessarily need it.

17 Maybe we will find that as we introduce a GI Bill of
18 the nature that H.R. 1400 represents, we may want to expand
19 the selective reserve incentive program to provide greater
20 benefits, but I think it is doing the job now, and therefore,
21 I do not see any necessity for having it.

22 *Mr. Edgar. If I could interrupt you just a moment,
23 and this would be helpful to General Thurman as well,
24 Congressman Sonny Montgomery intends to amend Title 10,
25 putting an amendment on this legislation, of the U. S. Code

1 to provide that a person, both officer and enlisted, who
2 is a high school graduate, who agrees to serve six years
3 or longer in the reserve or National Guard after September
4 30th, 1981, will be entitled to \$140 a month up to the
5 maximum of 36 months. So it is a reserve provision that
6 he intends to offer to the legislation in the Armed Services
7 Committee, and I am sure you will want to support that.

8 *Lt. General Thurman. The Army would support that.

9 *Mr. Edgar. Do you have additional thoughts that you
10 would like to add at this point?

11 *Lt. General Thurman. No, sir.

12 *Mr. Edgar. You have been very clear in terms of your
13 support, both here and on the Senate side and in each
14 opportunity that you have had to speak on this issue, and
15 I have been very grateful to you for your articulating your
16 comments.

17 Let me turn now to the Air Force. General Usher, let
18 me begin with the overall question again about the negatives
19 for you if it were passed. What are the specific negatives
20 that would be a problem, and then also what would be the
21 positives?

22 *Maj. General Usher. Let me start with the positives
23 first and say that we think that it is a very good bill,
24 and there is nothing in it that we could not live with. We
25 think it is well structured the way it is.

1 *Mr. Edgar. We will move to the next witness.

2 *Maj. General Usher. If we had our druthers, however,
3 we have a couple of points that I think we need to consider,
4 and they are as follows.

5 First of all, in the kicker area, we think we need to
6 be conservative there. We probably fall halfway between
7 the Army and the Navy and the Marines on this. Our reasoning
8 sort of goes like this. We recognize that there may be
9 particular instances where you want to use a kicker, but
10 it ought to be quite constrained because we, like the Navy
11 and the Marine Corps, want to get across the point that this
12 is a common, constant entitlement type of program, and it
13 should not vary much between service.

14 The other reason we have is that we have difficulty
15 when people want to distribute financial assistance either
16 in terms of educational benefits or pay or what have you
17 by skill because what may be a critical skill in peacetime
18 may find itself turned upside down in wartime, and after
19 all, that is what our purpose is here, is to prepare to
20 fight a war if we need to.

21 So what I am saying is in wartime all skills are
22 critical to the accomplishment of the mission, and it is
23 difficult to rationalize, at least for us, differentiating
24 too much between them in peacetime. But, of course, we do
25 have to recognize the marketplace, in part, at least.

1 The other point that we would like to see made more
2 easy and that is the conversion from an old program, from
3 the Vietnam Era GI Bill, to a new program rather than
4 requiring a person really to re-earn the benefit.

5 There are many people who, for instance, could retire,
6 but they choose to stay with us. We want them to stay with
7 us, and if they are reaching then a mandatory retirement
8 short of full qualification and are denied the transferability
9 feature, they may choose to leave now rather than later,
10 and I think we need to take that into account.

11 Finally, I would like to say that we would like to see
12 end service use made possible after perhaps as little as
13 a year of service because, again, if that enhances the
14 individual's productivity and contribution to the service,
15 they might be happier and choose to stay with us longer.

16 Thank you.

17 *Mr. Edgar. Let me just ask you two additional
18 questions. How should the program be funded?

19 *Maj. General Usher. We think at the minimum the basic
20 benefit that is afforded to all should be funded by the
21 Veterans' Administration, particularly as a recognition for
22 services rendered to the country, and I think you can
23 rationalize the payback on it very well.

24 The second features, such as the second tier and
25 transferability, obviously our first preference would be