

G. Kim Wincup Former Vice Chairman Congressional Commission on Servicemembers and Veterans Transition Assistance

Statement of G. Kim Wincup
Former Vice Chairman
Congressional Commission on Servicemembers and
Veterans Transition Assistance
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Committee on Veterans' Affairs
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Mr. Chairman and Members of the Committee:

It is a privilege to appear before you today on behalf of the members of the Commission on Servicemembers and Veterans Transition Assistance, and particularly our Chairman, The Honorable Tony Principi, who could not be here today.

I commend your insight in creating the Commission. Indeed Congress created it through Senate legislation, as introduced by Senator Bob Dole. The Commission's statutory purpose consisted primarily of:

- reviewing programs that provide benefits and services to veterans and servicemembers in transitioning to civilian life/proposing steps to ensure adequacy and effectiveness of such programs; and
- proposing improvements/determining the feasibility/desirability of consolidating the organizations administering transition benefits.

The Commission submitted its report to Congress on January 14, 1999. I've attached a copy of the report for the Committee's use.

Before discussing the Commission's work, I want to recognize this Committee for its leadership in making numerous, value-added enhancements in the Montgomery GI Bill, as enacted in Public Laws 106-419, 107-103, and 108-454. During this period, Congress increased MGIB monthly benefits from \$528 to \$985 per month.

Mr. Chairman, the Commission made more than 100 recommendations. Many related directly to the matters outlined in your helpful remarks concerning the all-volunteer force educational assistance programs available to our service personnel and veterans.

After extensive fact-finding and analysis, the Commission made the following judgments and recommendations:

- The Nation's military personnel represent a unique national resource to which we have a moral obligation; and in whom the Nation has made a leadership and skills investment in which it needs to capitalize long after military service.
- To meet these goals, the Commission concluded that benefits and services provided our personnel should be based on the following pillars:
 - o Transitioning servicemembers must be accorded the means and opportunity to succeed in their civilian lives; and as a Nation we must invest in their collective talent/harness their collective ability in our domestic economy;
 - o The unique -- and often selfless -- conditions of military service require sacrifices and generate equally unique needs that must be met; and
 - o The Nation's ability to raise and maintain an effective all-volunteer, non-conscripted military force must be supported with cost-effective, value-added incentives for such service.

With respect to educational benefits, the Commission determined long-term, sustained employment as the door to a successful transition to civilian life; and education unequivocally as the key to such employment in this age of technology.

In that regard, the commission concluded that the Nation should accord former servicemembers an educational opportunity limited only by their own aspirations, abilities, and initiative; an opportunity to be used at any educational institution in America.

More specifically, the Commission recommended that Congress enhance the Montgomery GI Bill (MGIB) for active-duty servicemembers who enlist or re-enlist for a minimum of 48 months to:

- - o Pay full tuition, fees, books and supplies, plus a \$400 per month educational assistance allowance for up to 36 months, indexed for inflation;
 - o Eliminate the \$1,200 pay reduction for participation;
 - o Furnish the Services discretionary authority to allow the transfer of this benefit to a family member; and
 - o Allow the servicemember 10 years from separation to use the benefit.

Enhance the MGIB for active-duty servicemembers who serve for 24 to 36 months to:

- o Eliminate the \$1,200 payroll deduction for participation;
- o Increase the monthly educational assistance allowance to \$600; and
- o Allow accelerated "lump-sum "payments.

In effect, the Commission recommended a return to a World War II-type GI Bill which had paid tuition, books, and fees outright to the education or training institution; and also furnished the veteran a monthly subsistence allowance.

Mr. Chairman, since many of the bills under the Committee's consideration today broadly model the World War II GI Bill, with the Committee's permission, I'd like to offer some brief background regarding the Commission's thinking.

Although Congress designed the World War II GI Bill for a different era, a different economy, a different society, a different technology, and indeed a different veteran, in the Commission's view our Nation's obligation to the veteran remains the same; especially in a current force comprised exclusively of military volunteers.

Further, Chairman Principi in various Commission testimony, briefings, and interviews acknowledged observations of economists and scholars that the World War II GI Bill "...made the United States the first predominantly middle-class nation in the world. . . and even produced the tax revenues to help fund the Marshall plan to rebuild war-torn Europe." (The World War II GI Bill produced 10 Nobel Prize winners who contributed to the Nation's scientific revolution, as well.)

In its work sessions, the Commission observed the statement of former Chairman Alan Cranston, a principal author of the MGIB, during Senate deliberation on S. 12 in 1987:

"The dividends our country has already reaped from past GI Bills is so vast as to be virtually incalculable. However, it is widely accepted that for every dollar spent in GI Bill benefits, the Nation is reimbursed \$3 to \$6 in increased tax revenues...."

I'd add in April 2000, under contract to the Department of Veterans Affairs, The Klemm Analysis Group found a public MGIB benefit-to-cost ratio of \$2 to \$1 and private economy return of \$7 to \$1.

Given these empirical data, not surprisingly education emerged as the centerpiece of the Commission's report -- and all twelve members supported the Commission's recommendations.

Mr. Chairman, under the law, the Veterans' Affairs and Armed Services Committees of the Senate and House selected members of the Commission. Each brought value-added experience to our task.

In my case, my views were molded by having served as a professional staff member of the House Armed Services Committee in the early 1970's when Congress created the All-Volunteer Force; and then as the Committee's Staff Director when Congress created the 1985 New GI Bill, 3-year test program; and in 1987, when Congress made the program permanent public policy, as "Montgomery GI Bill."

In 1991, while serving as Assistant Secretary of the Army for Manpower, Reserve Affairs and Logistics, I also had the privilege of observing first-hand the recruiting impact of this program during the Persian Gulf War. Some 95 percent of our technologically-savvy troops had signed up for the Montgomery GI Bill when they enlisted.

What influenced my thinking in supporting the Commission recommendation essentially to return to a World War II-type GI Bill was the serious problems I saw during the first decade or so of the AVF when many Army recruits did not have a high school diploma; and the positive impact that the New GI Bill test program would have on recruiting, "college-bound" youth - especially those who scored in the upper quartiles of the Armed Forces Qualification Test.

And just as importantly, I saw the impact the words "GI Bill" had on the persons who influence potential recruits about military service -- their parents, teachers, guidance counselors and coaches.

Mr. Chairman, overall the Commission viewed America's sons and daughters who wear the uniform of the United States - active, Guard and Reserve -- as more than just our modern military.

We viewed them as a vibrant national leadership and economic asset that we must call upon long after their active service.

A group largely of 20 year olds who maintain multimillion dollar tactical aircraft, troubleshoot multi-billion dollar nuclear powered ships, and operate space-based technologies in our defense.

And we saw a strong educational incentive as a very effective way to maximize these leadership and skills assets.

Department of Defense, service branch and other surveys repeatedly show that an educational incentive is the one to which youth most respond in their decision to join our active-duty military. Enlistees even pay-in \$1,200 of their own money to gain about \$36,000 in benefits.

On the occasion of the Montgomery GI Bill's 20th anniversary on June 1 (Public 100-68), Robert F. Foglesong, President, Mississippi State University wrote:

"To date, 2.1 million former servicemembers have used MGIB benefits to re-enter civilian society in valued professions such as teaching, engineering, business, banking, public service, law, and entrepreneurship, among countless others - a 20-year leadership force...

...And during fiscal year 2006, 798,000 active-duty servicemembers pursued associate, bachelor's and master's degree part-time during off-duty hours on-base, on-ship, and on-line [through DoD's tuition assistance program]." They value education and they value serving the Nation.

Business and industry leaders like what education and service produce. Indeed the 200,000 or servicemembers who leave our military annually "personify economic strength and represent the ready workforce for the 21st century." (Bob Lutz, Vice Chairman, General Motors).

Mr. Chairman with your indulgence, I'd acknowledge in addition to the wisdom and foresight of former Chairman Cranston, Senators Bill Armstrong, Bill Cohen, Spark Matsunaga, Ernest Hollings, and John Glenn; and Representatives G.V. "Sonny" Montgomery, John Paul Hammerschmidt, Bob Edgar, and Duncan Hunter who along with many others created the current Montgomery GI Bill during the 1980-1987 period.

In closing, I honor the memory of Terence "Terry" Lynch who came to the Commission's staff from the Senate Intelligence Committee and served us so well. Terry died at the Pentagon on September 11, 2001.

I pay tribute, as well, to Commission member Richard W. "Dick" Johnson, USMC (Ret), a valued colleague and innovator. Dick furnished a lifetime of leadership to the Non-Commissioned Officers Association of the United States. Mr. Johnson died on July 4, 2004.

Thank you.

Other/Post-Commission Analyses

For your possible use, these publications address either the Montgomery GI Bill purchasing power or military recruiting matters that may be of interest to the Committee:

1997 National Defense Panel Report to Secretary of Defense Bill Cohen, chaired by Philip Odeen. "Transforming Defense: National Security in the 21st Century."

1999 RAND National Defense Research Institute Report, by Beth J. Asch, et. al. "Attracting College-Bound Youth Into the Military: Toward the Development of New Recruiting Policy Options."

1999 United States Commission on National Security/21st Century, headed by Honorable Gary Hart and Warren Rudman. "New World Coming: American Security in the 21st Century."

2000 RAND Research Brief, by Beth Asch, et. al. "The Montgomery GI Bill - Assessing Proposed Changes [of returning to a WW_II-type GI Bill]."

2001 United States Commission on National Security/21st Century. "Road Map for National Security: Imperative for Change."

Lastly, the Joint Economic Committee of the Congress testified on Montgomery GI Bill improvement matters in the House Committee on Veterans' Affairs in the early 2000's.