

[H.A.S.C. No. 110-83]

**ACTIVE ARMY, ARMY NATIONAL GUARD,  
AND ARMY RESERVE RECRUITING AND  
RETENTION PROGRAMS**

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HEARING

BEFORE THE

MILITARY PERSONNEL SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES  
HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

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**ACTIVE ARMY, ARMY NATIONAL GUARD, AND ARMY  
RESERVE RECRUITING AND RETENTION PROGRAMS**

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HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ARMED SERVICES,  
MILITARY PERSONNEL SUBCOMMITTEE,  
*Washington, DC, Wednesday, August 1, 2007.*

The subcommittee met, pursuant to call, at 2:20 p.m., in room 2212, Rayburn House Office Building, Hon. Susan Davis (chairwoman of the subcommittee) presiding.

**OPENING STATEMENT OF HON. SUSAN A. DAVIS, A REPRESENTATIVE FROM CALIFORNIA, CHAIRWOMAN, MILITARY PERSONNEL SUBCOMMITTEE**

Mrs. DAVIS. Good afternoon, everybody.

Today, the subcommittee turns its attention to the closely aligned issues of military recruiting and retention. While the debate on the future of the war in Iraq is capturing much of the public's attention, those laboring to recruit and retain the high-quality force that is the bedrock of military readiness continue to perform their vital mission under great stress.

The sound job market and the pressures of the war make this task incredibly difficult and it is incumbent on the Congress to be watchful and ensure recruiters and their managers have the necessary funding and tools to be successful.

The one enduring lesson that the subcommittee has learned is that those funds and tools are ineffective if not delivered in a consistent and timely manner. Unlike many of the problems being confronted by the armed forces, the task of attracting people to the military cannot be achieved with increased spending at the 11th hour.

Competing in the marketplace for people requires the consistent and early allocation of resources. It is the subcommittee's experience that every military recruiting failure in the last 20 years can be attributed to some degree to inconsistent and late allocation of funding to meet the challenge.

This hearing today focuses on the Army because the subcommittee has observed that all three Army components have endured setbacks in their recruiting programs in recent months. It is no secret to anyone that recruiting and retaining a quality force is extremely difficult in today's environment. This is particularly true for the Army, given the larger numbers associated with their mission.

However, a full understanding of the challenge seems to have not prevented funding from being a factor that has put the recruiting programs within all three Army components at greater risk. In an era where we have an urgent need to increase the strength of the

Army and its reserve components, it is critical that we not make mistakes in funding recruiting programs.

The subcommittee will be interested in hearing the perspectives of Department of Defense (DOD) and the Army on the issue of consistent and timely funding and a range of other important issues, to include recruit quality and recruiter misconduct as well.

I am delighted to be here today to have this hearing.

I want to turn to my colleague, Mr. McHugh, if you have any opening remarks?

[The prepared statement of Mrs. Davis can be found in the Appendix on page 47.]

**STATEMENT OF HON. JOHN M. MCHUGH, A REPRESENTATIVE FROM NEW YORK, RANKING MEMBER, MILITARY PERSONNEL SUBCOMMITTEE**

Mr. MCHUGH. Thank you, Madam Chair.

First of all, let me join with you in welcoming our distinguished panel here today.

As you noted, Madam Chair, this is a very necessary hearing. I would argue also a very timely hearing. We are nearing the end of 2007, and certainly I think it will be a useful update for the subcommittee on the recruiting and retention challenges still facing us. As you noted, Madam Chair, the most challenged of all the services in the United States military is that of the United States Army.

I could add a number of concerns. First, end-strength, especially whether the active Army is going to be able to meet not only the fiscal 2007 authorized end-strength level, which is 512,400, but also that of the target that they have set, the 518,400. That is a step, if you will, to stay on pace for the increase of the force that has been authorized by 2013, 547,400.

It is a cloudy question right now. As of June, as I understand it, the Army has a strength of 510,000; that is 2,400 below the authorized end-strength and 8,400 below its active force growth objective.

The Army Reserve appears to be headed in fiscal year 2007 for another year when its actual end-strength will not even reach authorized levels. Obviously, without manpower growth, Army plans to build additional brigade combat teams (BCT) and support brigades will be jeopardized. Recruiting is always a challenge. The Army Reserve continues to miss its objectives.

Moreover, I, along with many others, I am sure, were disturbed to hear retired General Jack Keane testify just last week before the Full Committee that the Army is not likely to meet its recruiting mission in fiscal year 2007. If true, any erosion in the Army's quality standards and congressional efforts to provide Army-unique recruiting authorities, we need to know what the Army and DOD are doing to ensure active Army and Army Reserve recruiting stays on track to attain, not only accession missions, but also contract goals.

All of the questions that you have identified, Madam Chair—inappropriate funding strategies, inadequate planning, and on and on and on—are great, great concerns. We need to talk about those today to ensure that we, as a Congress, are doing both our oversight objectives and missions as are appropriate; but also, of course, to ensure that we are providing all in the services, but for the purposes of today, the Army components with the necessary

ability to meet the great challenges that the brave men and women who wear the uniform of that great service are facing on our behalf.

With that, Madam Chair, I would just ask that the rest of my written testimony be submitted in its entirety for the record, and yield back, and look forward to the panelists' comments.

[The prepared statement of Mr. McHugh can be found in the Appendix on page 48.]

Mrs. DAVIS. Thank you, Mr. McHugh.

I might just mention that we are all a little challenged today by the schedule and by the votes, so there may in fact be some procedural votes coming up, or other votes, and we will try and plow through this as best we can.

I wanted to just welcome our panel again, and introduce them: The Honorable Michael Dominguez, principal deputy undersecretary of defense, personnel and readiness; Lieutenant General Michael Rochelle, deputy chief of staff, U.S. Army; Lieutenant General Clyde Vaughn, director of the Army National Guard; and Major General Thomas Bostick, commanding general, United States Army Recruiting Command in Kentucky.

Thank you all very much for being here.

Secretary Dominguez, we look forward to your comments.

**STATEMENT OF HON. MICHAEL L. DOMINGUEZ, PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE (PERSONNEL AND READINESS)**

Secretary DOMINGUEZ. Thank you, Madam Chair and distinguished members of the committee. It is a pleasure to be with you today.

Let me begin by acknowledging an historic achievement that many, including some of our own experts, would have thought impossible a few years ago. We have taken an all-volunteer military to war. We have done it in a strong economy with 4.5 percent unemployment. We often have asked that force and their families to do more on short notice. And through it all, we have manned this Nation's military with people far above average relative to their peers.

Support from this subcommittee has been critical to our success. And the department, and particularly the Army, delivered this success even as transforms itself in design, location and mission focus. That context and the continuation of those challenges ought to serve as a context for this hearing.

The Army is growing from fewer than 520,000 at the end of this year to about 547,000 five years from now. Within those numbers are major organizational shifts brought about by Army's migration to modular design, more and smarter units, and a design that allows more flexibility and more even burden-sharing across the force.

In turn, this requires a slightly higher proportion of officers, particularly captains and majors. And then naturally, this plan requires growth in officer accessions and the Army continued its move in that direction last year with the addition of 300 more officers annually. Initially, the Officer Candidate School (OCS) will generate the growth, while the longer lead-time sources like Re-

serve Officer Training Corps (ROTC) ramp-up to higher levels of officer production.

Longer service commitments are being encouraged through a variety of programs to improve officer retention. More experienced officers soon will see a bonus program that now is in its final stages of development. The Army is making all the right moves to meet its increasing demand for officers.

On the enlisted side, all active component services achieved their recruiting goals for July. The three reserves—Army and Navy Reserve and Air Guard—fell somewhat short. We in the Office of the Secretary of Defense (OSD) monitor this progress carefully, and we engage with the military departments and services when we have cause for concern.

As a result of these engagements, I am confident that our leaders are taking appropriate actions, and I am optimistic about ending this year on-target. An on-target finish for all Army components and for the Air National Guard is achievable, but it will be challenging.

Over the longer term, meeting recruiting targets will remain challenging. The propensity to enlist is down. The willingness of coaches, teachers, counselors, and parents to commend military service to America's youth is lower than is good for our Nation and our military. The number of people who meet our enlistment standards is astonishingly low.

Madam Chair, as we execute our difficult task in the months ahead, we need your help and the help of the Congress in four concrete ways.

First, lend your voices to the chorus reminding the American people that service in our armed forces is a good and noble path and one that every citizen of our democracy ought to seriously consider.

Second, ensure that our recruiters have access to America's youth equal to that afforded to colleges and to other employers.

Third, support our efforts to develop, test, and deploy flexible, innovative recruiting and retention programs for this dynamic and challenging environment.

And fourth, quickly approve the reprogramming request the Department has submitted so that we can properly fund the Army's large program.

I will end my opening oral statement, Madam Chair, by once again reaffirming that our success in recruiting, fielding, and sustaining a high-quality force through almost six continuous years of combat is attributable in large part to this committee and the strong partnership between the Department and this committee that has endured over many years and over many Administrations.

Thank you for your partnership and your many contributions to our all-volunteer force.

[The prepared statement of Secretary Dominguez can be found in the Appendix on page 52.]

Mrs. DAVIS. Thank you.

General Rochelle.



**STATEMENT OF LT. GEN. MICHAEL D. ROCHELLE, DEPUTY  
CHIEF OF STAFF, G-1, U.S. ARMY**

General ROCHELLE. Chairwoman Davis, Representative McHugh, distinguished members of the committee, thank you for offering me once again the opportunity to appear before you. It truly is an honor.

I appear before you today on behalf of America's all-volunteer Army. Today, we have an Army of over one million strong proudly serving and growing to meet the demands of the current and future operational environment. With our focus today on recruiting and retention, I am prepared to discuss two of the Army's highest priorities with you.

I will highlight where we have achieved successes and will request your continued support and flexibility to sustain and in some instances expand incentives and initiatives that will attract the quality young men and women who will join tomorrow's Army.

This year marks the fifth consecutive year that the volunteer Army is at war. Even with our global commitments, we continue to grow the Army to sustain combat operations and defend our Nation's vital interests. Since the start of the global war on terror, we have of necessity grown the all-volunteer Army by nearly 23,500 soldiers. America's patriotic men and women are answering the call to duty in an Army that has served the Nation's interests since before the Meuse-Argonne.

The reason we are able to grow and sustain our Army during a time of conflict is because of patriotic young adults who accurately see the Army as an opportunity to serve the Nation's vital interests, as well as providing themselves the bridge to a brighter future. In an ever-competitive market, the Army is faced with an even greater recruiting challenge than our sister services or those in the private sector, namely attracting quality young men and women in a strong economy, while engaged in persistent conflict.

Today, with unemployment at an all-time low, communicating the value of America's Army as a place of dependable employment and noble service is no longer an effective communication. Additionally, given the dynamic of the private sector employment options and the likelihood of military deployment, many parents, teachers and coaches—commonly referred to as influencers—are discouraging even highly motivated prospects.

Despite the challenges we face and will continue to face in the future, the Army continues to be successful overall in growing and maintaining the all-volunteer Army. In 2002, we began a landmark transformation from a division-centric force to a brigade-centric, highly mobile force. Along with that transformation came a need for additional manpower. Consistent with recent congressional authorizations, the Army will have grown its end-strength from more than 468,000 at the end of fiscal year 2002 to 518,000 at the end of fiscal year 2007.

Congress also addressed the need for the added flexibilities to meet the challenges associated with growing the all-volunteer force, and this committee was a standout. As a result, we have boosted our recruitment efforts by establishing innovative approaches to enlistments nationwide.

Despite a 7 percent drop since 2003 in youth propensity to serve, currently at an all-time historical low of 16 percent propensity, the Army has remained ahead of our annual targets or glide required to meet not only our year-end accession goals, but multi-year growth targets as well.

As good stewards of our resources, I have directed that in no case do we trade quality for quantity. At the heart of most enlistments is a desire to serve our Nation, and we must be cautious as we develop new incentives not to trade that desire for monetary, educational, or other incentives. We don't require that every young soldier become a hero on the battlefield, but we do ask that every young American be presented an opportunity to respond to our Nation's call to duty.

The all-volunteer Army is Army strong precisely because each American that joins our ranks chooses to do so. Enlistment is the first act of selflessness that develops young Americans into the courageous troops we all admire. We are leveraging the flexibilities you have given us to close fiscal year 2007 successfully. We remain ahead of glide path to achieve our fiscal year 2007 recruiting mission, and I am reasonably confident that we can achieve that success in fiscal year 2008.

An innovative program that offers future soldiers our next generation of incentives and has the capacity to expand our reach well beyond that of the Army College Fund of nearly 25 years ago is the Army Advantage Fund. The Army Advantage Fund has the potential to attract the innovative, entrepreneurial, and values-based youth willing to accept the challenge. We ask for your continued support to implement this groundbreaking incentive, as well as establishing the vehicle with which to employ it.

I will focus my next comments on retention, brief comments.

Clearly, a key indicator of our soldiers' commitment and high morale is our retention rate. Active Army has achieved all retention targets for the past nine years. As a result, that can be directly attributed to the Army's leadership and the motivation of our soldiers to accept the continued call to duty.

To man the future force, the Army must increase company-grade officer retention to keep up with the structure growth driven by modularity. The Army has successfully grown the officer corps over the last several years through increased officer promotion selection rates and earlier pin-on points to captain and major.

America's Army is strong. We value your continued support to ensure our Army is fully prepared to meet America's global commitments. To ensure our values, our values-based Army is prepared for the future. We need your continued flexibilities and support, as well as approval of the fiscal year 2008 President's budget request to support maintaining and growing the Nation's Army.

Additionally, I would urge that every member of the committee share the message of, first, a call to national service, and second, the great opportunities available in America's Army.

In closing, I thank you for the opportunity to once again appear before this distinguished committee, and I look forward to taking your questions.

[The prepared statement of General Rochelle can be found in the Appendix on page 65.]

Mrs. DAVIS. Thank you.  
General Vaughn.

**STATEMENT OF LT. GEN. CLYDE A. VAUGHN, DIRECTOR, ARMY  
NATIONAL GUARD**

General VAUGHN. Chairwoman Davis, Representative McHugh, and distinguished committee members, it is an honor to appear before you as the director of the National Guard. I would ask that my statement be entered into the record, and I would just like to make just a quick couple of comments.

We have had a historical year, as I think all of you know. Over the last 22 months, we have gained nearly 22,000 soldiers. The chart that you see in back of you portrays where we started at on the far left, called the bathtub chart. I can assure you that it is a real pleasure to appear before you today as compared with eight months ago, and then probably one and a half years prior to that.

We promised at that time that we would make end-strength, and we did in March of this year as a result of the great support of this committee. It is a result of the great leadership of our adjutant generals (TAG) and our governors. But most of all, it is the support of each one of these communities out there that embrace and worship these units from nearly 3,000 towns and cities around the United States of America. There is an enormous amount of pride in the Army National Guard today.

We have challenges, and our challenges exist in the areas of getting the base and the supplementals right to gear us through, and I am sure we will be able to discuss that soon. There were some assumptions made, as I think everyone here is aware of in here, a couple of years ago that started us down the wrong track, you know, in the position of our base budget. We are still recovering from that. We don't want to kill this momentum, and we want to go right on into 2008 positioned to grow.

I think one of the great noticeable things, or notable things about this is we have actually improved our quality in a significant manner with innovative programs, a lot of support from over here, and a lot of pride in the force.

So thank you, and I look forward to your questions.

[The prepared statement of General Vaughn can be found in the Appendix on page 77.]

Mrs. DAVIS. Thank you.  
General Bostick.

**STATEMENT OF MAJ. GEN. THOMAS P. BOSTICK, COMMANDER,  
UNITED STATES ARMY RECRUITING COMMAND, U.S. ARMY**

General BOSTICK. Chairwoman Davis, Representative McHugh, and distinguished members of the committee, thank you for the opportunity to discuss Army recruiting today.

I also want to thank you for supporting our initiatives to attract the very best soldiers. Having served in combat with these wonderful Americans, I am confident that we continue to maintain a quality Army of dedicated and loyal professionals.

As a result of additional manpower, resources, and incentives, the Army enlisted 13,000 more soldiers for the regular Army and the Army Reserve in 2006 than it did in 2005. It was clear then

that we made the right adjustments. However, adequate resources are not always enough to ensure success. We must now overcome a more challenging environment, an environment marked by low unemployment, decreasing influencer support, and the lowest propensity to serve in two decades.

Nonetheless, nearly 70,000 Americans have joined our Army this year. They are reenlisting in record numbers. We have the best-trained, best-led, and the best-equipped Army in the world. Our soldiers are staying in the Army because they believe in each other. They believe in their mission and they appreciate the support of the American people.

In the area of quality, regardless of their educational credentials or test scores, every applicant we enlist is qualified to serve. For high school diploma graduates in fiscal year 2006, the regular Army and Army Reserve achieved 81 percent and 89 percent, respectively, against the goal of 90 percent. We met our goals in all other areas of aptitude.

In the area of waivers, we have a sound process for reviewing all waivers. In fiscal year 2006, 85 percent—nearly 90,000 of those that we shipped to basic training—entered the Army without the need for a waiver. Waivers have increased approximately two percent to three percent overall each year from 2004 to 2006.

We believe this is partly a result of changes in society, changes in policy, and our improved processing procedures. In fiscal year 2007, we expect to achieve 80 percent high school diploma graduates, 60 percent in Category I to III offers, and no more than 4 percent Category IV.

We are currently reviewing the impact of less high school diploma graduates and increased waivers on the effectiveness of an Army at war. We have taken a number of innovative actions to accomplish this mission, many with your assistance. We added incentives and heavily advertised the two-year enlistment. We established a super-leads program to refine nearly one million leads to save valuable recruiter time.

We issued an operational mission to the field to inspire them to achievement in these final three months. We implemented the recruiter incentive pay to reward our very best recruiters. We increased the quick-ship bonus to \$20,000 for all MOS's—military occupational specialties—that ship in the remainder of the year. We requested additional soldiers graduating from initial training and returning combat veterans to assist in our recruiting efforts.

We reemphasized the \$2,000 referral bonus program, and we requested the temporary return of up to 1,000 former recruiters in these final months of this fight that we are engaged in. We asked the leadership of the Army—general officers, senior executive service, command sergeant majors—to come out and help us with recruiting in the field force and they are doing that. We emphasized “March to Success,” an education program to assist those that are having difficulty passing the armed services vocational aptitude battery test.

We expanded ARMS, the Assessment of Recruiter Motivation and Strength, to enlist some of those who are slightly overweight, but who are confident they can lose that weight in their first 12 months of service. With your help, we increased the age limit to 42,

allowing those that have always wanted to serve, the opportunity to serve. We added greater flexibility with tattoos, which aligns with societal changes that we have seen. We have implemented a team recruiting concept in one of our brigades where every soldier does not have to be an expert in every task.

We can and we will accomplish this mission. It will be challenging, but it is a challenge not only for the Army, but for this Nation.

I thank you again for this opportunity, and I look forward to your questions.

[The prepared statement of General Bostick can be found in the Appendix on page 82.]

Mrs. DAVIS. Thank you very much.

Thank you, all of you, for being here. We certainly thank you for your service. We recognize the professionalism with which our recruiters go about their job and the need to really have the support of our communities. You make that case very well.

I think what we are here to do today is to really drill down, as they say, on some of the major challenges that you face and how we can be as supportive of those and at the same time really ask you as well to help us understand the accountability issues behind that so that we can have dollars available when they are needed and to be sure that the programs are as creative as necessary for us to complete your job and your mission.

So I wanted to start quickly looking at some of the Army recruiting and retention issues that you have talked about. I think you mentioned briefly looking at the differences that we have come to rely on, really, on the supplemental appropriations.

I want to ask, why are we still relying largely on those supplemental budgets? And if you see a shifting so that we are able to really reinforce the needs that you have, but do it in our basic budgets as opposed to the supplemental? Why are we relying on those today and how do you think we can shift away from that?

Secretary DOMINGUEZ. Madam Chair, if I could take that question. In preparation for the hearing, I consulted with the Office of the Undersecretary of Defense for Comptroller, and reaffirmed with them the uncertainty about the strength of the United States Army is behind us now.

So we have very clearly established and great leadership consensus around the growth path of the United States Army, so that it has enabled us to, for the fiscal year 2009 budget submission, we will fund the program for all components in the base budget. So we are out of the supplemental business for the recruiting program.

General ROCHELLE. Madam Chair, if I may simply add, for the purpose of this hearing, clearly the primary focus is on recruiting and retention costs within the base budget. I am pleased to echo Mr. Dominguez's comments with respect to that level of funding, which in fiscal year 2009 will indeed be thoroughly and totally in the base.

Mrs. DAVIS. I think for now, in terms of trying to provide the bonuses that are needed at the right time, I am wondering why you have actually—it appears that the Army recruiting command has waited until July 25th to be more aggressive on increasing recruiting bonuses. Why is that?

General ROCHELLE. Well, first of all, ma'am, that is my responsibility to pull the switches and the levers on the incentives at the Department of the Army level. Two things: On the retention side of the equation, we were attempting to make sure that we added first and foremost to the end-strength of the Army with our budget, with our offerings for incentives, retention incentives.

Let me be more clear. A soldier who was scheduled to separate in fiscal year 2007, whom we then convinced to stay with us, was in fact additive to the end-strength of the Army at the end of fiscal year 2007, and obviously additive to the end-strength in fiscal year 2008.

Our offerings typically span at least two years, so we held back—I held back—on the fiscal year 2008 retention dollars to attempt to make it more attractive for more in fiscal year 2007 to join us. That worked. However, we are going to execute our retention budget in total to the level of funding by the end of fiscal year 2007.

On the recruiting side, March and April—and General Bostick may wish to comment a little more on this—March and April were where we began to see a little bit of softness in the execution of the plan, accelerating gains to be able to grow the Army in fiscal year 2007 a little faster.

We then began to put in place, in concert with and from a total Army perspective, active, Guard and Reserve, the incentives necessary to take us through. As General Bostick has mentioned in his opening comments, we will be successful in fiscal year 2007.

Mrs. DAVIS. Yes. You have avoided some of those challenges with having more recruitment bonuses available to you?

General BOSTICK. Ma'am, we received the bonuses upon our request. The issue is really one of timing and having the intelligence ahead of us to know that we have an issue at hand, and then to execute in a timely fashion in order to put those bonuses on the street. What had happened to us, as you know, and it was successful in the mission all the way until May. We missed it by about 400 that month and then about 1,400 the next month.

But as soon as we saw in May the challenges that were there, we looked at how we could expand the market, what other part of the market out there were we not touching. We looked at the two-year enlistment. We thought that we could quickly ramp-up the two-year enlistment if we put the right bonus to that.

So we went back to the Army and asked for a \$15,000 quick-ship bonus, along with a two-year enlistment that came with two years of college. Normally in a month, we will enlist about 30 or so with the 2-year enlistment, and we did 10 times that in our first month with this program.

So we feel like we turned it right away and then we looked at June, and June was a very, very difficult month. It was a month that we did not expect to see turn the way that it did. So it reinforced some of the environmental factors that we were already facing.

So again, we came back to the Army and asked for a \$20,000 enlistment bonus, but this time for all soldiers that were shipped in every military occupational specialty for the rest of the year.

Mrs. DAVIS. I think just before we turn to the members, we are certainly going to want to focus on the erosion of recruit quality as an issue, but I think it is fair for us to address.

Are there additional dollars that you have foregone that could have been used for enlistment bonuses that are still available to you? Have you basically worked through that now?

From that discussion, I think we are just trying to pinpoint whether there are some additional opportunities out there that have been missed.

General ROCHELLE. I don't believe there are opportunities that we have missed thus far for the remainder of fiscal year 2007. We shifted our focus just a little bit toward ensuring that we enter fiscal year 2008 at least as strong as we possibly can, not to say that we have written off 2007.

It is still, as both Mr. Dominguez and myself and General Bostick have all attested, it is going to be a challenge nonetheless. We have all the resources necessary to be successful. It is a reflection of the difficulty and the propensity, the strength of the economy, and of course low unemployment.

General BOSTICK. And if I could also say, on the bonuses, and I understand the preciseness of your question, and whether we could have used more bonuses earlier in order to get ahead. We are balancing two things: one, to bring the Army to the size that it needs to be; and also to be good stewards of the taxpayers' dollars.

As we look at those bonuses, we target them to the most challenging military occupational specialties that we need to fill. We balance those as long as we are moving along and accomplishing the mission as we need to be.

I think the next 2 months will be a good test for us because now, with a fairly large bonus of \$20,000, and it is open to all of those who ship in the last 2 months, that is available to everyone who joins the Army.

So this will be a good test to answer the question of whether increased bonuses at a time where the environment is shaped like it is, will actually attract more young men and women to serve.

Secretary DOMINGUEZ. Madam Chair, if I might, the Army Guard is facing currently in fiscal year 2007 a resource shortfall for their program, so the guard does need rapid action on a reprogramming request to fully finance that.

I think General Vaughn can fill in if he would like.

Mrs. DAVIS. If for some reason that reprogramming didn't move forward, what would that mean to your recruiting efforts?

General VAUGHN. Madam Chairwoman, thank you for that question.

We are still sailing along on the back of some flawed assumptions about what kind of end-strength we were going to make. We have had to survive in 2006 and 2007 on very small base budgets, and our supplementals that didn't reach all the way around it also.

In 2006, we took as much money as we could possibly take out of statutory programs and cash-flowed what we had to do to make this real, to make this recruiting drive happen for the United States of America. The Army supported us and bailed us out with a reprogramming action, as you well know.

They came over here and got the support and it paid all of the cash advances that we had moved up to make up for what we didn't have in the base and supplemental. So in looking at that situation and the fact that the base came forward again very, very low, and the supplemental also was very low, it didn't reach around what our requirements were by a large amount.

And so this year, we wouldn't have continued recruiting past June had we not had the promise from Army that they would support an omnibus reprogramming. And so I talked to the leadership of the Army about it, and the impact is if we don't have the omnibus reprogramming this time, then we will cut the Guard Recruiting Assistance program (G-RAP) program completely out.

We will significantly curtail all of our recruiting and retention efforts for the remaining portion of the year just to pay down and be able to recover somewhat, but we will fail to make statutory payments to our Active Guard and Reserve (AGR) and technicians. That is how short we were in the base and supplemental side. We reduced retention and recruiting bonuses in the Army National Guard.

Mrs. DAVIS. General, I think the concern—and I certainly appreciate what that would mean if those reprogramming dollars don't go through, but I also am hearing you say that you have been short, we have all been short, in predicting what is really required. And that concerns me, that we need to make certain.

Why is that? I mean, is it because we didn't want to put those needs forward? Were people just off in the predictions? Why such a shortfall?

General VAUGHN. Madam Chairwoman, we have been on the mark as far as what we needed. We have been on the mark as far as what we needed. We were told, if you remember, the secretary of the Army came over here and testified that they would pay for whatever we could recruit to. It is in testimony.

And so I had no fear, even though we were so short in the base and supplemental last year, I had no fear that Army was going to come through with that. Otherwise, it was going to look like an agenda that someone didn't want us to make end-strength.

And so, this year as we move forward, once again the great vice chief, who is a friend of mine, assured me that they would help us on this.

Now, the problem we have leading into near year, just so you know, is I have gone to the comptroller because I had the same concerns, and said, "Dear comptroller, this doesn't look quite right, and I am concerned. Are you going to be able to do this, for instance, in 2008?" And the answer I got was: You live on your base and supplemental, as we work to get it into the base.

And so now, the real problem—and I talked to the secretary beforehand—and we have to straighten this out because next year we will quit recruiting about February. Every year it gets a little closer to us, but we have gone as far as we can under the conditions that we have been operating.

Secretary DOMINGUEZ. Madam Chair, if I might add, looking backwards over the last several years, there have been pretty intense discussions within the Department and then between the Department and the Congress about the end-strength, the relative



strength numbers of the armed forces in general and the Army in particular.

Those discussions, as well as the uncertainty of the conflict and how many people we would be needing for that, contributed a great deal to the decisions about splitting money between supplementals and the base.

Those are behind us. There is a leadership consensus now on the strength of the armed forces and all the components. So we will now be building budgets that fully fund the programs necessary to achieve those outcomes, beginning with the Fiscal Year 2009 President's Budget.

Dr. Chu, Secretary Hall, and I are committed to working with Lieutenant General Blum and Lieutenant General Vaughn here to sort out fiscal year 2008 and make sure that he is postured for success. The guard is critical to the success of the Army. The guard is critical to the governors. We will make it right.

Mrs. DAVIS. Thank you.

Mr. McHugh.

Mr. MCHUGH. I guess that is good news, but I have to tell you it is about one and a half years of interim "not good news."

It also, with all due respect, Mr. Secretary, sounds to me like the vaunted promise of out-years that we have all heard about. I go to bed every night praying that the good Lord above one day before I die he will let me live in an out-year, because everything is going to be wonderful. I just can't help but express some wonderment if that is the case.

In the meantime, we have to kind of look at where we are today and where we are going in 2008. I have to be honest with you. I have heard to the extent you have addressed the issue, the responses with respect to this reprogramming, and I don't for a minute doubt the need to have this done.

I understand the great challenges that General Vaughn and his leadership finds him under. They have been dealt a pretty difficult hand, to say the least. It requires money.

But I am at a loss to understand how we can justify, rectify taking over \$800 million out of the personnel accounts of the United States Army, including I might add \$155 million in recruiting bonuses from the branch of the service and active component that is not exactly in clover.

Can you help me understand this?

You heard General Rochelle talk about, and we are all aware of, the new recruiting bonus that is out there—\$20,000, I believe, for a two-year enlistment, and it goes up for longer enlistments.

I don't know what the overall price tag is on that, but seeing as how we just, if we do a reprogramming in the way it is structured, take away \$155 million in your recruiting money, doesn't that cause a crunch?

Secretary DOMINGUEZ. I believe, sir, that that is inaccurate information that was provided.

Mr. MCHUGH. Then help me get it right.

Secretary DOMINGUEZ. What I have been told—because I had this same reaction, "How can this be?" As our staffs work together to dig down to this, what I have been told—and I hope General Rochelle can echo that—is that we are reprogramming from money

that we thought would be paying for mobilized soldiers on active service that we didn't need to mobilize and bring onto active service.

So that the cash anticipated to pay for those mobilized soldiers, since they weren't mobilized and we didn't bring them into active service, is now free and we are actually moving that over.

Mr. MCHUGH. That is the entire, I believe the figure is \$845 million?

Secretary DOMINGUEZ. That is what—

Mr. MCHUGH. Can you see why I am confused a little bit here? Mr. Secretary.

General.

General ROCHELLE. Yes, sir.

Mr. MCHUGH. Okay. General, help me better understand it.

General ROCHELLE. Yes, sir. The amount that was moved to help the guard, which doesn't really address the larger issue that General Vaughn brought up, but the amount that was moved out of the military personnel accounts of the active component—

Mr. MCHUGH. The reprogramming? The entire reprogramming?

General ROCHELLE. Reprogrammed, yes, sir. It was \$155 million, and as Mr. Dominguez correctly states, it was money that we estimated in the 2007 budget build that we were going to need for members of the reserves who would be activated, and they were not in the numbers that we estimated.

Mr. MCHUGH. Well, my understanding is the entire reprogramming request for the guard—and maybe I am wrong here—is about \$500 million. Is it not?

General VAUGHN. I think that the reprogramming for the omnibus is about \$810 million: \$272 million in Operations and Maintenance (O&M) and \$538 million in Personnel and Administration (P&A).

Mr. MCHUGH. You are right mathematically. I am sorry. I thought we were talking about recruiting and retention. But \$500 million of that is for recruiting and retention.

General VAUGHN. Sir, there is all but \$112 million of that piece that is payback to our statutory accounts, and that was because of the recruiting and retention piece that we had to pay for.

Mr. MCHUGH. I am not challenging the fact you owe it. I am questioning the affordability of it from the other reprogramming here. We are trying to decide where the money is coming from and I don't know as we have determined that yet.

Yet, General Rochelle, you tell me it is \$155 million for direct payment to there. That leaves about \$700 million that the reprogramming request seeks to move out of active Army personnel accounts. Yes?

General ROCHELLE. No, sir. My understanding is only \$155 million out of active Army military personnel accounts.

Mr. MCHUGH. Well, you are wrong. It is \$845 million, and I hate to be the bearer of bad tidings here, but that is the problem. I don't know, maybe the Administration has given us bad figures or they are giving you bad figures, but somebody has bad figures here.

Secretary DOMINGUEZ. Sir, why don't we take that for the record and we will get back to you very quickly with some clarification.

[The information referred to can be found in the Appendix beginning on page 101.]

Mr. MCHUGH. Okay.

General ROCHELLE. Sir, I misspoke. I misspoke. I was looking at \$155 million which was directed. You are correct on the \$845 million out of military personnel Army accounts.

Mr. MCHUGH. And \$155 million of which are your enlistment bonuses being shifted over to the guard.

General ROCHELLE. No, sir. That part is not correct. Sir, I will clarify.

Mr. MCHUGH. You better take that for the record. You are losing \$845 million out of personnel accounts.

General ROCHELLE. That is correct.

Mr. MCHUGH. Can we agree your retention and recruiting monies come out of your personnel accounts?

General ROCHELLE. Oh, yes, sir. Absolutely.

Mr. MCHUGH. So you are losing \$845 million. We can argue or discuss whether or not it is actually coming out of a designated account, but you are losing \$845 million.

General ROCHELLE. That is correct.

Mr. MCHUGH. You just instituted a new \$20,000 per two-year enlistment bonus.

General ROCHELLE. Correct, sir.

Mr. MCHUGH. And it goes up in gradations of, I believe, \$5,000 per added tour. What is that going to cost? And where are you going to get the money? That is what I am trying to understand.

I am not begrudging the guard the challenge. They have a big, big problem here. And this gets down—and I understand in fairness that you all are dealt hands by the Office of Management and Budget (OMB) and others that tell you, “Here is how we are going to do it.”

But this is the forum we have. And, Mr. Secretary, you know that you have heard this schtick before. I am not going to apologize for putting you through it, but I will say I am sorry we have to talk about this again. This is the wrong way to run an airline—or an Army. I guess that is a better way to put it here.

I have to tell you, for the record and so that the folks who in 2009 will actually be making the decisions to keep the commitment that you, as an honorable person, came here today and relied upon to give, they better damn well get it right and get it right that time, because this is an awful, awful way to proceed.

General Vaughn, if we do this reprogramming in time—and God love you for having to rely upon the Congress to do anything on time right now—but if we are able to, I mean you could have as little as 30 days left to spend that money. Part of that, as I understand it, you have about a \$22 million advertising budget.

How are you going to spend that kind of money effectively?

This is not your fault. I don’t mean to be accusing you. I don’t. But this is what you are looking at—\$22 million. I know a little bit about buying ads and I think every politician does. You can’t possibly spend that money effectively.

General VAUGHN. Congressman, thank you.

Those contract vehicles are in place, and \$50 million of that I talked about was for G-RAP. One of my great, big, huge concerns

is on this whole thing is just \$112 million of it that is on the back end for recruiting. The rest of it is payback in order to pay the salaries of our technicians and AGRs.

Mr. MCHUGH. I have got you.

General VAUGHN. And so dropping those contracts—now, the tough piece is here comes this thing over to the Hill to be acted on, and every day is a huge deal, whether it is the 29th, 28th, 27th, there is an enormous difference between the 27th and the 26th, for instance.

So I understand, but we can execute if we get it early enough, and I don't mean the pressure early enough to get it 30 days in front of 15 days in front, but somewhere between 15 days prior to the end of the month. Every day is an issue for us, for only the recruiting piece of it. The other piece is spent.

Mr. MCHUGH. In fact, you need the money right now.

General VAUGHN. Yes, sir.

Mr. MCHUGH. Underscoring the fact, no culpability at this front table. We are underscoring the fact what an awful process this has been over the past several years where we are repeatedly going to the supplemental process of funding something so challenging and critical as recruiting and retention.

It is just the wrong way to do it. I just think the Administration has made some bad, bad choices. I will shut up with that, because our other colleagues have been very, very patient. But I want to ask one more question.

General Rochelle, you said you were—looking for the word; I wrote it down—“reasonably confident” you are going to meet your recruiting goals.

As you heard in my opening statement, two things: One, General Keane, retired—someone we all know and deeply admire—just gave his opinion, and it is a valued opinion, but it is an opinion, that you weren't going to do that.

As you look at the figures right now, as I mentioned in my opening statement, you are about 2,400, I guess, below your authorized and over 8,000 below your target, which is above the authorized because you are trying to grow to that higher authorized level.

June is a bad month. June is usually a good month, and I think that was why General Bostick said we were kind of surprised by that. I mean, the schools are out and generally that is where things start to get good again.

How reasonable is your “reasonably confident” level? I know you are a military guy, but this is an incredibly tough challenge, is it not?

General ROCHELLE. Sir, the challenge is tough, and I did not mean in any way to diminish the significance—

Mr. MCHUGH. And I know that, absolutely. I didn't mean to pit you against General Keane.

General ROCHELLE. I have the utmost respect for General Keane.

Mr. MCHUGH. I know.

General ROCHELLE. I can only say I am reasonably confident that we will make it, sir. I have watched from a very close proximity Army recruiting for well over six years. I think I have, in addition to the analytical background to watch exactly how it is working, but also a respect for the desire that General Bostick spoke about

on the part of those 7,000 or 6000-some recruiters as well to be able to pull it out.

Mr. MCHUGH. Well, gentlemen, thank you all.

Let me just say in closing, all of us I know on this panel, perhaps more than most in this Congress, have such a deep appreciation of the challenges that this Army, our men and women in uniform, face across the board and we are in awe of their achievements.

But for those who don't routinely have firearms shot at them, you folks are brave as well. You have a heck of a challenge. I hope nothing that I, or certainly anyone else would say, would in any way suggest to you that we don't respect the effort and the honor you bring to the challenge each and every day. I deeply appreciate it, and we are all trying to pull in the same direction. We want to work together to realize a better day.

So thank you for your service and your great work.

Madam Chair, I yield back.

Mrs. DAVIS. Thank you, Mr. McHugh.

Dr. Snyder, we are going to go on the clock following all the members' questions. Thank you.

Dr. SNYDER. Madam Chair, Mr. Murphy has a conflict with another hearing and during his time in the Army didn't get much time to ask probing questions of two- and three-star generals. So if I might, I yield my time to him and then assume his place in the queue for questions.

Mrs. DAVIS. Okay.

Mr. Murphy.

Mr. MURPHY. Thank you, Madam Chairman.

And thank you, Dr. Snyder. I appreciate the time.

Gentlemen, thanks for testifying today. We do appreciate your continued service to our country. I was proud to help recruit for the Army Judge Advocate General (JAG) Corps when I was a professor at West Point. I know how critical your mission is for our country, and thank you.

Historically in our country during times of war, everybody was asked to sacrifice. And even the private sector helped out with the war effort. It seems to me that a major part of our services' recruiting budget must be spent on television and radio advertisements.

I have had a great deal of difficulty, though, finding the statistics on how much money the services spend on television and radio recruiting, but I and every other member on this panel understand how expensive it is.

My staff and I have been working on a proposal, and I would like you all to give us your thoughts on it. What would you think about requiring that during a time of war, television stations must run armed forces recruitment advertising for free, or at least only charge our military the lowest unit charge?

I know that this is an extremely complicated issue, but I believe that we need full thoughts during this time, and I think it is something that I am personally very interested in, but also curious to see how the Department of Defense and our armed forces would react to such a proposal.

Secretary DOMINGUEZ. Sir, if I might take that for a little bit first.

Thank you for your continued service to the Nation.

I think as a matter of policy and principle, I believe the Administration would view unfunded mandates of that nature particularly as it applies to the private sector, would be maybe not the best public policy.

Now, you know, I haven't had a lot of time to think about it and work with you, but I would guess that our attitude would be that there are better ways to do it. That we are confident there are resources in the country to support the sustainment of the armed forces.

That part of that is, as you pointed out accurately, is an advertising program, and that we ought to acknowledge that that is part of the cost of the national defense and step up to it; authorize, appropriate, and spend the resources required without putting that burden as a tax on a small part of our great Nation and the great private sector who is doing many things in small ways to help and contribute.

Mr. MURPHY. Just so I am clear, then, you would say that in your opinion you believe the Administration would not welcome this free advertising on television?

Secretary DOMINGUEZ. No, because it is not free to those businesses who would have to—it is a tax on them. We would rather that we recognize the cost of owning and operating our armed forces, including its advertising and we will pay for it.

We will come and ask you for the money. I trust the Congress to appropriate it, and we will spend it accurately, and we will get it right in the 2009 budget.

Mr. MURPHY. Gentlemen, could I have your thoughts as well?

General VAUGHN. Congressman, we have a non-commercial announcement agreement with the state broadcasting associations, NCSA. And for every dollar that we spend, we get \$4 back from them. And so the nearly \$9 million that we put into this thing has resulted in close to \$40 million worth of broadcast. And so I think we are kind of close to what you are getting at already.

Secretary DOMINGUEZ. That is a great point from General Vaughn. It already is part of maintaining their licenses; television and radio stations across the country have to do public service announcements, and these do qualify.

Mr. MURPHY. I understand that. I also understand those public service announcements aren't shown on national television during primetime hours when the population that we are looking for, the 18- to 28-year-olds are watching television (TV) and music television (MTV) and other things.

So gentlemen, if I could have your comments, I would appreciate it as well.

General BOSTICK. Congressman, I would say there are some programs out there that we might be able to better leverage.

First let me go back to how I closed my opening remarks. This is not just a mission from the Army and a challenge for the Army, but this is a challenge for the Nation. So how the Nation stands up and supports this country to protect its freedoms I think is very important.

We do have programs, and I will pick one that we work on now. It is called the Partnership for Youth Success. It is program that General Shinseki started when he was our chief of staff. We have

well over 200 companies that are now partners. And what we do with these partners is that we sign up an agreement that they will partner with the Army such that when a soldier enlists in the Army, they have an opportunity for an interview with that company.

Some of these companies have done advertising and some of these companies on local levels have done things for our soldiers, for our future soldiers, for our family members, whether they are at football games, baseball games, within their own local media, with the police force, with governments.

I think we have an opportunity to leverage that. And as you all are out in your communities and speaking with the leaders there, I think leveraging with systems we have in place already could actually get to some of what you are talking about, Mr. Congressman.

General ROCHELLE. I would like to just add one thing, Congressman Murphy. That is I think we have, as General Vaughn has indicated, some very good examples of where major advertising agencies and major distributors of sorts have taken it upon themselves to do things in direct support of Army recruiting and direct support of military service and in direct support of our Department of Defense in general. What I would prefer to see is a call for more of that from this body and from others.

Mrs. DAVIS. Thank you.

I am going to turn to Mr. Kline.

Mr. KLINE. Thank you, Madam Chair.

Thank you, gentlemen, for being with us today. Thank you for your service. I want to echo the comments of all my colleagues, particularly Mr. McHugh, when he said how much we appreciate the very tough job that you have and how much we admire the hard work that you are putting in.

I also want to echo his comments when he said it is tough to have to depend on Congress to get something done in a timely manner.

I know, General Vaughn, that you are really under the gun, so to speak. When we visited, you and I and Congressman Walsh at Oakfield a couple of weeks ago, to start welcoming back the first contingent of the 2,600—5,000 actually—Red Bulls that completed their historic 16-month combat tour, a subject of some discussion then, and before then and after then, is: How do we reintegrate these fine soldiers back into their civilian jobs and civilian lives?

We have had a program much discussed up here which has broad bipartisan support, called the Yellow Ribbon Reintegration Program—sort of spiraling off the efforts of General Shelton in Minnesota and other wonderful TAGs that are out there. And yet now we are sitting here getting ready to move forward to appropriate funds starting the first of October, and it appears there aren't any funds to pay for that.

So we are looking for the opportunity to bring these fine soldiers back in and help them with potential problems with post-traumatic stress disorder and perhaps family and job programs. We apparently are going to be unable to find any money to do that. We are going to try, and use every sort of wile that we can to do that, but it doesn't bode well for some of the \$850 million problem that you have facing you.

General Vaughn, I am extremely impressed with this. I know we all are, and some of us were on this committee when the Department of the Army said that wasn't going to happen and cut that money, and you have been trying to catch up ever since with the money. You have explained that difficulty, how it is moving you closer and closer, and yet nevertheless we are over here, and that is a very impressive and good thing.

I guess the question that I want to explore with you is, nobody thought you could do this. What do you think you can do? What would be feasible—350,000, 360,000, 370,000? We are looking to increase the end-strength of the active forces and we have met unfortunately a great deal of resistance from the Administration up to now, but now we have it in law and we are trying to move forward. But it appears to me there may be some room in the National Guard.

Could you explore that with me a little bit?

General VAUGHN. Thank you, Congressman. I think 360,000, based on what we have done here, is certainly attainable in fairly short order were we provided the resources to do so. I would say 370,000, you know, based on this, but I would hate to bite off more than we can chew all at one time.

Mr. KLINE. Please don't.

General VAUGHN. And so you know we thought that we would end up this year at somewhere around 356,000. We had a substantial amount of help on the three percent in case that came true. It looks like the estimate is now around 353,000 as about where we will end up simply because we have had to cut back on the bonuses.

But if we run this thing wide open just like I talked to Secretary Dominguez ahead of time, and they pledged that help, if we run it wide open, 360,000 is certainly achievable in pretty short order, sir.

Mr. KLINE. Is that three percent right? Is that with the flexibility we need to go over?

General VAUGHN. The three percent will get us to about 359,000.

Mr. KLINE. About 359,000.

General VAUGHN. Yes, sir. That is, of course, without the appropriations behind that, that is end-strength that doesn't have any money behind it, sir.

Mr. KLINE. I understand that. I hate to jump back into the discussion that Mr. McHugh was having because there is a lot of money and there are a lot of dates and it is kind of confusing to all concerned.

But we have two issues here, and I see the yellow light just came on, so I will be very brief. We have the issue of reprogramming that is going to get us to the end of this fiscal year, and then we have the issue of what is it going to take in 2008.

Do you have both of those numbers?

General VAUGHN. Sir, I do. I would like to give them to you for the record.

[The information referred to can be found in the Appendix beginning on page 102.]

Mr. KLINE. Okay. All right. Thank you very much.

General VAUGHN. Thank you, sir.



Mr. KLINE. Madam Chair, I yield back.

Mrs. DAVIS. Thank you.

Dr. Snyder.

Dr. SNYDER. I thought those men were ahead of me.

Mrs. DAVIS. If you would like.

Mr. Jones, are you next?

Mr. JONES. Yes, ma'am. That is very generous of—

Mrs. DAVIS. Dr. Snyder is yielding.

Mr. JONES [continuing]. Dr. Snyder. I appreciate it and would certainly have waited for you.

Generals, I have great respect for everybody. I mean, you have an impossible job. Thank you for what you are doing.

I want to get back to the issue of recruitment. General Bostick and also General Rochelle, I read an article—I have made many mentions of this, it was in the Carolina paper, "Deployed, Depleted, Desperate."

Yesterday, in the Oversight Committee chaired by Chairman Snyder, we had General McCaffrey, General Newbold in here yesterday. General McCaffrey has written about this. Yesterday, he was very emphatic when he said that the Army will start to unravel in April, sometime in the spring of next year.

I know that you had difficulty meeting your goals in May and June. General Bostick, you talked about now, which we all know that you raised the age to 42 and people who are close to 42 can join the military and I guess the guard as well, and the reserves.

According to this article, the demands of the war on our troops and their aging, worn-out equipment already pushed the annual costs of enlistment and reenlistment bonuses above \$1 billion, recruit advertising to about \$120 million annually. I know you have been talking about numbers with my colleagues earlier.

I want to go to the point that both generals made—well, there are three, but the two—General Rochelle and General Bostick. You made mention that you are not getting much help from the coaches and the teachers. When did you start seeing where that was a problem that the coaches and the teachers across this Nation, in the high schools?

At one time you counted on them—I guess you did, or you wouldn't have made that statement—you counted on them to encourage those high school seniors to think about the military as a possible career or at least for a period of time.

When did you start seeing this becoming a problem?

General ROCHELLE. Sir, let me first of all comment that I am aware of some of the comments made by General McCaffrey. I saw something just today that was attributed to him. I did not specifically see a reference to April of next year. So I respectfully cannot comment on that.

To answer your specific question on when I think the Army began to see that statistically significant numbers, the answer is in 2005. We began to see it in 2005. It spread from, if you will, educators to coaches to moms and dads, and then it began to take an even steeper dive within those same groups up to today.

I will defer any further comment on that to General Bostick.

General BOSTICK. Congressman, I replaced General Rochelle in recruiting command so I saw the same downward decline of

influencer support while changing command with him and we have seen that continue to erode. Today, about one-fourth of mothers and one-third of fathers would support the military.

When I first arrived at recruiting command and would walk into recruiting stations, a lot of the youngsters were concerned, as they are today, about the war. The question was usually, "What can I do, what assignment can I go into, what unit, what location can I go to in order to avoid the war?"

Now, many sign up knowing that this is a commitment that they have voted with their heart and their minds and they are committed to doing it. We have a number of future soldier losses every year, of soldiers that have signed up, said this is what I wanted to do, and then somewhere along the line, they change their mind. We estimate that that is going to be about 10,000 this year that have signed a contract, and then change their mind and decided they are not going to come in.

I can't tell you how much of that is caused by influencer support, but I know we are going after it in every way that we can. We run an all-American boat with the accessions command, my next higher headquarters, every year where they highlight the best high school football players, and we bring in coaches and teachers and educators.

This is an important area for us to spend time on. The educators, the influencers, the coaches, and parents must know the opportunities that we can provide. So explaining what the Army is all about and the advantages of service is very important.

Mr. JONES. I wasn't being critical, because you all have done a tremendous job. I have seen that football game on TV myself. But definitely the recruiting is tracking the national debate, and you can do nothing about that.

I want to again, as my time is up, I want to compliment you on the great job you are doing, and all of our men and women in uniform, and God bless you all. Thank you.

I yield back.

Mrs. DAVIS. Thank you.

Mr. Wilson, would you like to go? You all were here before this, so we will let you do that.

Mr. WILSON. I would certainly not mind if doc would like to proceed? Thank you.

Generals, secretary, thank you so much for being here today. I am particularly happy to be with you because I have never been prouder of the military than I am today. I was a veteran for 31 years: 3 years in the reserves, 28 in the guard. I have had the opportunity to visit Iraq seven times; Afghanistan three times. I, six weeks ago, visited with my former unit, the 218th Brigade, which is currently in Afghanistan. I have never seen them look so good.

So obviously, recruiting and retention, I truly believe it is the best ever, and I am very proud of the people serving. I have heard you all mention that. I love the terminology. It is a good and noble path, a call to national service. And then you really identified it, and that is that military service is opportunity. I know what it meant for me, the opportunities that I had of training at AG school, JAG school—I see an AG officer back there with a smile.

The people that I have gotten to meet, and in fact it was inspiring to me, but all of my sons—four—have joined the military. I know first-hand the opportunities for them. My oldest son went to field artillery school. It truly propelled him, amazingly enough, into law school. It gave him the confidence and background to do it. I am very proud of the guy, and he is a veteran of Iraq.

Another son, and I see all these Army people here, I have to acknowledge one guy. He is off-track. He is a doctor in the Navy. But again, we are really proud of his opportunities in military service. A third son was in signal school. He now has a phenomenal background in communications, which helps him as a member of the National Guard and his civilian position as a commercial real estate sales representative. And then our fourth guy is an engineer. He is ROTC, and just grateful for the opportunities. He is learning leadership thanks to being in the military.

Another point, I am so thrilled as I visit with Junior Reserve Officer Training Corps (JROTC) and ROTC units throughout the district I represent. Anytime we have a new school built, the first thing that the community wants is JROTC. It has a great background.

A final point in regard to this issue is the recruiters themselves. I have met so many recruiters over my career, but the recruiting school at Fort Jackson, I want you to know, as I am flying back and forth from Washington to Columbia, the recruiters that I meet are first class, people who are truly concerned and interested in providing opportunities for our young people.

Now, obviously I am somewhat biased to the National Guard, so General Vaughn, I want to congratulate you on the increase in end-strength by 22,000 troops. Could you explain to us how you think this occurred, and what reasons there have been? What do you see for the continued success of the Guard?

General VAUGHN. Thank you, Congressman. We put some innovative programs in place, we think. We think the Guard Recruiters' Assistance Program is probably the best thing that we have ever done. It changed the face of recruiting. We went from the bottom of the totem pole among high school graduates to the very top. We have nearly 93 percent high school graduates now.

So we put the right things in place. In our advertising, we were very selective about where we advertised, and a lot of people think, well, how come you all aren't on the National Association for Stock Car Auto Racing (NASCAR)—I wasn't a NASCAR fan, but there are 70 million people that are. We put some money into fishing, because there are 50 million fishermen out there and there are lots of parents trying to make memories and grandparents trying to make memories for them.

I think the biggest thing—you know, it is like pouring gasoline on a fire—is there are still a lot of patriots out there. There are a lot of patriots. And by the way, you know, the question on schools, I think we were recruiting a couple of different types of folks. We didn't realize that there was that kind of market when we started. We had to change to a non-prior service market. And we have many, many, many soldiers that want to stay in the communities with a job and serve the Nation, and go to war or go to school.

And so the patriotism aspect of this just kind of blew everybody away. It is the support of the communities. It is not the bigger issue of right or wrong. I mean, what they were proud of is stepping forward with the people they serve with in that community, and the whole community—just like in Minnesota—this thing in Minnesota welcoming the Red Bulls back. You know, town by town by town by town, they didn't want a great big ceremony. Every one of them wanted in on this thing statewide.

And so we put the right programs in place at the right time, a very innovative approach to it. And rather than the influencers, we think it is peer recruiting. We think it is, you know, we would like for you to join our team, and be with us. And that is what we were able to do, sir.

Mr. WILSON. Thank you.

Again, I have two sons participating in G-RAP, so I know first-hand what this means. So again, thank you all. Thank you for the opportunities provided to the young people of the United States.

Mrs. DAVIS. Thank you, Mr. Wilson.

Dr. Snyder.

Dr. SNYDER. General Rochelle, it sounds like if we just paid Joe Wilson to have more children, we could solve a lot of our recruiting issues. [Laughter.]

I want to pick up a little bit on what Colonel Kline was talking about, and Walter Jones talked on a little bit, too, which is the comments that General McCaffrey made at our subcommittee hearing. It is not just him that is making it. It is this issue that we expect—you know, we have these recruiting goals that you are targeting, and we have had this end-strength discussion in Congress, primarily with Secretary Rumsfeld for six years or so. And now the President and the Congress are moving ahead.

But there are some voices out there that think that the Army ought to be dramatically bigger, you know, dramatically bigger. We are talking about going from 12-month to 15-month rotations. We are talking about the most powerful Nation in the world, you know, we are struggling to maintain our Army at 160,000 troops in there for a relatively short period of time, that the Commander-in-Chief should not be put in this position, that there should be a dramatic increase in numbers.

So my question, General Rochelle, is what if the Congress were to come back in September and say, you know what, we have been listening to some of these folks in and out of uniform, and we think we need to increase by 50,000 over the next year, or 30,000, and we are not going to do this glide path over 4 or 5 or 6 years.

Do we have that ability to do that? Is it just a matter of money and putting more people in recruiting? Or is that just really a pipe-dream? Is this a glide path, and we probably have already chosen that because we really don't have any choice but to choose this glide path to increased end-strength?

General ROCHELLE. Sir, if you will permit me just a bit of a diversion to go back to General Vaughn's comments. I will answer your question, sir.

There is patriotism out there. There clearly is. Each of you distinguished members has addressed that in one fashion or another. In point of fact, we have six or seven young people in the chamber

today that I would ask to stand, members of the Army ROTC and the United States Military Academy.

Please stand.

They just happen to be here.

[Applause.]

Army ROTC cadets who simply happened to be here to observe this congressional process and our Constitution being played out.

So it can be done, but it cannot be done without the support of the Congress. It cannot be done without a, if you will, national call to duty, which thus far the Army and DOD have been beating that particular drum, but it is much larger than just DOD and the Army.

Dr. SNYDER. So who is it?

General ROCHELLE. I beg your pardon?

Dr. SNYDER. Who is it?

General ROCHELLE. The national call to duty.

Dr. SNYDER. Are you implying that there are other people out there that are not hitting the drum?

General ROCHELLE. Sir, I am implying that every single American should be beating the drum. I am indeed implying that every American should beat the drum. We have members, as I mentioned before, we have corporations that have signed up to do their part, and they are beating the drum.

General BOSTICK. Congressman, if I could make a comment. I would like to hearken back to earlier comments about the patriotism of Americans that are out there, and also what Secretary Dominguez talked about in ensuring access at the beginning of this. We have to look at 32 million 17- to 24-year-olds, and we have to peel that back down to about 2.2 million young Americans that are qualified for this service that we are enlisting soldiers into.

The challenge for our recruiters is often the access, the ability to tell the Army story to a soldier or an applicant that we know once they hear that story, they are going to be willing to serve. There are many, many patriots out there, and having that access and how do we enable that access is very important to us. The more that we can help there, the better I think we can grow.

Absolutely, there are many out there that would love to serve, and we need to find them and we need to talk to them. Our recruiters—

Dr. SNYDER. I understand all this, and I am agreeing with all that. I also agree that at times of great foreign policy debate, we need to have our military at the size we think that we need it, and then the political debate is over, the decisions of the Commander-in-Chief. And we don't always agree with those decisions, but that is how we maintain the national defense of the country.

My question is, what if the Congress were to decide to say, you know, I think a lot of us think this number is a pretty minimal number, this increase over the next several years that ought to be dramatically higher, and we are not sure that we could get there even if we made that decision.

I see my time is up, Madam Chairman. I had some interruptions.

Mrs. DAVIS. Thank you.

We do have to say that if there are interruptions, we do have to ask any of you to leave that are creating this.

I want to go on and talk about recruit quality, because I know that that is a difficult issue, and yet at the same time I think that we need to talk about it because it says something about the leadership that we are going to see in the services in the next 20 years. And so I wonder if you could address that for us?

We are well aware that the number of new recruits testing below average in mental categories has shifted, and nearly 40 percent during fiscal year 2006—the highest level since fiscal year 1990 in categories 3(b) and 4, which indicates a shift. Active Army accessions during fiscal year 2007, 78 percent of them are high school graduates. The goal is closer to 90 percent.

Talk to us a little bit about what you see in those shifts. And particularly how it applies to the non-commissioned officer leadership that we will be looking for in the future. How do these numbers affect that? What do you see?

General ROCHELLE. Madam Chair, I personally believe that the spirit of volunteerism today has a certain aspect of quality unto itself. Not to diminish the 90 percent high school degree grads, 60 percent 1 to 3(a), but as General Bostick has said, every young person who raises his or her right hand is fully qualified to serve and fully qualified for the specialty into which they volunteer.

In 1981, fully 51 percent—if my memory serves correctly—of the young men and women entering the Army in 1981, 50 percent were at the category four level. Today, consistently, that number is at or below four percent. The senior non-commissioned officers (NCO) who are leading in Iraq today and around the globe in the global war on terror, by and large, were those individuals who enlisted—not all of them, of course—but are representative of many of those individuals who enlisted in that 1981 timeframe.

So the answer to your question I think is two-fold. One, how does it bode? I think their performance in the field under-fire, their performance all around the globe today speaks volumes for the future, and it is very positive. Second, I cannot overemphasize enough, in the market that has been described by every member of this panel, volunteerism today has a certain aspect of quality unto itself.

General BOSTICK. Chairwoman, I have served with these soldiers in combat. At this point in time, I am very confident of their capabilities. They are great soldiers. The non-commissioned officers are truly the backbone of this Army and they are leading this Army very well.

I will say that we ought to take a look at the quality metrics. When we talk about quality, we are talking about the high school diploma graduates, their aptitude, and we look at waivers. Those are three areas that affect us. In terms of high school diploma graduates, that was set up, as I understand it, to make sure that we did not attrite to a level that was too great. We looked at basic training and through Advanced Individual Training (AIT), and attrition has dropped in the last 18 months from 18 percent attrition down to 7 percent.

So granted, we have brought in many more General Equivalency Diplomas (GEDs) and home schoolers, 19 percent last year and the goal was to hold that around 10 percent. But even in expanding that to 19 percent, we are seeing that attrition is okay. So in terms

of that metric of attrition, I feel confident we are meeting the desired end-state.

In terms of aptitude, and this gets to the category fours and those that are testing a little bit lower on the armed services vocational aptitude battery (ASVAB) test, I would say again look at what is happening in the field, and talk to commanders that are out there. If you are a mechanic and you have to change an engine in peacetime and you change that engine once a week, and now you are changing it every day, multiple times a day in combat operations, the aptitude concern is no longer an issue.

They are learning at exponential rates in combat operations. I don't know what the impact of that is on the aptitude quality component of how we measure our Army, but I do know we need to go look at it and see if it is having an impact.

In terms of waivers, the third area, we have grown, as I said in my opening statement, about two percent to three percent each year since 2004. There are a number of reasons for that. I don't know all of them, but I know some of them have to do with the makeup of our society today.

We have a zero-tolerance policy in most schools and most states—things that children would get into trouble for when I was a youngster, and you would be taken to the principal or your parents would be called—you are often reported and many times charged. And if you look at the Federal Bureau of Investigation (FBI) database, in the last 5 years it has increased 14 percent for those who are in the age group from 17 to 24 years old. That is a factor. I don't know how big a factor it is, but it is important.

The other one I would say is that with the Internet and the connectivity and automation, there are things that we could not find out about you in the past, that we now know about, and the states are connected, the FBI database is connected. There are probably some folks that are in the services today that 15 years ago had they not voluntarily said whether they smoked marijuana or did something else, we would not be able to track that. We can track it today.

And finally, we have gone through our own processes and made sure that through main Six Sigma, that we have a very efficient process for the recruiters. Before, if they had to submit someone for a waiver, it would take weeks before they would get an answer. Now, it is days. So if a person comes in and he has to make a decision, the recruiter has to make a decision of whether to take a chance on him—and I mean “chance” in terms of time, which is his most valuable resource—he is going to do it now.

So you are going to see the waiver numbers increase. I think it will increase another two percent to three percent again this year. I think for us in the Army we have to look downstream and see what is the impact of those waivers on the force.

Mrs. DAVIS. Yes. I appreciate that. I don't think anybody questions their bravery, their dedication or their ability to perform tremendously, as they have. But I think trying to find some way of really tracking that information so that we can begin to be perhaps even more creative. Actually, General Rochelle and I had a discussion about the small percentage of people who are actually eligible,

and we know that health reasons are an outstanding factor why some people are not able to come into the service.

We know that our population as a whole is more obese today, has more problems around nutrition and weight than we have probably ever had. And it seemed to me that maybe we needed to be more creative around that, and create some incentives to bring people in who might even be questionable in that area or in delayed fashion.

I don't know. I just think that we need to certainly, and I appreciate the fact that you are saying we have to look at it. We can't just assume that it is going to all work out okay, especially when it comes to leadership, which is such a critical, critical need today.

So I hope we can find a way to do that so a year from now we can sit here and have perhaps more data which suggests why what we are doing is working out fine; perhaps we should even change it and allow more people to come in perhaps on waivers or we need to cut back, because that is creating a problem.

The issue that Dr. Snyder raises, if we are going to go to greater end-strength and clearly making the recruiting numbers becomes a far greater challenge that it even is today. And that means that we perhaps need to be even more creative and try and find better ways of trying to do this. The bottom line for us as we started is having dollars available when you need them to bring people in.

I want to go to my colleagues, but I also wanted to in a minute or two just talk about some special needs categories that need to be addressed for the future.

Mr. McHugh, do you want to ask a few more questions?

Mr. MCHUGH. Yes. Sort of in the same vein you were in, I associate myself with what the chair just said. We have standards for a reason, and by and large they are good and they are something we should all strive to meet. When you don't meet them, the problem is that it brings into question the entire force, and that concerns me.

We had a witness before the full committee very recently—the name is irrelevant—that talked about the military in general, in this case the Army's inability to meet many of the pre-established standards—the 90 percent standard, for example, and others. And then said very flatly that recruit quality was diminishing dramatically, where we were even bringing in felons.

That was his word, "felons." He is certainly entitled to his opinion. His overall view was, I believe, that the military of today is stressed—certainly no argument there—stressed beyond its capabilities. And the quality of the men and women in uniform today was suspect. That part concerns me. I am not sure that was his intent, but certainly the words he said brought into question that.

Just to kind of state it in a different way and put it on the record again, I would like to ask you gentlemen to state how you feel about the quality of the men and women overall that you are recruiting into the military today, and make a comment, if you will, about felons in terms of waivers if you have such a thing.

I mean, generally when we talked about waivers, there is the medical waiver, there is the moral waiver, which by and large has to do with minor crimes, generally as a youth, whether it is an alcohol situation or some kind of truancy, vandalism, something like that.



But are we admitting hardcore felons into the United States Army today? Did I miss something?

Secretary DOMINGUEZ. Sir, I will start and then I think General Rochelle should pile on.

But no, we exclude members of hate groups and gangs and those kinds of things. We have very well established procedures to exclude those. We don't recruit murderers and rapists and that kind of violent criminal.

What amounts to a felony in the United States of America varies from state to state. So you can be arrested for what constitutes a felony for what many of us, in particular many years ago, would have thought would not amount to an act that would associate yourself with that word. But the drug business, in particular, has that, so the use of marijuana—

Mr. MCHUGH. Mr. Secretary, forgive me for interrupting. When you say "drug business," you meant—for example, the state of New York, we have something called the Rockefeller drug laws, where, at their extreme, small amounts for personal use, you are a felon and you go away for certain drugs for a long time.

Secretary DOMINGUEZ. Right, right.

Mr. MCHUGH. That is what you are talking—you are not talking about street sellers.

Secretary DOMINGUEZ. No, I am not talking about guys who are in that business. I am talking about people who have been arrested or apprehended with narcotics or illegal substances. In some states, sir, that would classify as a felony.

Now, the waiver process, and we need to understand this, is that it is a process that triggers in every case, in every service, a general officer to intervene and look at the whole person here, to consider input from coaches, pastors, parents, neighbors about the character of the individual, and to make an assessment about whether there is a potential. Kids at 17 make mistakes.

They may make mistakes at 16. Today, some of those things, some of those mistakes in growing up—burglaries, right? You know, these are serious mistakes, but is it a mistake that ought to keep a kid away from a growth opportunity and professional development opportunity forever?

What we would do, what our process does is trigger a general officer to get involved and make an informed judgment after considering all those people around him and say, you know, was that a mistake in a kid who other has potential to serve? Is there enough here that we want to make a bet on him and give him this person an opportunity to demonstrate their potential? That is what our waiver process does.

In some cases, yes, kids have been picked up for burglary, kids who have been picked up for possession or use of controlled substances—yes, those people are brought in that net, but they are looked at and an individual judgment made by a general officer in every case.

Mr. MCHUGH. But by and large, you are not admitting violent felons?

Secretary DOMINGUEZ. Right. To my knowledge—

Mr. MCHUGH. Physically violent felons.

Secretary DOMINGUEZ. Right.

General Rochelle, you are the expert here.

General ROCHELLE. General Bostick is really the expert.

General BOSTICK. Let me take that one.

First, to answer your question directly, Congressman, on whether I am concerned about the quality. I am not. I think we have a high quality Army. I came into an Army almost 30 years ago where we had an issue with quality. But I am very comfortable with where we are at. I have served with many of these soldiers that General Rochelle brought in and that I am bringing in now. They are serving admirably.

We did a study back in 2003, and I think we have to go back and take a look at something similar. To answer the question directly, we looked at the serious criminal misconduct. The vast majority of those that we bring in with waivers are misdemeanors. Last year, 86 percent were misdemeanors. The rest were in the area we call serious criminal misconduct.

We did a study in 2003 to see if their behavior, their discipline problems, were any different from those that had not received a waiver, and they were essentially the same, really no different between the two of those. I would offer that we do that again. But when you look at the serious criminal misconduct, there are no hardened criminals here. There are no drug dealers, no sex offenders, none of those kinds of offenders are coming into our Army.

I received an e-mail yesterday from an individual that we have to waiver. He started it off by saying, "General Bostick, when I was eight years old I was in a barn with my friend who is 13, and he sprayed the WD-40 can and lit a match, and caused a fire." Many years later—now he is about 18 or 19—he thought this thing was completely done, that nothing happened. He was told by the judge that you will bake a cake with your mother, and that is your community service. Well, we have to do a waiver on him. That is arson, and we do a waiver on him.

We had a sister and another sister, and one of them we had already signed up, and got into a fight. The parents called the police to stop the fight because one of the sisters had hit the other with a bat—aggravated assault. We had to do a waiver on her.

We have had sexual misconduct. It sounds very serious, and he was charged—a 17-year-old having consensual sex with a 15-year-old—not something we want to have happen, but now that he is many years removed from that incident, has he educated himself, has he worked in society, has he demonstrated that he deserves another chance?

Those are the kind of serious criminal misconduct waivers that get raised to a general officer, either myself or my deputy, and we approve those. So I am very confident we have a solid process, but I would open it up, and have anyone come out and look at those that have had waivers, and see how they are doing.

Corporal Vaccaro, killed in Iraq, in Afghanistan, 10th Mountain Division—he smoked marijuana for 20 to 30 times; he saved many, many soldiers and earned a Silver Star. Those are examples of the kind of soldiers that have been given a second chance, have demonstrated before that second chance opportunity that they had overcome any misgivings they had earlier in their life. So I feel very, very confident of it. But I do think we ought to look at it.

Mr. MCHUGH. Well, I appreciate that.

[Audience interruption.]

Mrs. DAVIS. I am sorry. You will have to leave please. Please leave so we don't have to have somebody come in and take you out.

Ms. Boyda. Ms. Boyda, go ahead.

Mrs. BOYDA. Thank you, Madam Chairman.

Mr. MCHUGH. May I just make my closing comment? So I approve—and it will be right to you, Ms. Boyda. I apologize. I was interrupted by the lady.

This is an important issue, and I think the idea of perhaps doing another study off your baseline as to what happens to these people on discipline versus non-waivered would be a good way to hopefully resolve many of these questions.

And so, I don't believe either in the House or the Senate we have that in our base bill, and you probably are rather busy right now, but that kind of study I think would be a good idea. I will resist the temptation to ask how that fellow with the WD-40 lit the oven when he baked the cake, but thank you again for your service.

Madam Chair, I yield back.

Mrs. DAVIS. Thank you, Mr. McHugh.

I would like us to, if you already don't have something in place, to begin to track some of that information anew with the greater number of waivers that we have in. It seems as if that would be something that would be desirable to do, and if you need us to help you out with that, please let us know.

General ROCHELLE. If I may, Madam Chair, in our discussions of yesterday, this subject came up. As soon as I got back to the Pentagon, I had the individuals who are responsible to doing those types of studies in my office and we are going to undertake that longitudinally.

Mrs. DAVIS. Okay. Thank you.

Ms. Boyda.

Mrs. BOYDA. Thank you, Madam Chairwoman.

I just had a few questions. They are a little bit just out of curiosity trying to learn some things here. The first one is about contractors. Do you feel like you are competing with contractors? Or does that ever play into the decision? That is my question. Do you feel like you are competing with contractors?

Whoever would like this.

Secretary DOMINGUEZ. Yes, ma'am. Let me start.

Yes, largely in the retention area, and not just contractors for the armed forces, but lots and lots of people in American business are eager to get the talent that we produce because they have been brought in. They have demonstrated the ability to achieve against great odds and under great pressure. They have integrity. They show up for work on time. They are clean. They understand what the work ethic is all about. These are valuable employees anywhere, and that is the retention problem for us.

In some cases and in some skills, you have contractors and we are creating our own competitors. We are looking at that and I wish it weren't so, but for the most part, we are holding up well. Attrition is not significantly greater. I just looked at this in the special operations business to see if we are hemorrhaging soft tal-

ent into the backwaters at all. And no, the attrition is really at the same levels it has been over several years.

Mrs. BOYDA. But you said that that would hold true for your captains and majors as well?

Secretary DOMINGUEZ. In the mid-grades, as we talked about, in the Army in particular, because of the way they are growing and size that they are growing, we need to push retention levels for captains and majors beyond historical experience.

Mrs. BOYDA. Would anyone else care to comment on this?

General ROCHELLE. I would, ma'am. Thank you for the opportunity.

Mrs. BOYDA. Really, this is something I hear about. It is just grumbles and these guys—and they are mainly guys—and women, but they are proud to serve in the military, and understand the difference between what they are doing and contracting. This is a commitment. They are proud to wear the uniform.

General ROCHELLE. I would like to make three points, ma'am, in response to your question. The first is that going back to my earlier comments about the 50 percent category, 51 percent category in 1980. If you were to reexamine those same individuals one year later, they would not resemble the individual who was tested prior to having come into the Army.

That is a testament to what the Army does for every single person who joins our force. So in response once again to Madam Chair's question about am I concerned about the four percent? Absolutely not. I think I would echo General Vaughn's comments as well.

The second point is that, yes, indeed some of our high skills are particularly susceptible to contractors recruiting them right out of our ranks, because they can simply pay an awful lot more. As a result of that, some of our bonuses for special operators, since Mr. Dominguez raised that, are in the \$150,000 retention range to officers.

Mrs. BOYDA. What level officers?

General ROCHELLE. I beg your pardon?

Mrs. BOYDA. What level officers?

General ROCHELLE. I am changing to officers. I wasn't referring to officers and that led—there was a transition. Forgive me.

Mrs. BOYDA. Okay. But you said \$150,000 bonus to—

General ROCHELLE. Special Forces sergeants, senior non-commissioned officers.

Now to the subject of officers, which was your other question. Most definitely our young officers who are supremely talented are able to operate without lots of direct supervision and are doing things today that far more senior officers would have done in years past. They are particularly attractive to contractors. They are aggressively, aggressively recruiting those young officers.

We are responding—back again to Madam Chair's comments about innovation—we are responding innovatively, as you heard in Mr. Dominguez's opening comments, with the first-time ever a critical skills retention bonus for young captains, who will help us close the gap between the requirements of a modular Army and the year 2010, 2011, 2012 and 2013 by retaining them and offering them options, a menu of options, which would include branch of

choice for newly commissioned officers; station of choice; and monetary incentive—graduate school being the fourth of the menu.

It is largely in response to your question. Yes, they are a very attractive commodity; and two, we are trying to retain officers.

Mrs. BOYDA. Could I just ask, Madam Chairwoman, have we tipped a balance in contracting—the decision to contract—to where we have pushed that balance to where now it is a good option? Or is there something that we should start to push that balance? I understand it is very difficult when you are trying to recruit and now you have gotten yourself kind of in a corner, but do you feel like we have pushed that?

We have defense contractors—God bless them—that I can't imagine anybody doing. You know, we contract out weapons systems. The Army doesn't do that themselves. We contract out all kinds of things. But I am talking about boots on the ground and our contractors that we are seeing.

May I ask if you think that has that tipped to a point where it is becoming more and more problematic, and now we are going to have to keep, you know, upping the ante on both sides to keep up with that?

General ROCHELLE. It is clear we must compete. We must be able to compete with the attractiveness of salaries and benefits that are offered outside. I believe the temptation and the pressures have always been there. I also believe that they are slightly greater today, not only as a consequence of broader contracting, but quite frankly the environment in which we find ourselves.

Mrs. BOYDA. All right. Any, you know, with this committee, any—again any suggestions that you have on what we can do to help you find that balance, or to do anything in that regard? It is certainly why we are here, and we have made some attempts at that in our Defense Authorization Bill. So whether in this committee or some way to help us do that. Thank you.

Mrs. DAVIS. Thank you.

Mr. Wilson, did you have a comment?

Mr. WILSON. Yes. Thank you, Madam Chairman.

I want to tell you another perspective that I have. I represent the initial recruit training facilities of Fort Jackson for the Army, Parris Island for the Marines. I want you to know that on my visits there, I have seen again the fruits of what you have done and how much it means for these young people with opportunity. Madam Chairman, I would like to invite any of our members, if you have the opportunity to visit the great state of South Carolina, you would truly be inspired.

I was recently at Fort Jackson with General Steve Siegfried, who gave a welcoming induction to new recruits. He himself is a role model extraordinaire. He was a private. He rose all the way to be general, to be commanding officer of Fort Jackson. He is just a wonderful person and so dedicated.

And then three weeks ago, I had the privilege of attending—and it was a multiple visit for me because every time I go, it is an inspiration—but at Parris Island, I was there for the graduation. And all of the male recruits east of the Mississippi, all of the female recruits in the United States, attend and participate in training at Parris Island. And you are there with the families, and they just

could burst with pride. You are there with moms, dads, siblings, grandparents, aunts, uncles. I knew some from my community and it was an extraordinary cross section of America.

So I want to thank you for what you do, because I see it as I visit throughout the district. Thank you and God bless you for your service.

Mrs. DAVIS. Thank you, Mr. Wilson.

Dr. Snyder.

Dr. SNYDER. Thank you, Madam Chairman.

I have several questions I will direct to each of you individually. General Bostick, I will ask this to you. I think it is in Secretary Dominguez's written statement. He talks about the number that are not even available for recruiting because of problems. Specifically, he says about 39 percent are medically disqualified, with obesity representing the largest contributing factor.

So when the folks that come into your command then, there just aren't that many people that are overweight? Is that what happens? If a person is obese, we just don't recruit them?

General BOSTICK. No, actually, Congressman, we have several innovative programs. One is called the ARMS Program, the Assessment of Recruiter Motivation and Strength. What this program does is, working with the psychiatrist, the doctors, our recruiters developed a way to test the motivation of an individual to determine if he is overweight, does he have the motivation to get through basic training.

Dr. SNYDER. Okay.

General BOSTICK. So you can come in overweight and you can still pass the—

Dr. SNYDER. And of this number—this 39 percent that are disqualified with obesity representing the largest contributing factor, what percentage of obese men and women that want to get in are we letting in?

General BOSTICK. I would have to get that number for the record for you. It is a small number that are involved in the ARMS program.

[The information referred to can be found in the Appendix beginning on page 102.]

Dr. SNYDER. A small number.

General BOSTICK. That we are bringing in, and the last time I looked at this, I will tell you that the one thing we did track very closely was to see how they attrited through basic training. Even though they came in about two percentage or three percentage points above body fat, they attrited at the same rate as those that had no waiver. But I can get the precise numbers on the ARMS program.

Dr. SNYDER. In the olden days in the Marine Corps, they would just let them in and then keep them in basic training until they actually got down to the weight of the rest of us, which I thought they were the bravest men I had ever seen that went through Marine Corps boot camp for six weeks trying to get down the weight.

General Vaughn, I wanted to ask you, we have had discussions before, but you know there is a great interest in the Congress on dealing with this issue of GI bill for reserve component members who come back. My own view is that—and Secretary Dominguez

and I have had this discussion before, too—but my view is that it would help overall recruiting if there was a clear message out there that if somebody came into the Guard or Reserve for a period of time and served overseas, came back and got out, that they would still be entitled to full GI bill benefits.

Is that your feeling also?

General VAUGHN. Congressman, I couldn't agree more, and all the TAGs do also. You know, we don't see it as an incentive. We see it as a benefit and it ought to flow with them all the way through. I say we don't see it as incentive. Do you know what I am getting after?

Dr. SNYDER. I think what you are getting after is that I think it is the view of the Pentagon that if members can get out and still get out of the reserve component and still keep their educational benefit, that they might not have the incentive to stay in.

My own view is that that is more than made up for this general sense that we treating people fairly and equitably and that the military is a place to go, the reserve component is a place to go for educational benefits whether you stay in or out; that it overall would help you to have a robust educational benefit.

I know that with Senator Lincoln on this on the Senate side is interested in working on this. We already have the first step of dealing with that issue in our bill this year, although we still have to work out this issue of—

General VAUGHN. If I could for a second, because we really agree with that. There is a recruiting program that Mike and Tom and I are trying to work called Active First, where we would recruit active soldiers into the guard first, and then go on active duty for a small period of time. The big deal about that is you get the bonus up front, but you get the full Montgomery GI bill.

And you know what? I mean, the TAGs are just overjoyed with this thing because now they come back, and as you well know, it is transferable to the spouses potentially a little further down. If you put that with the state pieces of this, this amounts to something for the entire family.

Dr. SNYDER. And it amounts to something for the entire country, because whether they are in or out of the service, it can have dramatic effects.

My third question is, and I have asked before about this issue, about a glide path for the increased active duty number. I think Secretary Gates at one point in a moment of candor, as he is prone to do, and much appreciated, he said, "I think we chose that number because I was told that is what we felt we could recruit." Which is probably not the best way to do foreign policy, and if we think we need to go to 20,000 or 30,000 a year, then that is probably what we need to do.

General Rochelle, have you gotten any downstream comments as this number is going up where—are you getting feedback that, wait a minute, that is a maximum number that we can have because we don't have barracks set up at our recruit depots; we don't have the ability to train these young men and women and they are coming in as this number goes up; or do you think that the system can handle substantially more numbers of new recruits if there was a fairly dramatic increase?

General ROCHELLE. Sir, there would clearly be a need to look at the total infrastructure costs.

Dr. SNYDER. Does anybody look at that on an ongoing basis? I would assume you would have to be looking at that. I mean, we could wake up tomorrow morning—God forbid—and have a major foreign policy crisis in which everyone would look around and say, yes, we need 100,000 troops by next Tuesday.

I assume that you all have studies that would deal with that. Is that an ongoing look?

General ROCHELLE. We have begun to take a look at that requirement should it occur. However, my comment was that we are looking at the infrastructure requirements for the current rate of growth.

Dr. SNYDER. For the current rate.

General ROCHELLE. Yes, sir, absolutely, most definitely.

Dr. SNYDER. Is that a report that will be coming to Congress? Is that an in-house thing? Or is there going to be some kind of formal document that you can share with us when it comes out?

General ROCHELLE. Sir, I am not aware of a report headed this way to Congress, but I will take that for the record and we will respond back.

[The information referred to can be found in the Appendix beginning on page 102.]

Dr. SNYDER. Because I would assume that if it says we need more barracks, you would want us to know about it.

General ROCHELLE. Yes, sir.

Dr. SNYDER. Thank you.

Thank you all for the work you do.

Mrs. DAVIS. Thank you, Dr. Snyder.

I wanted to turn to the issue of recruiting at schools, because I think when you go into communities, this is one of the issues that is raised. I am wondering if there is a hotline or a complaint line or some way in which if parents are concerned, students are concerned, that they can call and say, you know, I am being harassed or I am uncomfortable with what is happening.

Does that exist in some communities? Or where are we even in thinking about that kind of opportunity for people to try and express themselves in that way?

General ROCHELLE. Let me respond to that if I may, Madam Chair. Since the high school ASVAB testing program is a Department of Defense-wide program used by all service recruiters, including the Coast Guard, I might add, I can only answer for the Army. I can tell you that I have no capability for a hotline. We have no hotline established for parents who may be feeling a little bit harassed by recruiters.

Mrs. DAVIS. Any thoughts about whether that is something that would be helpful?

General ROCHELLE. I will be happy to take a look at that.

Secretary DOMINGUEZ. If I might—

Mrs. DAVIS. I guess we serve as his hotline. I think the congressional offices in some ways serve as a hotline. Someone should serve as a hotline.

Secretary DOMINGUEZ. Well, that is where I was going. I think the hotline, there are 435 of them.



Mrs. DAVIS. Right.

Secretary DOMINGUEZ. But I think I would like General Bostick to really talk some about that interface with the community, if you could, and how you manage that to ensure that our recruiters stay on the right side of the line and make sure that parents are apprised of their rights to say, “No, I don’t want this information presented to my children.”

Mrs. DAVIS. I ask this partly because, as you know, there is concern in some communities to have a kind of opt-in, as opposed to an opt-out provision so that families who don’t want to be contacted and know that up front can state that clearly at the beginning of the school years.

In many schools, most schools I think, there is that opportunity, but there is a concern that in fact that either people don’t get the word, they don’t understand it, there are lot of other things going on at the beginning of the year, and so they don’t actually activate that provision.

So there is a push in some communities to do just the opposite, which I know would be very problematic. I am not suggesting that that is the right course to take, but I am concerned that we hear repeated, and we do because we are actually the hotline of how we can deal with that.

So in that spirit, I am just trying—

General BOSTICK. While we may not have a hotline, my judgment is that the parents know how to reach us. They reach us through the chain of command. Generally, there is a recruiter that is making contact at the home or at the school. If they have concerns, they know how to call us either through their child, or if they go to a website.

They use the web very frequently and they are able to get my e-mail and a number of these will come directly to me. But generally, they engage with the chain of command. I don’t know if that works for all parents out there, but it works for many because I can tell you I have received those first-hand.

In terms of the way ahead, as I look at the No Child Left Behind Act and what it does for us or does not, one of the challenges that we have is this friction between the recruiters and the school, in some cases not in all, certainly. But the friction is caused by a lack of any structure in terms of when the high school lists are provided, what the timeline is for that, what the format is, whether it ought to be automated or a stack of papers.

I think clarity in how that is done at the local level is what we work on. We do that through the superintendents, through the principals, and through our recruiters. The last thing we want is an adversarial relationship. We just want to have the opportunity to have access and to talk to the individual and give them the opportunity. This is a volunteer Army and we would like to keep it that way. We are not going to force anyone to come into the military.

General ROCHELLE. May I comment on the opt-in versus opt-out? As we have already established, access is the primary challenge that we have today. It would be, in my opinion—and I think you have alluded to this in your comment—it would be absolutely devastating for an opt-in versus an opt-out.

Already, as General Bostick has stated, and I know that any leader at this table can attest to this, already we are challenged with a lack of consistency in terms of receiving access to high school lists, ASVAB lists, et cetera, the way in which they are received, et cetera.

In order to move now from an opt-out procedure, which is the current one—and I know there are some circles where people believe that we should move to an opt-in, that means it is withheld unless you by commission opt in, would not be good. That would further restrict access.

Mrs. DAVIS. Thank you.

Could you please just share with us what are some of the special needs categories that you have? And are bonuses working in that regard to help to supplement, certainly, the needs that are out there? Where are they? And what is being done to recruit those individuals?

General ROCHELLE. If I may, I would like to provide for the record a more thorough answer to your question, but I can give you some tidbits if you will to address your interest.

We apply bonuses for several reasons, not just to address specific needs, but the way in which we apply bonuses to special skills also helps us shape the future force.

For example, if we have too many soldiers—and Congressman Wilson addressed the adjutant general corps as an example, and I wouldn't address judge advocate general necessarily—but if we had more individuals in those skills and those are easily acquired skills, then we would shift our bonus weight—meaning amount—to other areas where we are having to grow capacity in the future Army in the next two, three, four, five or even ten years, if we can see that far.

We are doing that. We are using our bonuses not only to help entice individuals who might otherwise be teetering on the question of service, but also to shape the force. We are growing requirements in the logistics field, and our bonuses reflect that, the bonus amounts and the terms of service associated therewith.

We are also growing in the military intelligence field, and our bonuses reflect that. Those are hard to acquire skills. They require the capability to pass massive security screens for security clearances and the like.

Those are some examples. I would like to submit a more thorough response in writing for the record, if I may.

[The information referred to can be found in the Appendix beginning on page 101.]

General BOSTICK. If I could follow up, one of the areas that I work very closely with our team is the medical recruiting. We have been challenged here with our doctors and our nurses and our dentists, on both the active and the reserve side. You all have helped with some of that.

Next year in the bill I understand there is a two-year mandatory service obligation for some of these critical skills, so that the doctors and dentists can come in, do their service, and then move on with their careers wherever they are in the country. Also within that bill are some significant bonuses for doctors, dentists and others.

We have made some headway. We work very closely with General Pollock on the nurses. We have made some headway there, but in this area as well, we have to reach out. Access is important to the medical community, the universities and the leaders out there, for them to understand the challenges that we face and the need for them to step forward as well.

Mrs. DAVIS. Thank you.

I understand that, as you mentioned nurses, that there was a recent bonus that was approved for nurses. Is that being utilized?

General BOSTICK. The nurse program actually is moving upward. We came in the year last year about 78 percent of the mission accomplishment. We think we are going to finish at about 96 percent. So the focus by Major General Pollock and her team in assisting us out in the field, and my recruiters on the medical side has helped to move that in the right direction.

Mr. James just had a summit in Washington State where he brought in a lot of educators just to focus on nurses and what can we do to help move forward in nurses, because America is having a challenge in nurses as well.

Mrs. DAVIS. Let me just understand. There is an incentive pay—has that been funded yet?

General ROCHELLE. Nurses are included in the critical skills, the Office of Critical Skills retention bonus that I alluded to earlier. We are hopeful that we will have that program activated and out there before the end of this month, August.

Mrs. DAVIS. Okay, so we can assure folks in that area that that should be out there. When you say “out there,” that means that it would be advertised?

General ROCHELLE. Actually, it was advertised, and because of some reviews that we had to conduct subsequent to it, and some modifications that we are making to it, frankly to make it even more attractive, we had to hold it back just a little bit. We are beyond that now and we expect that before the end of this month it will be advertised and fully available.

Mrs. DAVIS. Okay. Thank you. We will look for that on the first of the month.

General ROCHELLE. Yes, ma'am.

Mrs. DAVIS. You are talking about September first. Is that right?

General ROCHELLE. Yes, ma'am.

Mrs. DAVIS. Okay. Great. Thank you.

The other issue that I think is difficult to think about and talk about when we talk about recruiting is “don't ask, don't tell.” The number 41,000 has been the number that is out there in the public of the number of male recruits, male applicants who would be available to enter the armed services if that were to be repealed. I know you are going to tell me that “that is the law, ma'am,” and I appreciate that. That is the law today.

But do you think that the Congress ought to be taking a look at this so that we can understand if there is a skill we need or just general need to include all those who wish to serve in the services, and if there is a way that we might take another look at that issue. It has been a great number of years since that law was passed.

Secretary DOMINGUEZ. Ma'am, if I might start. The first, is, people who believe themselves to be homosexuals can serve in the

armed forces of the United States. The law is about conduct. So anyone who wants to serve who meets these criteria, may serve in the United States. The issue is around conduct.

In terms of numbers of discharges by virtue of violations of the law around conduct, in the last 5 years that has amounted to about 700 people a year, which compared to about 30,000 to 40,000 people who leave the armed forces of the United States under involuntary separations for a whole range of other reasons.

So we bring in a bunch of people and we have to discharge ahead of schedule in the neighborhood of 30,000 to 40,000 a year, about 700 a year on average for the last 5 years is because of violations of the law around homosexual conduct. That is not a big number. It is not a high-leverage place in terms of generating populations to serve in the armed forces.

Mrs. DAVIS. If those were in high-skill areas, is that an issue? I understand what you are saying about conduct. I think there is probably some question about how that is interpreted. I think the concern here is whether or not there are people who may not even think about serving, who would like to serve because they somehow don't feel welcome in the services.

I think that is an issue that in a time that we need to be as open as possible and look to other services, other countries that we work with on an ongoing basis, whether or not we have reached a point where we should take a look at that, where Congress ought to be asking some of those questions. Operationally, I am just asking you whether you think this is something that we ought to be asking, we ought to be taking another look at.

Secretary DOMINGUEZ. Ma'am, it is our responsibility and leaders everywhere in the chain of command to ensure that any citizen of the United States who qualifies for entry into the armed forces is welcomed there and feels welcomed there. We have invested a lot of time doing that.

In this particular case, stemming from some real tragedies in the 1990's, we have invested a lot of time to make sure the climate is right and that people can serve, serve honorably, and feel welcomed and appreciated for their service so long as they comply with the law around the conduct in this case.

Mrs. DAVIS. I appreciate your comments. Like everything, we want to look to data on that. I think it is important to try and be as informed as possible. So I appreciate your comments.

Mr. Snyder, did you have any other questions?

I am sorry. Mr. McHugh, are you done? Okay.

Dr. Snyder.

Dr. SNYDER. I am done now. Thank you.

Mrs. DAVIS. Okay. Great.

I want to thank you all for being here. I think that our concern is having a number of tools in the toolbox to work with the issue of recruiting and to have plans in place if in fact, as Dr. Snyder I think raised the question, that if in fact end-strength was even increased beyond our plus-ups that we are looking at now, and if we have the ability to do that, and to be able to create an environment where many of the challenges that we see today perhaps we can deal with constructively.

We would be interested in working with you on that, being certain that the bonuses that are available are utilized, and certainly in a timely fashion, and of course we go back to the idea of getting all of our recruiting and retention issues within base pay, within the basic budget so that we do not have to rely on supplements in the future, as we have.

Thank you very much. I appreciate your being here.

[Whereupon, at 4:37 p.m., the subcommittee was adjourned.]



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**A P P E N D I X**

AUGUST 1, 2007

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**PREPARED STATEMENTS SUBMITTED FOR THE RECORD**

AUGUST 1, 2007

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Chairwoman Davis Opening Statement  
Hearing on Army Recruiting and Retention  
Military Personnel Subcommittee  
August 1, 2007

Today, the Subcommittee turns its attention to the closely aligned issues of military recruiting and retention. While the debate on the future of the war in Iraq is capturing much of the public's attention, those laboring to recruit and retain the high quality force that is the bedrock of military readiness continue to perform their vital mission under great stress. The sound job market and the pressures of the war make this task incredibly difficult and it is incumbent on the Congress to be watchful and ensure recruiters and their managers have the necessary funding and tools to be successful.

The one enduring lesson that the Subcommittee has learned is that those funds and tools are ineffective if not delivered in a consistent and timely manner. Unlike many of the problems being confronted by the armed forces, the task of attracting people to the military cannot be achieved with increased spending at the 11<sup>th</sup> hour. Competing in the marketplace for people requires the consistent and early allocation of resources. It is the Subcommittee's experience that every military recruiting failure in the last 20 years can be attributed to some degree to inconsistent and late allocation of funding to meet the challenge.

This hearing focuses on the Army because the Subcommittee has observed that all three Army components have endured setbacks in their recruiting programs in recent months. It is no secret to anyone that recruiting and retaining a quality force is extremely difficult in today's environment. This is particularly true for the Army given the larger numbers associated with their mission.

However, a full understanding of the challenge seems to have not prevented funding from being a factor that has put the recruiting programs within all three Army components at greater risk. In an era where we have an urgent need to increase the strength of the Army and its reserve components, it is critical that we not make mistakes in funding recruiting programs.

The Subcommittee will be interested in hearing the perspectives of DOD and the Army on the issue of consistent and timely funding and a range of other important issues, to include recruit quality and recruiter misconduct.

**Opening Remarks – Rep. John M. McHugh  
Military Personnel Subcommittee Hearing  
Army Recruiting and Retention Update  
August 1, 2007**

**This hearing, as we near the end of fiscal year 2007, will be useful to update the subcommittee on the recruiting and retention challenges still facing the most challenged service of all the Armed Forces – the United States Army.**

**As with other Members, I have a number of concerns.**

**First, end strength, especially whether the active Army will be able to meet not only the FY 2007 authorized end strength of 512,400, but also the 518,400 the Army seeks in FY 2007 in an effort to stay on pace to increase the force to 547,400 by 2013. As of June, as I understand it, the Army has a strength of 510,000 – 2,400 below the authorized end strength and 8,400 below its force growth objective.**

**The Army Reserve also appears to be headed in fiscal year 2007 for another year when its actual strength will not reach even authorized levels.**

Without the manpower growth, Army plans to build additional brigade combat teams and support brigades will be jeopardized.

Second, recruiting. Army Reserve recruiting continues to miss objectives. Moreover, I was disturbed to hear retired Gen. Jack Keane testify last week before the full committee that the active Army is not likely to meet its recruiting mission in fiscal year 2007. If true, given the erosion in the Army's quality standards, and Congressional efforts to provide Army unique recruiting authorities, we need to know what the Army and DOD are doing to ensure active Army and Army Reserve recruiting stays on track to attain not only accession missions but contract goals, as well.

Inappropriate Funding Strategies and Inadequate Funding remain my deepest concerns. Once again the Department of Defense and all three components of the Army have adopted a funding approach that this subcommittee has seen fail time after time; an approach that underfunds recruiting and retention requirements in the base budget request with hope that any problems can be corrected late in the year with a large dollop of supplemental funding or a large reprogramming.

The recent Omnibus Reprogramming illustrates this point. That request in early July was made in the context of a year when:

- the active Army is failing to meet all its recruiting objectives and may not meet its stretch goal for end strength growth; and,
- the active Army is showing some softness in mid-grade and career NCO retention; and
- the Army Reserve likely will not meet its recruiting goals and will again fall short of end strength; and,
- ROTC officer production is down and ROTC bonus funding has been cut, even in the face of significant officer shortfalls in both the active and reserve components; and,
- The Army National Guard is so short of funds that to stave off recruiting and end strength failures it requires an immediate infusion of \$495 million.

At the same time, the Omnibus:

- Reduced active Army military personnel accounts by \$845 million, including \$155 million in enlistment bonuses;
- Reduced Army Reserve military personnel accounts by \$65 million; and,

- **Provided \$495 million to the Army National Guard for recruiting and retention initiatives – with the expectation that a nearly a half billion dollars can be spent effectively and efficiently in the last two months of the fiscal year.**

**I hope that our witnesses today can address those concerns. I believe I'm among the strongest supporters of the Army anywhere in Congress. But I believe there are significant problems facing the Army that can only be resolved by the Congress, the DOD and the Army working closely together.**

**I look forward to your testimony.**

**Prepared Statement**

**of**

**The Honorable Michael L. Dominguez**

**Principal Deputy Under Secretary of Defense  
(Personnel and Readiness)**

**Before the**

**House Subcommittee on Military Personnel  
Committee on Armed Services**

**“Recruiting and Retention”**

**August 1, 2007**



## **INTRODUCTION**

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to be here today. I particularly appreciate the opportunity to discuss the current status and future of Army recruiting and retention. As Secretary of the Army Jack Marsh stated in the early 1980s, "*As the Army goes, so goes the All-Volunteer Force.*" That was true then, and remains so today.

Our All-Volunteer Force continues to perform brilliantly amidst its first protracted warfighting challenge. Recruiting and retention have been good, despite a tough recruiting climate characterized by a robust economy, high employment, a reduced likelihood of influencers to recommend service, an increased number of youth going to college directly from high school, and a high operating tempo for our military. Each of these affects our ability to attract young Americans to their Nation's armed forces.

Although the focus of today's hearing is Army recruiting and retention, I will briefly set the stage by summarizing for you the current status of the Department's military recruiting and retention efforts.

### **ACTIVE DUTY RECRUITING AND RETENTION**

The success of our all volunteer force begins with recruiting, but is assured by the successes achieved in our retention program. The challenges I have just outlined affect both recruiting and retention, and the Department

gratefully acknowledges this Subcommittee's unflagging support as we rise to meet those challenges.

### **ACTIVE DUTY RECRUITING**

During FY 2006, the military Services recruited to the active component 167,909 first-term enlistees, plus 12,631 persons with previous military service, yielding a total of 180,540 active duty recruits – notably, this outcome surpassed the DoD goal of 179,707.

While meeting those numerical goals is important, we also must achieve the right qualitative mix of recruits, if they are to complete their term of service and perform successfully in training and on the job. The “quality” of the accession cohort is important. We typically report recruit quality along two dimensions – aptitude and educational achievement. Both are important, but for different reasons.

All military applicants take a written enlistment test called the Armed Services Vocational Aptitude Battery (ASVAB). One component of that test is the Armed Forces Qualification Test (AFQT), which measures math and verbal skills. Those who score above average on the AFQT are in Categories I-III A. We value these higher-aptitude recruits because they are easier to train and perform better on the job than their lower-scoring peers (Categories III B-IV). These category groupings describe a range <sup>1</sup> of percentiles, with Category I-III A describing the top half of American youth in math and verbal aptitudes.

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<sup>1</sup> AFQT (Math-Verbal) Categories, expressed as a percentile of American youth: I (93-99); II (65-92); III A (50-64); III B (31-49); IV (10-30). Those below the 10<sup>th</sup> percentile are ineligible to enlist, by law.

We also value recruits with a high school diploma because they are more likely to complete their initial three years of service. About 80 percent of recruits who have received a traditional high school diploma complete their first three years, yet only about 50 percent of those who have not completed high school will make it. Those holding an alternative credential, such as a high school equivalency or a General Educational Development (GED) certificate, fall between those two extremes.

In conjunction with the National Academy of Sciences, the Department developed a mathematical model that links educational attainment, aptitude, and recruiting resources to job performance. With this model we established recruit quality benchmarks of 90 percent high school diploma graduates and 60 percent scoring above average on the AFQT. Those benchmarks were set by examining the relationship between costs associated with recruiting, training, attrition, and retention using as a standard the performance level obtained by the enlisted force cohort of 1990—the force that served in Desert Shield/Desert Storm. Thus, the benchmarks reflect the aptitude and education levels necessary to minimize personnel and training costs while maintaining the required performance level of that force.

Through June, FY 2007 all Services have met or exceeded numerical recruiting objectives for the active force. Army achieved 51,891 against a target of 51,150 recruiting goal, for a 101% year-to-date accomplishment (Table 1). However, the active Army is behind in one of its quality benchmarks, falling short of recruits with a High School Diploma. Although the Army is slightly below the

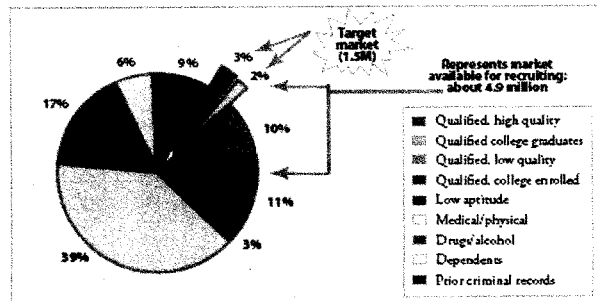
desired number of recruits scoring at or above the 50<sup>th</sup> percentile on the AFQT, we look for the Army to achieve the DoD benchmark by year's end.

**FY 2007 Active Component Accessions  
(Through June 2007, Year to Date)**

	Quantity		
	Accessions	Goal	% of Goal
<b>Army</b>	51,891	51,150	<b>101%</b>
<b>Navy</b>	25,176	25,101	<b>100%</b>
<b>Marine Corps</b>	21,867	21,490	<b>102%</b>
<b>Air Force</b>	20,212	20,212	<b>100%</b>
<b>Total</b>	119,146	117,953	<b>101%</b>

While the American youth population is large, only a subset is qualified to enlist. It is an unfortunate fact that many of our contemporary youth population are ineligible to serve. About 39 percent are medically disqualified (with obesity representing the largest contributing factor); 17 percent have abused drugs or alcohol; and 9 percent have been involved in misconduct, with another 9 percent disqualified owing to an unusually high number of dependents, or unusually low aptitude (Figure 2).

**Figure 2. Eligibility for Military Service**

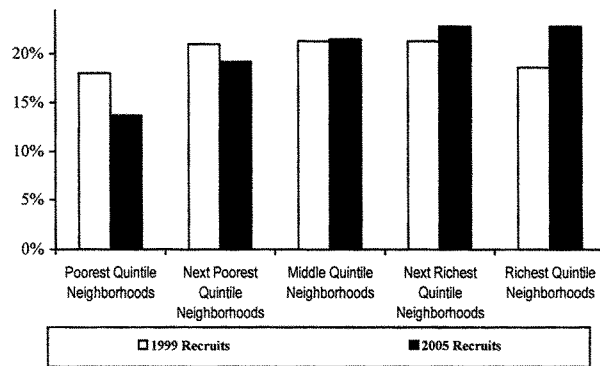


Source: The Lewin Group

Another 11 percent are qualified, but are enrolled in college, leaving fewer than 5 million — about 16 percent of the roughly 32 million youth ages 17-24 — eligible and available to recruit.

As we seek to recruit for today’s military, we discover than many misunderstand its composition. We note in particular the frequent assertion that today’s military recruits come disproportionately from the poor, the unemployed, the uneducated, and the minority populations. These are myths that we work hard to dispel. In fact, most recruits come form middle income families, with far more recruits drawn from higher-income households than poorer households. Since 1999, we have seen a significant increase in the number of recruits from higher income families (Figure 3). Furthermore, data show that recruits do not come from the ranks of the unemployed, that they are better educated than their contemporaries, and that their racial and ethnic composition mirrors our society.

**Figure 3. Socio-Economic Neighborhoods of New Recruits**



Source: The Heritage Foundation

Some also believe that African-Americans sustain the greatest proportion of casualties in Operation Iraqi Freedom. This also is untrue. As of June 30, 2007, African Americans represented about 17 percent of the force, yet accounted for 10 percent of deaths and 8 percent of the wounded. On the other hand, whites accounted for 70 percent of the force, but suffered 74 percent of deaths and 73 percent of the wounded. The corresponding numbers for Hispanics were 10 percent of the force, 11 percent of the deaths, and 7 percent of the wounded. These are simply an outcome of the occupational choices young people make with African Americans, for example, preferring skills offering the most valuable training, generating a modest overrepresentation in the health care field. These are the decisions young volunteers make, and we respect and celebrate their choices.

### **ACTIVE DUTY RETENTION**

Overall, in FY 2006 active duty retention goals were surpassed across the board. The Army, Air Force, and Marine Corps met FY 2006 active duty retention goals in every category. The Navy delivered high retention at the start of the year, but a focus on physical fitness test performance led to a modest upswing in disqualifications among first-term Sailors later in the year. Navy is on a planned, controlled path to reshape its force both in terms of skill and experience.

Through June 2007, retention remains strong in the active force. All Services met or exceeded their overall retention missions. Army is currently at 101% of its aggregate year-to-date mission although it continues to experience

shortfalls in the mid-career category. We predict that Army will meet its reenlistment goals in all categories by the end of the year.

Table 2. Active Duty Enlisted Retention Through June 2007

	Status	Reenlisted	Mission YTD		FY07 Goals
<b>Army</b>					
- Initial	G	21,590	20,126	107%	25,502
- Mid-Career	Y	16,256	17,260	94%	21,770
- Career	G	11,795	11,920	99%	14,928
<b>Navy</b>					
- Zone A	G	8,779	9,184	96%	12,300
- Zone B	G	6,622	6,102	109%	7,800
- Zone C	G	3,966	3,687	108%	4,700
<b>Air Force</b>					
- Zone A	G	13,502	13,500	100%	18,000
- Zone B	G	7,873	8,250	95%	11,000
- Zone C	G	5,088	5,250	97%	7,000
<b>Marine Corps</b>					
- First	G	7,129	6,224	115%	8,298
- Subsequent	G	7,304	5,850	125%	7,800

The Army is the only Service currently using Stop Loss. Over the past six months, the average number of soldiers under Stop Loss each month was 5,701 Active Component, 1,505 Reserve and 2,101 National Guard. As of June 2007, the Army Stop Loss program affected less than half of one percent of the total force (5,355 Active Component, 1,501 Reserve, and 2,313 National Guard soldiers). The active Army Unit Stop Loss program takes effect 90 days prior to

unit deployment, or simultaneous with official notification of deployment orders, if earlier. It remains in effect through the date of redeployment to permanent duty stations, plus a maximum of 90 days. Reserve component Unit Stop Loss begins 90 days prior to mobilization or with official mobilization alert order, if later, and continues through mobilization plus up to 90 days following demobilization.

### **RESERVE COMPONENT RECRUITING**

Even with the stress of mobilization and the other elements in this challenging recruiting environment, the DoD Reserve components reversed the downward trend of the preceding three years and, cumulatively, achieved 97% of their fiscal year 2006 recruiting objectives --- a significant increase over the 85% achievement in FY 2005. By End of year 2006, two of the six DoD Reserve components exceeded their recruiting objectives – the Marine Corps Reserve and the Air Force Reserve. The Army National Guard and Air National Guard came close to making their goals, achieving 99% and 97%, respectively. The Army Reserve fell short by 1,653 (achieving 95%), and the Navy Reserve fell short by 1,458 (achieving 87%). The improved recruiting results, coupled with low attrition, have helped the Reserve components achieve a better end strength posture.

While fiscal year 2007 has been challenging for Reserve recruiting, the Reserve components have undertaken many successful initiatives in order to mitigate many of these challenges with positive results. During the third quarter of fiscal year 2007, three of the six DoD Reserve components met or exceeded



their recruiting objectives with the remainder reporting strong accession numbers for the quarter (Table 3).

We continue to monitor the quality of recruits against DoD benchmarks, and we see no decline in the quality of young men and women being recruited today. Changes to the Reserve enlistment and affiliation bonuses have helped to sustain this positive trend.

**Table 3. Reserve Component Recruiting Performance through June 2007**

Guard and Reserve Enlisted Recruiting (Through June)	Quantity			Quality	
	Year-to-date Accessions	Year-to-date Goal	% of Goal	% High School Diploma Graduate (HSDG); DoD Benchmark = 90%	% Scoring at / above 50th Percentile on AFQT (Categories I-III A); DoD Benchmark = 60%
Army National Guard	50,356	50,339	100%	93%	57%
Army Reserve	24,053	25,068	96%	90%	58%
Navy Reserve	7,252	7,601	95%	92%	70%
Marine Corps Reserve	6,204	5,733	108%	96%	75%
Air National Guard	7,003	7,492	93%	98%	75%
Air Force Reserve	5,446	5,228	104%	99%	74%

There is less encouragement today from parents, teachers, and other influencers to join the military -- active or reserve. In addition, fewer individuals are separating from the active components. These factors, coupled with a strong economy and lower unemployment, operate against reserve recruiting.

Nonetheless, the Army is aggressively managing Reserve Component recruiting through three avenues: (1) extension of the quick ship bonus and improvements in the Reserve Partnership Councils, (2) stronger incentives, with

increased enlistment bonuses for both prior service and non-prior service recruits, and (3) increased advertising expenditures, including targeted advertising to parents and influencers. Your continued support of these efforts is essential.

### **RESERVE COMPONENT RETENTION**

The percentage of the reenlistment goal that was achieved saw an increase in FY 2006 to 104% -- up from 100% in FY 2005. This fifth straight year of increase reflects a positive trend that has carried into Fiscal Year 2007.

Measuring all losses, regardless of reason, from the Reserve components, we note that enlisted attrition remained below established ceilings for FY 2006. As a matter of fact, the composite (officer + enlisted) attrition rate of 18.4% was the lowest since FY 1991. Through the third quarter of FY 2007, enlisted attrition is on track to remain below ceilings established by each Reserve component. We are closely monitoring retention/attrition, particularly among those who have been mobilized and deployed to support operations in Iraq and Afghanistan.

Table 4. Reserve Component Attrition through June 2007

Selected Reserve Enlisted Attrition Rate (in percent)	FY 2000 YTD (Jun 00)	FY 2006 YTD (Jun 06)	FY 2007 YTD (Jun 07)	FY 2007 Target (Ceiling)
Army National Guard	14.4	14.3	14.4	19.5
Army Reserve	21.5	16.1	17.4	28.6
Navy Reserve	21.7	26.0	23.3	36.0
Marine Corps Reserve	22.9	18.9	19.2	30.0
Air National Guard	8.8	8.3	8.1	12.0
Air Force Reserve	12.0	10.9	13.0	18.0
All Reserve Components - Weighted Average	16.2	14.8	15.0	NA

Recruiting and retaining the right people in the right skills in the right number has always been a challenge, but continues to be more difficult as a volunteer force goes to war amidst a strong economy and an abundance of employment opportunities. Recruiters are working hard, with data showing that they continue to log long hours as they seek to recruit those who meet high standards for enlistment. Our educational and aptitude standards for new recruits have not changed, assuring the nation of a military that remains above the national average in both areas.

We also face a growing economy (unemployment was 4.5% in June – near historic lows) which has made recruiting difficult. Your support continues to be key. We appreciate the new authorities you provided in both the FY 2006 and 2007 National Defense Authorization Acts (NDAA), especially the Demonstration Authority authorized for the Army, as these have been important to recruiting success.

## **CONCLUSION**

Today I encourage the support of All Americans, in particular its elected leaders, in lending their time and their voice in underscoring the merits of serving in America's All-Volunteer Force.

Mr. Chairman, in conclusion, I thank you and members of this Subcommittee for your advocacy on behalf of the men and women of the Department of Defense. Whether the career of a member of the Total Force is measured in months or years, whether that career is spent in a Reserve component, an Active component, a combination of the two -- or as a Department of Defense civilian -- the nation's gratitude for dedicated service is proved in your continued support and funding for the programs that keep our forces strong and healthy. I look forward to your questions.

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STATEMENT BY

LTG MICHAEL D. ROCHELLE  
DEPUTY CHIEF OF STAFF, G1  
UNITED STATES ARMY

BEFORE

SUBCOMMITTEE ON MILITARY PERSONNEL  
HOUSE ARMED SERVICES COMMITTEE  
UNITED STATES HOUSE OF REPRESENTATIVES  
FIRST SESSION, 110<sup>TH</sup> CONGRESS

AUGUST 1, 2007

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HOUSE ARMED SERVICES COMMITTEE

Chairwoman Davis, Representative McHugh and distinguished members of the Committee, thank you for providing us the opportunity to appear before you today on behalf of America's All – Volunteer Army. The Army, over 1 million strong, is proudly serving the Nation around the globe and continues to grow in order to meet the demands of current and future operations. I realize that the hearing's focus is on highlighting current recruiting and retention successes and I welcome the opportunity to talk with you about one of our Army's highest priorities.

Even with the All-Volunteer Army at war for the fifth consecutive year, we continue to grow the Army in order to sustain combat operations and to defend the Nation's vital interests around the globe. Our commitment to winning, protecting our Soldiers and caring for our Families is unparalleled.

We are strengthened by those men and women who do join, and by their willingness to stay with us. They are mothers, fathers, sons and daughters—heroes whose incalculable willingness to sacrifice comprises the foundation of this country's strength.

Soldiers like Sergeant Leigh Ann Hester, the first woman awarded the Silver Star for direct combat action against an enemy, who, while escorting a convoy in Iraq, dismounted from her armored Humvee in a counterattack against an ambush resulting in the killing of 27 insurgents and the capture of seven more. Or Private Stephen C. Sanford who received two potentially fatal gunshot wounds, this after already having

been shot in the leg once and twice in the back in a series of attempts to evacuate wounded fellow Soldiers from a house in Iraq, ceasing his remarkable efforts only after being incapacitated by his own loss of blood. Of special note, we currently have 60 Soldiers formerly enrolled in the Army Wounded Warrior Program who, in spite of being qualified for medical separation and disability compensation, have elected to stay on the Army Team.

Clearly, these are heroic acts by tremendous young American men and women. Equally inspiring are the qualified young military applicants across the Nation who remain willing to serve today with the full knowledge of the sacrifice such service may entail.

Congress' continued commitment to providing the resources and flexibilities needed to recruit and retain heroes like these, and to ensure they receive the quality of support and care they so richly deserve, is absolutely essential.

### **Recruiting**

We have accomplished much over the past several years. By recruiting more than 170,000 men and women into all three components annually we continue to sustain the world's best All-Volunteer Army. It is an All-Volunteer Army that is being recruited under conditions not foreseen when established in 1973. Army Soldiers continue to be confident, adaptive, and competent.

We are working aggressively to close FY07 successfully. We remain ahead of the glidepath to achieve our FY07 recruiting mission, and I am confident we can achieve that goal as we prepare to meet the challenges for FY08 and beyond. With your continued support, we will position ourselves to not only man and to grow the Army, but to assure a quality All-Volunteer Army in the future.

Recruiting qualified young men and women in a highly competitive environment is extremely challenging. Competition with industry, an improving economy, lower unemployment, decreased support from key influencers, the media, and the continuing Global War on Terror present significant challenges.

Our ability to recruit in this environment requires a national commitment. All service to Nation is honorable and worthwhile; service as a Soldier in the preeminent land power on earth ranks at the very top of that honored list. That is a message that needs a wider chorus of voices to be effectively communicated. The wife of an Army staff sergeant said it best: "they became heroes when they enlisted." We need more heroes in each of our components, now and in the future.

I fully anticipate that recruiting next year and beyond will remain challenging and will, therefore, require additional innovative approaches and authorities. The future may very well require renewed authorities such as those provided in NDAA 06.

#### **Incentives & Enlistment Bonuses**



The Army must retain a competitive advantage in a very competitive recruiting market. The last true advantage was the Army College Fund, which previewed in 1982. We are now counting on the Army Incentive Fund (AIF) to serve as the next-generation program to provide the Army with an enduring competitive market advantage.

The Army is a values-based institution and the Army Incentive Fund offers incentives that promote these values and attract individuals who are innovative, capable and willing to take intelligent risks, and marked by an entrepreneurial spirit; recruiting and retaining Soldiers with these qualities will prove key to meeting the Army's future manpower needs. The AIF is expected to be a viable recruiting attraction in markets that have not responded to other incentives, and is expected to mirror the success of the Army College Fund. The AIF will initially offer Soldiers the option of money for a down-payment on a home or seed money to start a business. With a central funding mechanism (a no-year money fund), AIF could potentially "plug-and-play" new options that may be required to meet evolving Soldier needs. The Army asks for Congressional support in the creation of value-based incentives and ultimately we request your support for no-year money fund. With Congressional support for this initiative, we will move another step in the right direction toward growing the All-Volunteer Force.

In the absence of a no year money fund, the Army has been unable to implement the AIF and, consequently, the programmed budget for enlisted incentives is currently projected to under-execute in FY07. This funding will instead be used to cover incentives required to retain the company grade officers the Army needs to successfully wage the global fight against terror.

Collectively, the authorities to pilot these temporary additional recruitment incentives are important keys for mission accomplishment. We have learned much in our efforts to use these authorities and we will continue to rely on your support for these authorities and our efforts to implement them.

### **Enlisted Retention**

A key indicator of our Soldiers' commitment and high morale is our retention rates. The Active Army achieved all retention goals for the past nine years, a result that can be directly attributed to the Army's leadership and the motivation of our Soldiers to accept their "Call to Duty".

In fiscal year 2007, the Active Army must retain 62,200 Soldiers to achieve overall manning levels and we are on track to accomplish this mission. All three components are currently above their retention goals. Specifically, the Active Army achieved 101% of its year-to-date mission, the Army Reserve achieved 119% of its year-to-date mission, and the

Army National Guard achieved 107% of its year-to-date mission. Once again, a robust bonus program is important to continuing success in the Army's retention goals.

Although we have seen no downward trends in overall retention, we monitor our enlisted mid-career reenlistment rates closely. We adjusted our incentive programs to target this population of Soldiers. Mid-career soldiers between their 6<sup>th</sup> and 10<sup>th</sup> year of service are bearing the brunt of multiple deployments. In spite of this, retention rates for the Army's mid-career Soldiers have increased from 82% at the end of November 2006 to over 94% at the end of June 2007. Accordingly, as the end of the fiscal year approaches, we are confident that we will achieve not only our aggregate enlisted retention objectives, but specifically those for the mid-career enlisted force.

We do know that Soldiers are most concerned with the limited time at home between deployments and they would like more predictability and stability. The Department's recent decision to adhere to no less than 12 months dwell time at home station is our strong commitment to Soldiers and their families.

#### **Officer Retention and Accessions**

Our officer corps continues to lead the Army and its Soldiers in superb fashion. We consistently monitor both the health and growth of our

officer corps and, consistent with authorities, have implemented a number of strategies to sustain the Army's officer leadership.

The Army must increase company grade officer retention to keep up with the growth driven by modularity. While the Army's FY07 loss rate is projected to equal the 10-year average of 8.5%, we must reduce this rate to 5% if we are to sustain the growth needed to meet future requirements. A strategy focused on near, mid-term, and long-term retention will provide not only for retention of many of the Army's best and brightest officers, but will concurrently contribute to sustained growth.

As part of this retention effort, the Army developed a menu of options that is available to officers upon promotion to captain and prior to their completion of their active duty service obligation (ADSO). This menu provides officers a choice of incentives in exchange for an additional 3 years of active duty service. Officers can elect assignment to get their post of choice or branch/functional area of choice; attend a military school or obtain language training; attend a fully-funded graduate degree program; or receive a Critical Skills Retention Bonus (CSRB).

Further, the Army implemented a Pre-commissioning Program in FY06, allowing Cadets to select a branch, post or graduate school for an additional service obligation of three years. This program has proven successful in just one year, with 1100 officers participating in FY06 and 1600 expected to participate in FY07. The Army expects this program to

drop loss rates of both USMA and ROTC scholarship commissioned officers beginning in FY10 (by 702 officer's total) when these officers would have completed their normal ADSO (4-years for ROTC scholarships and 5-years for USMA). Now, we will retain these officers through 7 and 8-years respectively.

United States Military Academy cadets may agree to serve 3 years beyond their 5-year obligation; scholarship ROTC cadets agree to serve their 4-year obligation plus an additional 3 years of active duty service; and non-scholarship officers agree to serve their 3-year active duty obligation plus an additional 3 years. In FY06, over 1100 cadets from USMA and ROTC signed up for this program. In FY07, we expect over 1500 cadets to sign up for one of these programs, increasing the retention rate for USMA and ROTC year group cohorts to 58% by year 2010.

In 2006, we offered an additional 200 fully-funded graduate school opportunities to serving captains, beyond the 412 graduate school opportunities we previously provided. Officers participating in this program serve an additional 3 months for each month they attend school. We plan to send another 200 officers to graduate school in academic year 2007.

In October 2006, the Army established an Officer Retention Branch as part of a new campaign designed to retain more of our best officers. Unit commanders are getting more involved in officer retention. We intend

to manage this program like to the highly successful enlisted personnel retention program.

Concurrently, the Army has successfully grown the officer corps over the last several years through increased officer promotion selection rates and earlier pin-on times to both captain and major. For example, the captain promotion pin-on time has dropped from 42 months to 38 months, and the major promotion pin on time dropped from 11 years to 10 years. Additionally, promotion selection rates to captain and major are between 95 – 98%. While promotion rates are high, we continue to select the "best qualified" officers.

To meet the long-term needs of a larger officer corps, the Army is increasing its Army Competitive Category (ACC) officer accession mission by up to 300 officers each year over the next 3-years. Accessions will increase from 4600 in FY06 to 4900 in FY07, 5200 in FY08 and 5500 in FY09 and beyond. This increase in officer accessions will ensure the Army has enough captains and majors 4-10 years from now.

In FY06, IAW Title 10 authority, USMA increased the number of officers they accepted into their 4-year degree program. This will result in an additional 100 officers produced through USMA in FY10 and beyond.

In addition, we are leveraging other accession programs such as the "Blue to Green" Inter-service Transfer Program. To date, we have accessed over 325 officers into the Army from the Air Force, Navy and

Marines. We expect to access another 200 officers from the other services in FY07. We have also partnered with the Merchant Marine Academy and have contacted over 10,000 former officers that have separated in the past 24-months to offer them the opportunity to serve again.

Through continued service, approximately 250 Reserve Component officers volunteered to transfer to the Active Component. Additionally, we encourage those who served honorably to serve again through a retiree recall or a call to active duty. Today, we have approximately 700 retirees serving on active duty in a retiree recall status.

Our current officer accession mission is the highest in 30 years. To assist in meeting this mission we will rely heavily on OCS. Though we increased accessions in USMA (by 100 in FY06) and ROTC, those commissioning sources have longer lead times to produce officers. OCS is critical in meeting today's manpower needs. Since it takes time to increase production through USMA and ROTC (e.g., 2-4 years), as a short-term measure, the Army intends to maximize production from Federal OCS with 5 companies. Federal OCS production is expected to increase from 1,435 in FY06 to 1,735 in FY07 and 1,985 in FY08 to FY10. The OCS bonus will help attract NCOs to go to OCS and become officers, especially as we increase the FY08 OCS mission from 1700 to 1950. Further, increases in ROTC production are planned over the next 4-years from 4000 in FY07 to 4200 in FY08, 4500 in FY09 and 5100 by FY10.

Provided resources continue to flow, ROTC production is expected to reach 5350 by FY11. As ROTC production increases, more officers will be sent to the Reserve Components and we project that we will be able to begin reducing Federal OCS production by roughly 200.

The Army is confident the implementation of these strategies will grow the officer force and will enable us to meet our manning needs by FY10 (vice FY13 or later if we relied on traditional approaches for growing the force).

### **Conclusion**

America's Army is strong. We will meet our commitments worldwide and will provide the best-led, best-trained and best-equipped Soldiers to combatant commanders. We urge your continued support to resource our Army, to maintain and grow it to meet America's global commitments.

We also urge your support as national leaders to influence and encourage all American's to answer this Nation's call to duty. To ensure our Army is prepared for the future, we need full backing for our programs and approval of the FY08 President's Budget request.

I thank you for the opportunity to appear before you today and I look forward to answering your questions.



FOR CLEARANCE

STATEMENT BY

LIEUTENANT GENERAL CLYDE A. VAUGHN  
DIRECTOR, ARMY NATIONAL GUARD

BEFORE THE

HOUSE ARMED SERVICES SUBCOMMITTEE ON PERSONNEL

1 August 2007

NOT FOR PUBLICATION  
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STATEMENT BY  
LIEUTENANT GENERAL  
CLYDE A. VAUGHN  
DIRECTOR, ARMY NATIONAL GUARD

Chairwoman Davis, Ranking Member McHugh, and distinguished Committee Members, it is a pleasure and an honor to appear before you as the Director of the Army National Guard. I am pleased to report to you that both recruiting and retention in the Army National Guard are strong. We've achieved great success through our innovative approach to recruiting and by giving the States and Territories the proper tools to meet the mission. I applaud the leadership of the Congress, governors, adjutants general, and our communities for their tremendous efforts and achievements. The Army National Guard is the largest community-based defense force. We can all be extremely proud of the overwhelming response of our patriotic communities.

The Army National Guard is authorized by law to have 350,000 soldiers plus a two percent increase at the discretion of the Secretary of Defense for a legal limit of 357,000 soldiers. Because of our multiple-program team approach, we are proud to report that as of 30 June 2007, the Army National Guard is 351,950 soldiers strong. America needs a robust National Guard to protect the lives, property, and interests of the American people both at home and abroad. If the National Guard is able to continue this strong recruiting and retention, we would be capable of reaching and surpassing our fiscal year 2013 endstrength goal of 358,200 soldiers during fiscal year 2008.

We have experienced 9 consecutive months of end-strength growth this fiscal year. Retention remains strong, and is above year-to-date goals. We expect to exceed our reenlistment goals for fiscal year 2007.

In fiscal year 2006 the Army National Guard added 13,111 Soldiers to the rolls -- the most growth since the draft era of the 1970s. At the half way

mark for fiscal year 2007 (as of 31 March 2007), the National Guard exceeded the 350,000-Soldier goal for the first time since May 2004.

In addition to strong recruiting and retention numbers, our soldier quality has been consistently strong. We've had our highest quality accession numbers since 1987. Today 92.5% of our recruits are high school graduates (far above the 10-year average of 84%). Scores on the Armed Services Aptitude Battery – a test administered to potential soldiers – and our pass rate for the General Educational Development Diploma (GED) are on a par with recent years and running averages.

The Army National Guard recruiting success has been the result of several innovative programs, soldier incentives, and some old-fashioned accountability management. The National Guard increased the number of our full-time Recruiting and Retention specialists from 2,700 in fiscal year 2004 to 5,100 by the end of fiscal year 2006. We took many steps to reverse negative trends and maximize end-strength. This included increasing bonus maximums to \$20,000 for enlistments, \$15,000 for reenlistments, and \$15,000 for prior service enlistments. The Army National Guard also increased retention bonuses from \$5,000 to \$15,000. These steps helped move our end-strength trend upward starting in the fourth quarter of fiscal year 2005 through the end of June 2007. We are looking forward to good news for end of month July 2007 and beyond.

Three years ago the Army National Guard was losing people faster than we could replace them. Today we have successfully reversed that trend. To accomplish this turn-around we have implemented several initiatives to help achieve and maintain congressionally-authorized end-strength levels: the Guard Recruiting Assistance Program (G-RAP), Every Soldier a Recruiter, the Recruit Sustainment Program, GED Plus, and the "American Soldier" and "Army Strong" advertising campaigns.

The Guard Recruiting Assistance Program is a civilian contract recruiting program. G-RAP Recruiting Assistants are drilling members of the National Guard who also are privately-employed, performance-based subcontractors who provide recruiting services. In their day-to-day lives, our

soldiers know and meet many potential service members at their civilian jobs, at school, at church, and at social events. We created a program that provides a financial incentive for our members to extend that invitation and say: "come serve in the National Guard with me." Under the Guard Recruiting Assistance Program, when one of our soldiers convinces a friend, co-worker, or classmate to serve with us, that soldier can receive a payment. He or she receives a second payment when the new soldier completes the required initial training. More than 105,000 part-time recruiting assistants have signed up nationwide.

The Recruit Sustainment Program reduces training pipeline losses by introducing newly enlisted National Guard soldiers to the military and easing their adjustment to Basic Combat Training and Advanced Individual Training.

Recruiting Assistants are deeply involved in the local communities and are well positioned to reach target populations. We have a new Comprehensive Communication Skills recruiting class at our Strength Maintenance Training Center at Camp Robinson (in Arkansas). This program trains the force on how to recruit in a wartime environment and address the inherent challenges of recruiting young men and women to serve with us during the Global War on Terrorism. Advertising campaigns are refocusing the image of the National Guard from a rarely-used strategic reserve to a highly deployable operational force with new messages, imagery, mediums, and response devices. We are refining media spending with proven methods; implementing innovations to better communicate with the next generation of National Guardsmen. These innovations include communicating through NASCAR races, event teams, pizza boxes, gaming, theater, web-based advertising, and internet-based media such as iTunes and the 1 800-GO-GUARD website and phone number.

Congress has been and will continue to be a crucial partner and "parent" for the Army National Guard. Your support and guidance for the funding and authority we need are absolutely essential. We need your support and financial authorization to maintain today's Army National Guard and to fortify the Army Guard for future generations.

The Secretary of Defense has the legal authority to authorize a reserve component to exceed authorized strength by up to two percent. This flexibility provides the Army National Guard the room to grow to 357,000 strong.

Our recruiting team is examining bonuses, incentives, benefits, and other recruiting and retention programs. We are evaluating rewards versus risks to find the right balance between the patriotic willingness to serve and the incentive bonuses that encourage young people to accept the tangible and intangible benefits of service to their nation and their home state.

Given the threats our nation faces at home and abroad, a robust Army National Guard is essential to the security of the American people. Thanks to the support of Congress in the past and some innovative new thinking and new approaches in the National Guard, your Army National Guard is experiencing historical recruiting and retention success. Patriotic Americans are joining and staying in the Army National Guard in record numbers. With adequate funding and authority, this success can become a strong foundation for present and future end strength.

I appreciate the opportunity to appear before you today and invite your questions or comments.

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STATEMENT BY

MG THOMAS P. BOSTICK

COMMANDER, UNITED STATES ARMY RECRUITING COMMAND

UNITED STATES ARMY

BEFORE

MILITARY PERSONNEL SUBCOMMITTEE

HOUSE ARMED SERVICES COMMITTEE

UNITED STATES HOUSE OF REPRESENTATIVES

FIRST SESSION, 110<sup>TH</sup> CONGRESS

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HOUSE ARMED SERVICES COMMITTEE

Chairwoman Davis, Representative McHugh and distinguished members of the Committee, thank you for providing me the opportunity to appear before you today on behalf of the Army's recruiting force. I also want to thank you for supporting our initiatives to improve incentives and bonus programs to attract the very best Soldiers. I take tremendous pride in saying that today's All-Volunteer Force is actually an "all-recruited" force and they are proudly representing our Nation throughout the Army.

In Fiscal Year 2005, the Army did not achieve its Regular Army recruiting mission in accessing 73,000 of its required 80,000 mission. Additionally, the Army only achieved 19,400 of the required 22,175 Reserve mission. The Army Recruiting Command was then reinforced with additional manpower, resources and incentives, and as a result, enlisted 13,000 more Soldiers for the Regular Army and Army Reserve in FY 06 than in FY 05 to achieve the Regular Army mission and 99% of the Army Reserve Mission. It was obvious we made the right adjustments at that time, and we knew what we needed to do. However, adequate resources are not always enough to ensure success. We must now overcome the increasingly unpredictable recruiting environment that resulted in a very difficult May and June FY07 for the Regular Army and continues to place our annual mission accomplishment at risk.

***Risk to the FY07 Regular Army 80K Accession Mission***

There is a historical seasonal pattern within Army recruiting where the mission is more challenging in the late winter and spring and somewhat easier in the summer and fall. Through late May, we projected to close out the FY at or above 80K based upon our forecast models. In early June, we realized that the normal summer surge was not materializing to the extent we anticipated and there was potential to miss the 80K mission.

We took the following actions:

- Increased incentives and heavily promoted the 2-year enlistment option.
- Established a “superleads program” to help us refine nearly one million leads to identify those with the highest potential to enlist, saving our recruiters valuable time and allowing them to focus on prospecting.
- Issued an Operational Mission to our recruiting force for each recruiter to write six contracts between the end of June and September, with four to access in this FY.
- Increased the Regular Army Quick Ship Bonus to \$20,000 for all Military Occupational Specialties that ship within 30 days during the remainder of FY07.
- Requested additional Soldiers graduating from Advanced Individual Training to serve as Hometown Recruiter Assistants and returning Combat Veterans to serve as Special Recruiter Assistants to tell their Army stories and influence prospects.
- Re-emphasized the \$2,000 Referral Bonus Program throughout the Army.
- Requested the temporary return of up to 1,000 former successful Recruiters to augment our recruiting force.
- Requested General Officer assistance to help the Recruiting effort in communities across America. These distinguished officers have volunteered to speak in their hometowns, schools, colleges and at events wherever influencers and prospects are in attendance.

We believe these new efforts and the commitment of our Recruiting force are the necessary tools to help us achieve our recruiting mission this year. We need your support to help the Army mobilize the Nation behind this effort.



***Recruiting Environment***

For the first time since the implementation of the All-Volunteer Force, we are recruiting during a period of protracted combat. Today's recruiting environment is incredibly challenging. Less than 3 out of 10 of our Nation's youth are fully qualified for service in the Army due to disqualifying medical conditions, criminal records, or low aptitude test scores. The Army competes head on with industry, a robust economy, and with higher education for the same high-quality youth. Today, parents and influencers are less likely to encourage their family members and other young adults to join the military. Propensity, the desire to enlist in the Armed Forces, is at its lowest point in two decades.

Despite the challenges in the current environment, I am proud to say nearly 70 thousand Americans have stepped forward to enlist in the Regular Army and Army Reserve this year. Our Soldiers are proudly serving with distinction as indicated in numerous emails, letters, and personal phone calls with commanders throughout the Army. They are also re-enlisting in record numbers, particularly those in combat. No amount of money would be enough to convince them to continue to serve, if they did not believe in what they were doing. We have the best trained, best equipped, and best led Army in the world. Our volunteer Soldiers are re-enlisting because they believe in their Nation, they believe in their flag, and they believe in each other. Each of these Soldiers became heroes for this Nation the day they decided to enlist in our Army.

Recent Congressional incentives for recruiting such as the \$2,000 referral bonus program and increased enlistment bonus caps have provided the Army the necessary tools to attract the men and women who want to serve our great Nation during these challenging times. There are many

good news stories that never make it to the evening news, so we rely heavily on important public influencers, such as the assembled committee membership, to help us tell the Army Story. I am confident that, with your continued support, we will meet the needs of our all-volunteer Army.

### ***Funding***

Through Congress and the Department of Defense, the Army and its senior leadership have provided Recruiting Command the support we have asked for to accomplish our mission. FY07 funding levels allow the Command to satisfy all recruiter support requirements. When additional resource requirements are identified and made known to the Senior Army leadership, they take immediate action to meet those requirements. The challenge is often one of timing. As the environment changes, we must be able to adapt quickly. Train-up of new recruiters and the development of new advertising, for example, require long lead times. We must continue to improve our market intelligence and assessment of the environment and the actions necessary to mitigate risks to the mission in a timely fashion.

### ***Quality***

All Soldiers serving in our Army are qualified to serve. We strive to achieve the goals of the Department of Defense and the Department of the Army, which are 90 percent High School Diploma Graduates (HSDG), 60 percent test score category I-III A, and no more than 4 percent test score category IV. The Army does not accept applicants scoring in the lowest category on the Armed Services Vocational Aptitude Battery, test score category V. In FY06, the Regular Army fell short in the area of HSDG, achieving 81 percent. Currently, we anticipate achieving approximately 80 percent HSDG, 60 percent test score category I-III A and

4 percent category IV this FY. The Army Reserve is currently meeting the quality goals.

Field commanders are very pleased with the men and women now serving in their formations, some of whom are not high school diploma graduates or may have received a waiver to serve in our Army. While the Department of Defense goal for High School Diploma Graduates is 90 percent, the national average for high school graduation is approximately 70 percent. In some urban areas, the graduation rate is less than 50 percent. The Secretary of Education has called the declining graduation rates in this country a "Silent Epidemic." The high school graduation rates are of significant concern to the Army. Additionally, millions of those who graduate from high school cannot score well enough to serve in our Army, despite their strong desire to do so. The Army has established education programs such as March2Success and our GED Education Plus Program in order to provide an academic second chance for the youth of America and to give them an opportunity to serve in our Army.

Regardless of their education credential or test scores, every applicant we enlist is qualified to serve. I have witnessed their outstanding performance first-hand during my own deployment to Iraq, and commanders in the field are extremely proud of their Soldiers.

### ***Waivers***

We have a very solid process for reviewing and approving all waivers. Of the Army's Fiscal Year 2006 accessions in the Regular Army and Army Reserve, 85 percent entered the Army without a waiver. The number of waivers this year has increased. So far this year approximately 9 percent of all applicants needed a medical waiver, 12 percent a moral waiver, and

less than 2 percent needed a waiver for a positive drug and alcohol screening test.

We believe this increase is partly a result of changes in society, changes in policy and our improved processing procedures. In the past few years, we streamlined the waiver process from weeks to days, providing recruiters with less reason to turn away applicants who need waivers and resulting in more applicants staying with the Army enlistment process.

Relative to societal changes, according to FBI Uniform Crime Reports, since 2000 there has been a 14 percent increase in crime, which affects our market. The top four crimes as reported by the FBI are Drugs (Narcotics), Burglary, DUI, and Stolen Property. These four offenses coincide with the top four felony offenses waived by USAREC and result in an impact to our target market.

In FY06, 86 percent of our moral character waivers (RA/AR) were for misdemeanors (7,202 of 8,330). In certain circumstances, we have granted waivers for serious criminal misconduct to include certain felony offenses. These waivers undergo intense scrutiny and require General Officer review and approval. Some examples are:

- Terrorist Threats – an 18 year-old who made a false bomb threat to get out of class, who is now 20 years old with an expunged record
- Throwing Missiles onto Highway (felony) – a 12 year-old threw rocks at passing cars, received community service as punishment and is now 22 years old

We conduct a very thorough examination of the facts, circumstances and the legal disposition of the charges prior to allowing individuals to enlist in

our Army with a moral waiver. These men and women enter our Army, grow and mature as a result of Army training, teamwork, exposure to Army Values and to the Warrior Ethos. I am confident that our process is sound and in the best interest of the applicant, the Army and our Nation.

***Recruiter Misconduct and Impropriety***

Recruiters are the Army's ambassadors across the Nation and hold a position of trust with the young people and influencers in our communities. There is a small percentage of the force that violates that trust. In FY06, 16 percent of our approximately 8,000 recruiters were investigated for recruiting impropriety allegations, and approximately 200 recruiters (less than three percent) had substantiated allegations. We investigate every allegation of recruiting misconduct and impropriety and take appropriate action.

We have a multi-pronged approach for preventing recruiter misconduct: starting with the recruiter selection process, a prescriptive training program, routine standard inspections and enforcement down to recruiter level, and reinforcement of discipline through command information and command presence on a weekly basis. We have instituted a "buddy system," where a recruiter must be accompanied by another recruiter when in the company of an applicant of the opposite gender. In some locations where there have been allegations of recruiters misleading applicants, as a test, we have installed cameras in selected recruiting stations to record all conversations. Our leadership is required to conduct proactive and regular discussions of Army Values and what they mean in a recruiting environment. We also schedule an annual Army Values/Safety Stand-down Day with all command personnel, which is reinforcement of what it means to be an American Soldier.

Each year, our recruiters have millions of contacts with the American public. Our ability to recruit successfully depends upon the public's belief in our commitment to recruiting with integrity.

***Recruiter Access to Schools***

The No Child Left Behind Act (NCLB) provided Armed Forces recruiters access to student recruiting information and the same access to students enjoyed by colleges and prospective employers. However, the current legislation contains limitations that prevent military recruiting services from receiving student information in the following ways:

- The military can be singled out when students or parents "Opt-Out" from having their contact information released to the military. In the same schools, there is no opt-out option against postsecondary schools or prospective employers receiving contact information.
- There is no timeframe for a school to provide the student information upon request by the military recruiting services. We have instances where schools have promised repeatedly to provide the list, but ultimately give it to our recruiters too late in the year to be of much use.

There is a growing effort to oppose the No Child Left Behind legislative provisions that provide access and release of student information to the military, to include pressure to change the law from "Opt Out" to "Opt In." We desire the opportunity to tell the Army story to young adults and let them decide for themselves whether or not service in our Army is the right choice to help them reach their full potential. Access to our Nation's schools and student information is critical to this effort.

We need your help to ensure all our Nation's youth have the opportunity to hear what the Army has to offer.

***Conclusion***

Recruiting during a time of protracted war is challenging, and this has been a difficult year. The challenging environment, with a strong economy, low unemployment rate, low propensity to enlist and influencer resistance to the young people in their lives joining an Army at war make FY07 one of the most challenging times in the history of the All-Volunteer Force. However, in spite of the challenges, more than 70,000 Americans have made the commitment to join our Army and Army Reserve.

I am confident that our recruiters will maximize the resources you have given them in order to achieve our mission. While public support for our Soldiers remains Strong, we need more Americans to step forward and serve our Nation, a nation at War. I thank you for your commitment to assist Army recruiting, and ask for your continued support to encourage Americans to answer our Nation's call to duty.

Thank you again for the opportunity to appear before you today and I look forward to answering your questions.





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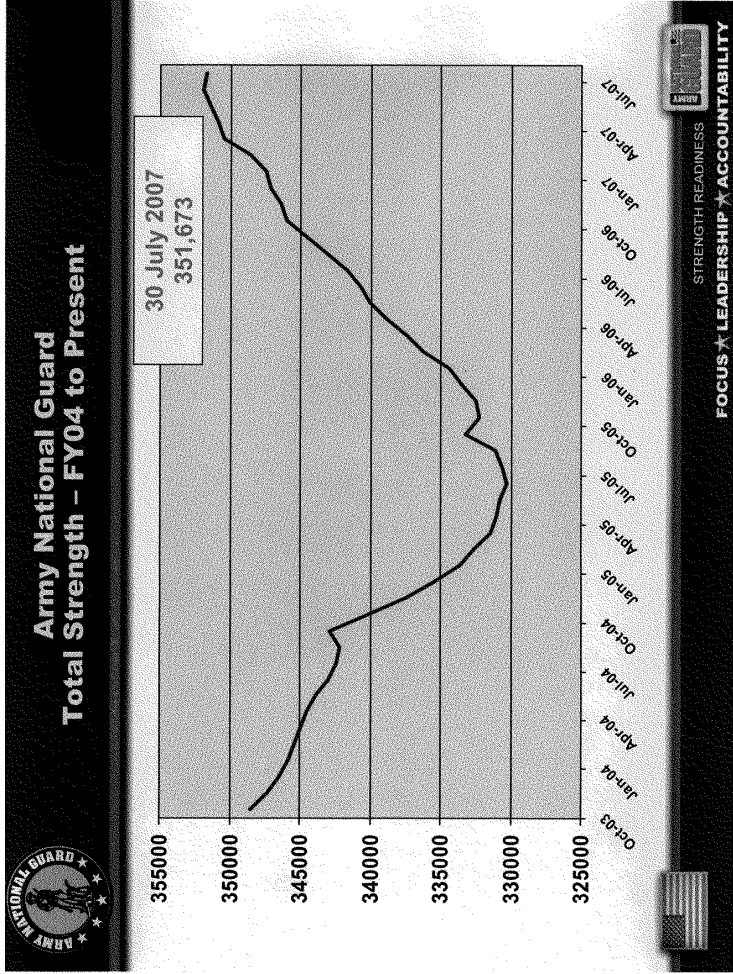
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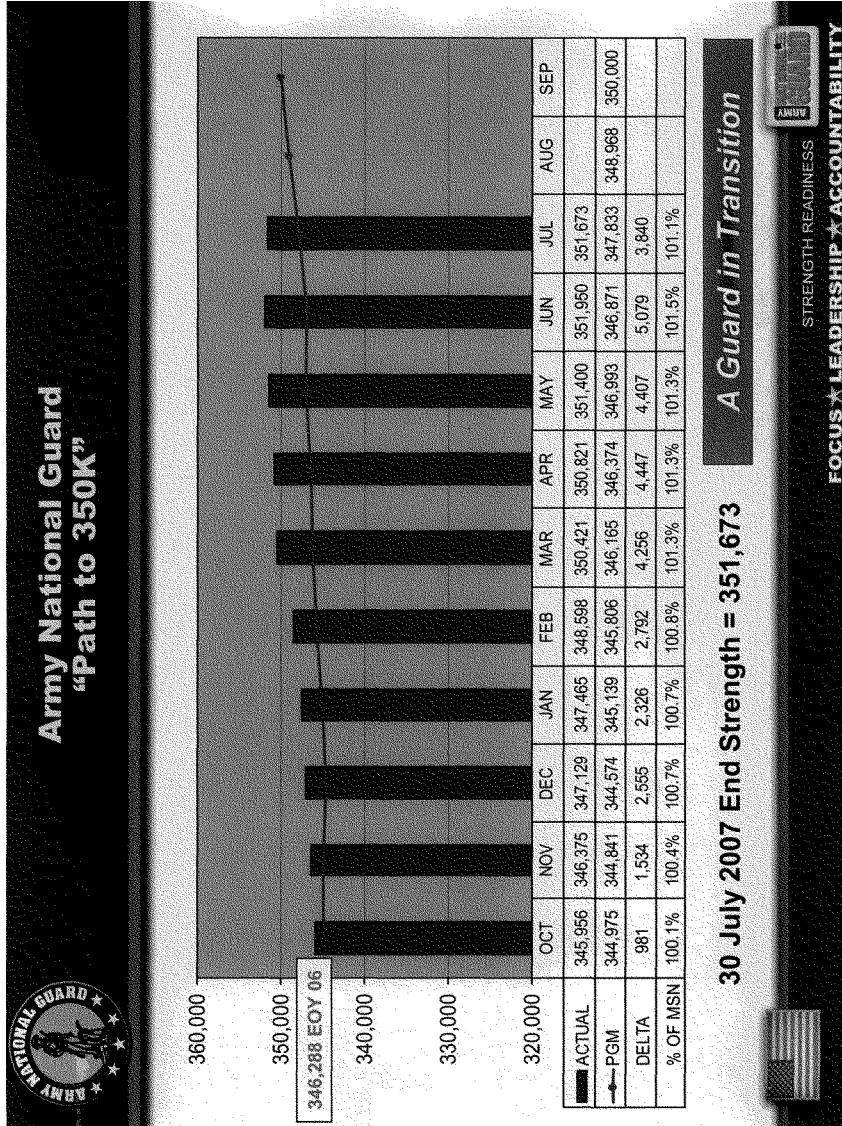
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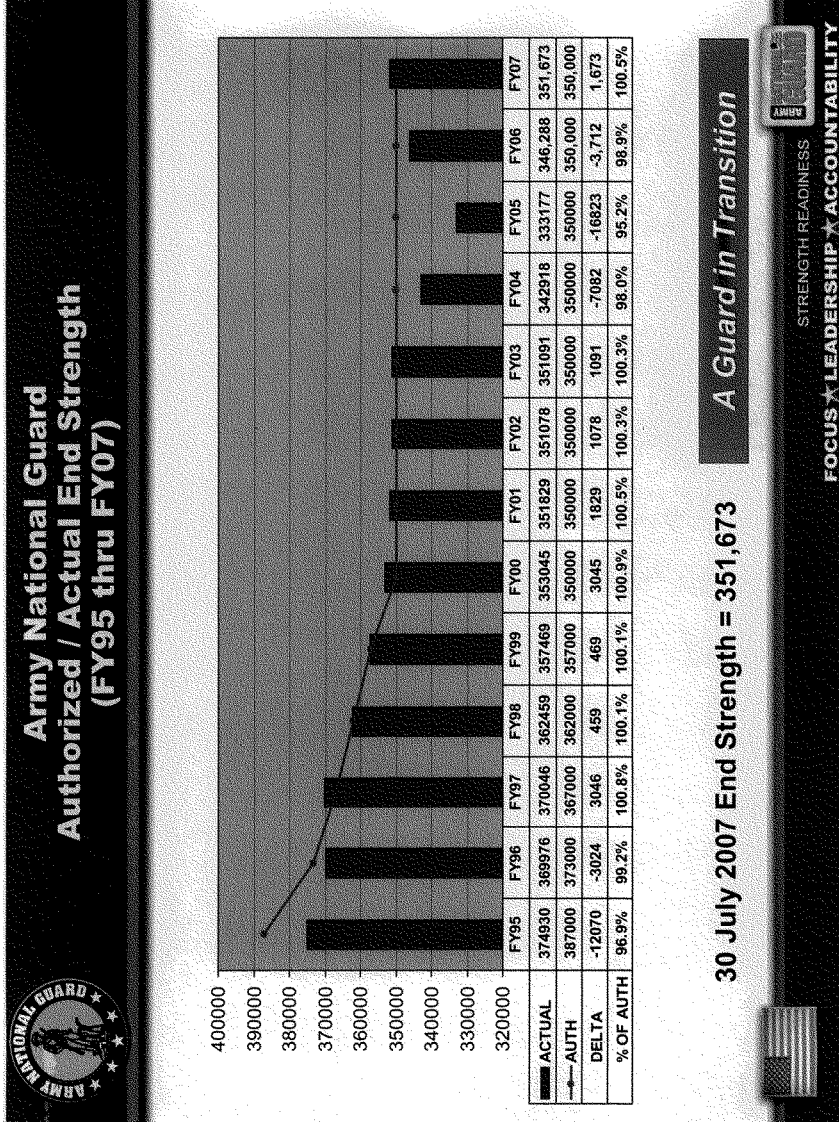
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30 July 2007 End Strength = 351,673

*A Guard in Transition*



STRENGTH READINESS  
**FOCUS ★ LEADERSHIP ★ ACCOUNTABILITY**



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**QUESTIONS AND ANSWERS SUBMITTED FOR THE  
RECORD**

AUGUST 1, 2007

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### **QUESTIONS SUBMITTED BY MRS. DAVIS OF CALIFORNIA**

Mrs. DAVIS. Could you please just share with us what are some of the special needs categories that you have? And are bonuses working in that regard to help to supplement, certainly, the needs that are out there? Where are they? And what is being done to recruit those individuals?

General ROCHELLE. The following specialties are considered critical needs: Special Forces, Field Artillery, Air Defense Artillery, Aviation, Communications and Information Systems Operations, Medical, Transportation, and Supply and Services. These Military Occupational Specialties are targeted to fill critical skills, which results in increased unit readiness and capability to meet operational and mobilization requirements.

Targeted bonuses have been an effective management tool in attracting quality recruits into these skills and permitting the Army to shape the force to meet our mission requirements. It is essential that the Army remains competitive with the other services and with other civilian alternatives. A strong incentives package supports the Army's ability to attract the best talent available. Therefore, it is imperative to review the maximum bonus amounts annually to ensure the incentives keep pace with inflation.

The Regular Army implemented the \$40K enlistment bonus program. The previous enlistment bonus ceiling for the Regular Army was \$20K. The Army Reserve and Army National Guard implemented the \$20K non-prior service (NPS) enlistment bonus. The previous non-prior service (NPS) maximum for the Reserve Components (RC) was \$10K. Statutory authority was also approved for an inter-service transfer bonus of \$2.5K. The Army used the existing bonus authorities in the latter part of FY07 by increasing quick ship bonuses in critical skills.

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### **QUESTIONS SUBMITTED BY MR. MCHUGH**

Mr. MCHUGH. General Rochelle, you tell me it is \$155 million for direct payment to there. That leaves about \$700 million that the reprogramming request seeks to move out of active Army personnel accounts. Yes?

Well, you are wrong. It is \$845 million, and I hate to be the bearer of bad tidings here, but that is the problem. I don't know, maybe the Administration has given us bad figures or they are giving you bad figures, but somebody has bad figures here.

Secretary DOMINGUEZ. The Army reprogrammed \$845M in FY07 from MPA (\$790.9M from BA2, Enlisted Pay and Allowances and \$54.1M from BA4, Subsistence in Kind). From the \$845M, \$690M went to the National Guard and \$155M went to the Air Force to return a FY05 transfer. The reason for the excess in MPA was due to overestimating the RC mobilization for FY07. The Army's supplemental budget request assumed that an average of 86,700 Reserve Component soldiers would be mobilized over the course of the fiscal year, including additional RC mobilization pay for forces extended or deployed in support of the theater plus-up/surge. The latest estimate is that an average of 71,900 RC soldiers will be mobilized. This under execution is due primarily to fewer RC personnel mobilized in support of the surge than projected, mobilization of other Service personnel in lieu of Army, and delayed mobilizations due to the Secretary of Defense policy on Utilization of the Total Force.

The funding for recruiting and retention for FY07 was sufficient. In FY07, the Army has exceeded the year to date (YTD) mission at all times, and made the monthly recruiting goal in all months except May and June. The shortfall in May and June was unexpected, and the Army began to increase recruiting incentives in anticipation of a continued shortfall in the remaining 4th Quarter FY07. The new incentives have been a success, as the shortfall expected for July through August never materialized. However, since all enlisted bonuses are paid to recruits when they arrive at their first active duty unit, all recruits who enlisted in the 4th Quarter will not receive their bonuses until FY08.

Therefore the excess money in FY07 MPA (from the overestimate of the RC mobilization) could not have been used for new recruiting incentives, such as the Quick Ship Bonus, which was not offered until the 4th Quarter in FY07.

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**QUESTIONS SUBMITTED BY MR. KLINE**

Mr. KLINE. I hate to jump back into the discussion that Mr. McHugh was having because there is a lot of money and there are a lot of dates and it is kind of confusing to all concerned.

We have the issue of reprogramming that is going to get us to the end of this fiscal year, and then we have the issue of what is it going to take in 2008.

Do you have both of those numbers?

General VAUGHN. The Omnibus reprogramming action required for the ARNG for FY07 in recruiting and retention and bonuses is \$233 million in National Guard Pay and Allowance and \$227M in Operations accounts. In FY08 to reach the OSD funded end strength level of 351.3K it will require a total of \$1.8B. This breaks out to a base budget of \$651M and \$1.2B in Supplemental dollars.

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**QUESTIONS SUBMITTED BY DR. SNYDER**

Dr. SNYDER. What percentage of obese men and women that want to get in are we letting in?

General BOSTICK. For the year 2006, 968 Soldiers came in the Army with an ARMS waiver. From January through April 2007, the most current data we have, 705 men and women have come in with the ARMS waiver. For the Army Reserves the figures are 148 for 2006 and 114 for 2007 (January through April); and for the National Guard 280 for 2006 and 15 for 2007 (January through April).

Dr. SNYDER. Do you think that the system can handle substantially more numbers of new recruits if there was a fairly dramatic increase?

General ROCHELLE. The Army conducts an in-depth analysis annually of the equipment, manpower, infrastructure and training support systems required to train the recruiting mission during the Structure Manning Decision Review. The analysis addresses the volume and flow of Army Trainees and the infrastructure requirements needed to train them at each installation.

The Army uses the Training Resource Arbitration Panel to analyze of the impacts to equipment, manpower, infrastructure and training support systems based on changes to the Army's Accession Plan in the execution year.

The Army is currently conducting the (TATC) study to identify the operations and infrastructure requirements for the Army's individual training. The Army's Training and Doctrine Command (TRADOC) is responsible for analyzing the Initial Military Training (IMT) for officer and enlisted Soldiers at 33 military schools and five training centers and is using the FY 2009 Army Program for Individual Training as the basis for analysis.