

Prepared Testimony of  
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Before the  
Military Personnel Subcommittee of the House Armed Services Committee and  
the Economic Opportunity Subcommittee of the House Committee on Veterans' Affairs

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I want to thank Chairman McHugh and Ranking Member Snyder, as well as Chairman Boozman and Ranking Member Herseth, and other distinguished members of both Subcommittees, for bringing us all together to discuss this important issue today.

Since World War II, providing educational benefits to returning service-members has served an invaluable role in stimulating recruitment and retention for our Armed Forces. In assisting veterans readjusting to civilian life, these educational benefits have also enhanced our nation's competitiveness through the development of a more highly educated and productive workforce.

When the Montgomery GI Bill was signed into law in 1984, members of the Selected Reserve were seldom mobilized. Consequently, standard Montgomery GI Bill benefits reflected that reality. Today, that is certainly not the same reality.

More than 500,000 members of the National Guard and Reserve have been called up since the tragic events of September 11, 2001, and more than 70,000 have pulled two or more tours of duty. In Arkansas, nearly 3,400 of our National Guard's 39<sup>th</sup> Infantry Brigade recently returned from service in Operation Iraqi Freedom. These citizen soldiers served with distinction and did so in some of the worst conditions imaginable. While their families and their communities have welcomed them home with open arms, our nation should do the same by ensuring they receive the benefits and services they need as they transition back to their civilian lives.

I am grateful to Chairman Boozman for holding an Economic Opportunity Subcommittee hearing on this very topic in Rogers, Arkansas, this past March. From that testimony, it is clear that we owe a debt of gratitude to the folks in the Guard and the VA who have worked tirelessly to make the transition for the brave men and women of our Selected Reserve as seamless as possible. It is also clear that there is much more we can do on their behalf, particularly in the area of educational benefits. At the hearing, the Arkansas National Guard Education Office testified that the only reoccurring issue they have experienced is the number of complaints about the Guard's policy concerning post-service benefits.

Although Congress took a step in the right direction in October 2004 with the creation of the Reserve Education Assistance Program, we have yet to address the lack of a readjustment or transition component to these educational benefits. As a result, active-duty service-members have up to 10 years after their separation of service to utilize their MGIB benefits, while members of the Selected Reserve must forfeit all of the educational benefits they have earned

once they separate from the Selected Reserve. These GI Bill benefits continue to be the only benefit that those who have served Selected Reserve activated duty in the War on Terrorism may not access when they eventually separate or retire.

The rising price of higher education, increases in the interest rates on student loans, and the limited earnings ability of those who return from service with only high school credentials make educational benefits a primary means of helping members of the Selected Reserve make that transition.

Earlier this year, I offered an amendment to the 2006 Defense Authorization Act to address this issue. This amendment, which passed the Senate by unanimous consent, would allow members of the Selected Reserve to utilize their earned Chapter 1607 educational benefits for up to 10 years from their last date of service.

Some have raised concerns that this amendment would have an effect on retention because it would provide a post-service portability of benefits. I disagree. There are many valid personal and family reasons that influence a volunteer's decision to serve. Military analysts have consistently noted that reenlistment bonuses in lump-sum cash payments have been effective in meeting or exceeding reenlistment goals in the active and reserve forces, not the educational benefits that are deferred over time.

Further, there is a built-in incentive to continue serving in the Selected Reserve because reenlistment or extension in the Guard and Reserve enables the service member to retain their standard Selected Reserve Montgomery GI Bill benefits under Chapter 1606 with the potential to acquire more Chapter 1607 benefits through successive activations. If they reenlist, they would also remain eligible for any other educational incentives such as federal tuition assistance and state Guard or Reserve educational benefits.

Young high school graduates thinking about furthering their education and joining the Guard or Reserve should know that they will earn Montgomery GI Bill benefits by joining the reserves and even more if they are called up. When it is time to reenlist, they can keep all earned educational benefits by staying in, or can take with them into civilian life the benefits they earned when they were called up to defend our nation.

As the daughter of a Korean War veteran, I was taught from an early age about the sacrifices our troops have to make to keep our nation free, and I have been grateful for the service of all of our brave men and women from the state of Arkansas and across the nation. Congress must work on behalf of them and their families to ensure they are provided with the benefits, pay, and health care that they have earned. It is the least we can do for those whom we owe so much and to reassure future generations that a grateful nation will not forget them when their military service is complete.

It is time for Congress to stand up and make educational benefits for members of the Selected Reserve more commensurate with the increased sacrifices we have asked them to make. I look forward to working with each of you as we attempt to address this important issue and I thank you once again for allowing me to be here today.