

**Honorable Thomas F. Hall
Assistant Secretary Of Defense For
Reserve Affairs**

Before the

**Senate Armed Services Committee
Subcommittee on Personnel**

**Commission on the National Guard and Reserves
and
Reserve Component Programs**

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Assistant Secretary of Defense for Reserve Affairs

Secretary Thomas F. Hall, a native of Barnsdall, Oklahoma, was sworn in as the fourth Assistant Secretary of Defense for Reserve Affairs on October 9, 2002. A Presidential appointee confirmed by the Senate, he serves as the principal staff assistant to the Secretary of Defense on all matters involving the 1.2 million members of the Reserve Components of the United States Armed Forces. He is responsible for overall supervision of Reserve Component affairs of the Department of Defense.



Secretary Hall is a retired two-star Rear Admiral having served almost 34 years of continuous active duty in the United States Navy. He is a distinguished and decorated Naval Aviator, who served a combat tour in Vietnam. He has performed in numerous high level staff, command, and NATO positions during his career. He commanded Patrol Squadron EIGHT, Naval Air Station Bermuda, and the Iceland Defense Force. His final military assignment was as the Commander/Director/Chief of Naval Reserve. His military awards include the Distinguished Service Medal, Defense Superior Service Medal, Legion of Merit, Air Medal, and various other personal and unit decorations. He was awarded the Order of the Falcon, with Commander's Cross, by the President of Iceland in recognition of his accomplishments and service as Commander Iceland Defense Force. In 2000, he was given the International Partnership Award for his service to the United States and Iceland. He has been inducted into the Oklahoma Military Hall of Fame. In 2003, he was given the National Service Award for Leadership by the Federal Law Enforcement Foundation. In 2004, he was given the National Citizenship Award by the Military Chaplains Association of the United States. In 2005, he was given the Admiral Jackson Award by the Reserve Officers Association. In 2006, Secretary Hall was inducted into the Reserve Officers Association Minuteman Hall of Fame. Also in 2006, he was awarded the Department of Defense Medal for Distinguished Public Service, for his outstanding performance as the Chief Negotiator heading an interagency team involved in delicate bi-lateral discussions.

Secretary Hall attended Oklahoma State University for one year before entering the United States Naval Academy in Annapolis, Maryland. In 1963, he graduated from the Academy with a bachelor's degree in Engineering and was named as one of the top 25 leaders in his class, having commanded both the top Battalion and Company. He was, also, awarded the Brigade Intramural Sports Trophy. In 1971, he received a master's degree in Public Personnel Management from George Washington University. He graduated with highest distinction from the Naval War College; with distinction, from the National War College; and from the National Security Course at Harvard University. He was selected as a Fellow and served on the Chief of Naval Operations Strategic Studies Group.

Secretary Hall has served on the Boards of Directors of numerous nonprofit organizations that are supporting the needs of our veterans and citizens in general. Prior to returning to government service, Secretary Hall served as the Executive Director of the Naval Reserve Association for six years. The Naval Reserve Association is a 501 (c) (3) nonprofit veterans' organization that represents over 23,000 Naval Reserve officers, members, and their families.

Secretary Hall is married to the former Barbara Norman of Jacksonville, Florida. They have one son, Thomas David Hall.

INTRODUCTION

Chairman Nelson, Senator Graham, and members of the committee, thank you for the invitation to appear before you today. I would like to provide an overview of the Reserve components from my perspective, then describe the Department's plan to act on recommendations made by the Commission on the National Guard and Reserves in its final report, and close with comments on the Yellow Ribbon Reintegration Program.

As a whole, the Reserve components exceeded their recruiting objective by 5% in FY 2008 and were below the established attrition ceiling. They are on the glide slope to achieving their recruiting goals this year. A large measure of this success is due the increase in compensation and enhancements in benefits you have authorized over the last six years; thanks to you. Relieving the stressed career fields is just about complete and, although we continue to work on equipment and medical readiness, we have made great strides in the overall readiness of the Reserve components. Over the past seven and a half years, there has been a profound increase in the contributions the Reserve components have provided to support the war effort. We have asked a great deal of Guard and Reserve members and they unfailingly answer the call to duty.

I have been fortunate to serve as the Assistant Secretary for Reserve Affairs for the past six and a half years. During this time, the Department has implemented numerous policy changes and Congress has passed over 200 changes in law that have improved the management of the Reserve components and enhanced the pay and benefits provided to Guard and Reserve members, and their families.

I believe that the success we have enjoyed in recruiting new members into the Reserve components and retaining Guard and Reserve members is a direct reflection of the pride they have in serving our great country and the significant enhancements

provided by Congress in compensation (basic pay, allowances and incentives) and benefits now available to Guard and Reserve members and their families.

Three years into the war following the terrorist attacks on the World Trade Center and the Pentagon, this Committee had concerns with the number of changes in laws governing the structure and employment of the Reserve components and the pay and benefits provided to Reserve component members and their families as the Department increased its reliance on the Guard and Reserve to provide operational support. Congress determined that a comprehensive assessment by an independent entity was needed and included a provision in the Ronald Reagan National Defense Authorization Act for Fiscal Year 2005 that established the Commission on the National Guard and Reserves. Congress charged the Commission with carrying out a study of the roles and missions of the National Guard and the Reserve components, and the compensation and other benefits, including health care benefits that are provided for members of the Reserve components under the laws of the United States.

After nearly two and a half years of study, the Commission released its final report on January 31, 2008. The Commission organized its report into six major areas and made 95 recommendations supported by 163 findings.

THE DEPARTMENT'S REVIEW OF THE REPORT

Immediately following the release of the final report, the Secretary directed the Under Secretary of Defense for Personnel and Readiness to establish a working group of senior executives to conduct a comprehensive review of the report and provide him with a proposed course of action for each of the Commission's 95 recommendations. I led that working group, which was comprised of 28 general/flag officers and senior civilian executives from the OSD staff, the Joint Staff, the Military Departments and Services, the National Guard Bureau, U.S. Northern Command, the Reserve Forces Policy Board, the

Departments of Homeland Security, Veterans Affairs and Labor, and the Small Business Administration.

Following a comprehensive review of the report and assessing the recommendations made by the Commission, the working group provided the Secretary with a fully coordinated, comprehensive plan for addressing the Commission's recommendations. The Secretary published his decision in a memorandum dated November 24, 2008, which directed the Department to act on 82 of the recommendations. Of the 82 recommendations, the Department already had action under way or had completed action on 29 recommendations. He deferred two recommendations to other departments in the Executive Branch because those recommendations involved issues that were under the purview of those departments. Finally, he directed that no action be taken on eleven recommendations.

OVERVIEW OF ACTION TAKEN BY DOD

In addition to continuing the actions already under way, the Secretary directed that detailed implementation plans be developed no later than December 19, 2008, for the 53 recommendations requiring new action. This resulted in 119 individual implementation plans, which have been approved by the Secretary. My office is tasked with monitoring the implementation plans and providing the Deputy Secretary with an update on our progress every six months.

A detailed description of the actions being taken by the Department in response to the recommendations made by the Commission is contained in the report required by section 906 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, which will be submitted to Congress next month. However, I would like to provide the committee with highlights of some of the more significant actions the Department is undertaking.

I. Creating a Sustainable Operational Reserve

One of the most notable findings made by the Commission was that the “...nation requires an operational reserve force, but that DOD and Congress...have not formally adopted the operational reserve. Steps taken...have been more reactive than proactive, more timid than bold, and more incremental than systemic. They thus far have not focused on an overarching set of alterations necessary to make the reserve components a ready, rotational force. Congress and DOD have not reformed the laws and policies governing the reserve components in ways that will sustain an operational force.” While we believe that the actions taken by the Department and by Congress were thoughtful, proactive and appropriate as reliance on the National Guard and Reserve has increased, we did agree that we needed to formally recognize the operational role of the National Guard and Reserve within the total force and to establish a systematic approach to managing the National Guard and Reserve in their operation role as well as their strategic role. To accomplish this, the Department published DoD Directive 1200.17, *Managing the Reserve Components as an Operational Force*, on October 29, 2008. This directive established the Secretary’s principles and overarching policies for managing the Reserve components in their operational and strategic roles. The importance the Secretary placed on this directive is demonstrated by the fact that he signed the directive, rather than the Deputy Secretary signing the directive which is the normal practice.

Institutionalizing policy guidance on managing the Reserve components in the total force in a DoD directive is a major milestone, since previous statements concerning the Reserve components as part of the total force were simply provided in a series of Secretary of Defense memoranda dating back to 1970. This directive addresses the Commission’s concern that the Department has not formally adopted the operational reserve in ways that will sustain the Reserve components as an operational force.

The management principles established in the directive will ensure that the operational employment of the Guard and Reserve will be sustained, with rules governing the frequency and duration of activation. These rules are based on the principle of judicious and prudent use of the Reserve components and provide predictability to the member, family and civilian employer.

II. Enhancing DoD's Role in the Homeland

The Commission expanded on the recommendations made in its March 2007 report regarding homeland defense and defense support to civil authorities. In fact several of the January 2008 recommendations duplicated recommendations contained in the March 2007 report. The Department has completed action on most of the March 2007 recommendations and has initiated several comprehensive assessments based on the recommendations in the January 2008 report. These include an assessment of the statutory authorities to provide support to civil support, an assessment of the adequacy of the plans of U.S. Pacific Command, U.S. Northern Command, and the National Guard Bureau to deal with a major catastrophe that has incapacitated the civilian government over a substantial geographic area, an assessment of the current and future roles of all components in homeland defense and civil support and the training for homeland defense and civil support activities, and an assessment of the military force posture and distribution of capabilities to respond to domestic emergencies in addition to those already required by law.

The Commission also recommended that the National Guard and Reserves have the lead role in, and form the backbone of, DOD operations in the homeland. We believe that this is a total force responsibility and should not discount any military capabilities that might be needed in the event of a major disaster in the homeland, whether natural or manmade. But do recognize that there are particular competencies and in some cases

unique capabilities resident in the Guard and Reserve that could be called upon to respond when a major disaster occurs

III. Creating a Continuum of Service: Personnel Management

The Commission recommended that over time the Defense Officer Personnel Management Act (DOPMA) and the Reserve Officer Personnel Management Act (ROPMA) should be merged. It further recommended that as an interim step to facilitate the transition, a single commission should be created in lieu of a regular and reserve commission, which has become an administrative barrier for officers to move between components under our continuum of service construct. These are both complex undertakings which will require time to fully explore, but the Secretary has tasked us to do just that. My office has the lead for both of these initiatives.

The Commission made a number of recommendations concerning joint officer management. The recently published DODI 1300.19, *DoD Joint Officer Management Program*, includes criteria for Reserve component officers to receive the same joint officer designation as their active duty counterparts. With Active, Guard and Reserve officers serving side-by-side in joint commands and task forces, it is important that they are given the same joint designation. Reserve component officers, whether serving full-time or less than full-time, can be designated as a joint qualified officer under the standard path (the traditional path to joint designation) and the new experience path. The Secretary also directed that we develop a plan to expand opportunities to complete Joint Professional Military Education Phase II outside the traditional in-residency program. Providing Reserve component officers with the opportunity to become joint qualified will enable them to successfully compete for the most senior leadership positions within the Department.

We are reviewing the number of duty statuses under which Guard and Reserve members may serve. Currently there are 29 different duty statuses. Because each has a

specific purpose or specific funding source, it is not unusual for a member to change duty statuses, even though serving continuously on duty. This is disruptive to the member, the family and the command. The desired outcome of our review is to significantly reduce the number of duty statuses while retaining sufficient oversight and specificity to justify the budget request. While the exact number has not yet been determined, I anticipate a substantial reduction in duty statuses but it is highly unlikely, and probably not desirable that we will get to only two duty statuses as suggested by the Commission—on duty or off duty.

The Secretary did not support the Commission's recommendations to remove endstrength limits or to eliminate Active Duty for Operational Support. These provisions were enacted to enable Congress to monitor manpower management within the Department and they provide the Department with useful metrics to help manage the force.

IV. Developing a Ready, Capable and Available Operational Reserve

Developing and maintaining a ready, capable and available operational reserve can only be accomplished if it is properly resourced. "Funding an operational reserve" was one of two special interest items identified in the Secretary's guidance. Balancing resource requirements across the Department is always a challenge. Recognizing that the Services must properly resource the Guard and Reserve consistent with their force generation plans, the Secretary directed that each biennial Program Budget Review shall propose appropriate funding for the readiness requirements necessary to prepare and employ the Reserve components in their operational roles, based on the level of persistent conflict, and published utilization and fiscal guidance.

The second item of special interest was the recommendation involving visibility and accountability of equipment for the Guard and Reserve. The Department has

examined its current processes and determined a course of action for improved financial transparency and accountability of Guard and Reserve equipment, from funding to equipment delivery. This plan will include a Department-wide implementation of enhanced President's Budget Justification Material coupled with a focused effort to improve tracking of equipment procurements to their delivery, as well as a disciplined semi-annual report to the Congressional Defense Committees notifying them of any funding or delivery changes throughout the appropriation cycle. These improvements, targeted for FY 2010, will also provide the rigor and reporting structure necessary to support annual certification of equipment receipt within the National Guard, as required by sections 351 and 1826 of the National Defense Authorization Act for Fiscal Year 2008.

Further, the Secretary directed an assessment of equipment requirements for the Active component and Reserve component (as appropriate) for homeland defense, domestic emergency response and military support to civil authorities, in accordance with section 1815 of the National Defense Authorization Act for Fiscal Year 2008.

Full-time support personnel are critical to readiness. The level and mix of full-time support personnel for a strategic reserve is not necessarily the level and mix of full-time support personnel to ensure readiness of an operational Guard and Reserve. To address this readiness issue, the Secretary directed a comprehensive review of the full-time support program with an individual assessment conducted for each Reserve component. This will provide the foundation for justifying changes needed in full-time support staffing to ensure readiness.

Medical and dental readiness has long been a concern. The amendment included in the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, expanding the authority previously limited to the Secretary of the Army to provide

medical screening and dental screening and treatment for Reserve component members identified as early deployers, now includes the Secretary of the Navy and the Secretary of the Air Force and clarifying the funding source for medical readiness will be very helpful to the Services as they develop plans for funding and providing medical and dental screening and treatment for Reserve component members as directed by the Secretary.

Finally, to help senior leaders monitor the readiness of the Reserve components, the Secretary directed that the Defense Readiness Reporting System be modified to include data on full-time support personnel, individual medical readiness and requirements for defense support to civil authorities.

V. Supporting Service Members, Families and Employers

There have been enormous changes in the pay, benefits and support provided to Guard and Reserve members and their families over the past seven years. Pay and allowances have increased significantly, Selected Reserve members have access to the military health care system regardless of duty status, there are two new educational assistance programs that provide benefit payments that incrementally increase based on the length of service, and we plan to implement the authority for members to transfer the Post 9/11 educational assistance benefits to their spouse and children, in the near future.

To maintain continuity of health care, the Commission recommended that Reserve component members be allowed to enroll in the Federal Employee Health Benefit Program in lieu of TRICARE Reserve Select and that the Department offer a stipend to members who want to retain their family in a private or employer-sponsored health plan in lieu of using TRICARE while on active duty for greater than 30 days. We are assessing both of those options.

The Commission also made several recommendations to expand and enhance the support provided to Reserve component members and their families. The Services and their Reserve components are primarily responsible for delivering support services. But because Guard and Reserve members are geographically dispersed and often do not live near a military facility or their local armory/reserve center, we have been encouraging a joint approach for delivering support services, particularly for Guard and Reserve members and their families.

The Services and their Reserve components have committed to providing support services to members and families at the local level regardless of the member's service or component affiliation. There are two dedicated OSD programs to assist the Services in supporting Reserve component members and their families. The first is the Joint Family Support Program. This program provides financial and material assistance and mobile support services, and sponsors volunteers and family support professionals who deliver support services and coordinate family assistance programs and activities provided by *Military OneSource*, Military Family Life Consultants, counselors, DoD, other federal agencies, state and local agencies, and non-profit entities.

The second and most recent program is the Yellow Ribbon Reintegration Program, which was mandated in the National Defense Authorization Act for Fiscal Year 2008 to provide National Guard and Reserve members and their families with information, services, referrals, and proactive outreach opportunities throughout the deployment cycle. My office was designed lead for this important program and within six weeks of the requirement to establish the program, we opened the Office for Reintegration Programs. We have published guidance on the support required across the deployment cycle—from pre-deployment through reunion and reconstitution. We also worked closely with the Comptroller to secure funding. We have also collaborated with the National Guard Bureau to develop a Decision Support Tool that will allow rapid

deployment of a nationwide calendar of Yellow Ribbon events for our Service members and their families.

But the real success is that the State National Guard and Reserve organizations are delivering support services under the Yellow Ribbon Reintegration Program. The most immediate need was to assist members returning from deployment with reintegration activities being conducted at the 30, 60, and 90 day interval following demobilization. (In fact, so far this fiscal year, the Reserve components have conducted over 160 entire deployment cycle events for over 30,500 Guard and Reserve members, and their families.) During the past year, Service programs have rapidly expanded to also provide enhanced support services before, during and after mobilization and deployment. These Service programs ultimately improve the level of readiness for their deploying personnel.

The DoD Yellow Ribbon Reintegration Program is proving to be extremely successful and I am confident when it fully matures, we will have an extremely robust program that addresses the challenges of deploying to a combat zone and better prepares service members and their families for the challenges they face throughout the deployment cycle.

The Commission included several recommendations regarding employer support. We are evaluating our Employer Support of the Guard and Reserve organization to ensure it is meeting the needs of Reserve component members and is effective in gaining the support of employers. The self employed and small business owners require special attention and over the past seven years we have worked closely with the Small Business Administration to address the unique challenges small business owners face.

VI. Reforming the Organizations and Institutions that Support an Operational Reserve

The Commission recommended that the Secretary develop a new total force policy to achieve the next level of integration among all components. The new DoD directive signed by the Secretary last October on managing the Reserve components as an operational force establishes the next level of integration. Moreover, the actions the Secretary directed to address the recommendations made by the Commission are the substantive steps to further integrate the force. We are also reviewing all DoD and Service regulations to identify and eliminate policies and programs and request amendments to laws that limit the Department's ability to manage personnel and programs as an integrated total force.

Within this area, there were several recommendations on which the Secretary chose to take no action. There were recommendations that called for a complete reorganization of the categories under which the Reserve components are managed. The Commission recommended an operational category and a strategic category. The Department determined that while this concept appeared intriguing, in the end such a change would not improve the management of the Reserve components. This would be more about relabeling the current categories, but could potentially limit flexibility and would more than likely result in adverse resourcing implications—creating the “haves” and “have nots.” Another set of recommendations involved a mix of organizational changes that the Secretary determined were not prudent at a time of unprecedented use of those forces, particularly the recommendation that would eliminate the office established by Congress to oversee and advocate for reserve forces.

CONCLUSION

Overall, the Department's response to the Commission's report and the recommendations made by the Commission was positive, proactive, and aggressive. This

response to a report of this kind was unlike any I have seen, with the Department undertaking nearly 120 new initiatives in addition to actions already under way. The priority the Department places on this undertaking is plainly stated in the January 29, 2009, memorandum approving the implementation plans.

These plans will remove impediments to the employment of the National Guard and Reserve as an operational force, strengthen their role in providing strategic depth, and institutionalize the continuum of service personnel management construct. As such, these plans are part of the Department's top priorities and should be implemented aggressively.

Over the past seven years, there has been a fundamental change in how the Guard and Reserve are used and the high value the Department places on them. There are no more "weekend warriors;" there are only citizen warriors who continue to answer the nation's call to serve.

It has been my pleasure to represent these fine citizen warriors for the past six and a half years as the Assistant Secretary of Defense for Reserve Affairs. I want to close by thanking the members of this committee for your unwavering support for the men and women who serve in the National Guard and Reserve.