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Partnership for Veterans' Education

Towards a Total Force Montgomery GI Bill

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Issue: The nation's active duty, National Guard and Reserve forces are operationally integrated under the Total Force policy. But educational benefits under the Montgomery GI Bill do not reflect the policy nor match benefits to service commitment.

Background. Congress re-established the GI Bill in 1984. The Montgomery GI Bill (MGIB) was designed to stimulate All-Volunteer Force recruitment and retention and to help veterans readjust to the civilian world on completion of their service. Active duty MGIB educational benefits were codified in Title 38, ensuring a readjustment purpose. But the Selected Reserve MGIB program was codified in Title 10 – post-service benefits are not authorized. In the 1980s, Defense policy makers and Congress did not envision the routine use of Guard and Reserve forces for every operational mission, nor did many people perceive a need for a post-service readjustment benefit for Reserve participants. The Reserve MGIB worked well for the first 15 years of the MGIB's existence. Slippage of Reserve MGIB benefit levels and the recognition that there was no readjustment element to the program began to occur at the time that large and sustained call-ups of the Guard and Reserve began following the September 11, 2001 attacks. Congress attempted to respond to this benefit gap by authorizing a second Reserve Title 10 MGIB program for reservists who were mobilized for more than 90 days for a contingency operation. But the complexity of the "Chapter 1607" program, DoD funding challenges, and the difficulty of correlating it with both the original Reserve MGIB ("Chapter 1606") and the active duty program have created a time consuming and cumbersome process for both DOD and VA.

What's Needed. The nation's total Armed Forces need a MGIB that supports recruitment and retention, readjustment to civilian life, proportionality of benefits for service rendered, and ease of administration.

The Total Force MGIB for the 21st Century. The Total Force MGIB has two broad concepts. First, all active duty and reserve MGIB programs would be organized under Title 38. (The responsibility for cash bonuses, MGIB "kickers", and other enlistment / reenlistment incentives would remain with the Department of Defense under Title 10). Second, MGIB benefit levels would be simplified according to the level of military service performed.

What a Total Force MGIB Would Look Like. First, the National Guard and Reserve programs would be integrated with the active duty program in Title 38. Second, benefit rates would be structured as follows:

1. Tier one -- similar to the current Montgomery GI Bill -- Active Duty 3-year rate -- would be available to all who enlist in the active Armed Forces. Service entrants would receive 36 months of benefits at the Active Duty Rate.
2. Tier two: MGIB benefits for a 6-yr enlistment or reenlistment in the Selected Reserve. Benefits would be proportional to the Active Duty Rate. Historically, Selected Reserve Benefits have been 47-48% of Active Duty benefits.
3. Tier three: MGIB benefits for members of the Ready Reserve who are activated for at least 90 days. They would receive month-to-month entitlement to the active duty MGIB up to a maximum of 36 months, at the Active Duty three-year rate (\$1075 per month as of 1 October 2006)

A servicemember would have up to 10 years to use the active duty or activated-service benefit – Tier One and Tier Three – following honorable separation from the military. A Selected Reservist could use remaining Second Tier MGIB benefits while continuing to serve in the SELRES, and for up to 10 years following separation from the reserves, only if the separation were for disability or qualification for a reserve retirement at age 60.

Next Steps. Legislation is needed to re-structure the MGIB under Title 38 and tier benefits to service rendered.