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HEARINGS

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S. 1918

DEFENSE OFFICER PERSONNEL MANAGEMENT ACT
(DOPMA)

BEFORE THE

MILITARY COMPENSATION SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES

HOUSE OF REPRESENTATIVES

NINETY-SIXTH CONGRESS

SECOND SESSION

APRIL 29, MAY 7, 13, 14, AND SEPTEMBER 29, 1980

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(II)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
MILITARY COMPENSATION SUBCOMMITTEE,
Washington, D.C., Tuesday, April 29, 1980.

The subcommittee met, pursuant to notice, at 10:30 a.m., in room 2216, Rayburn House Office Building, Hon. Bill Nichols (chairman of the subcommittee) presiding.

Mr. NICHOLS. Gentlemen, the subcommittee will come to order.

Today, we begin a series of hearings on the Defense Officer Personnel Management Act (DOPMA). This legislation addresses the appointment, promotion, separation, and retirement of military officers.

The House of Representatives has passed DOPMA in the preceding two Congresses; the Senate did not act until last year. The legislation passed by the House is virtually identical to the legislative proposal submitted by the Department of Defense. However, the Senate version, S. 1918, is substantially different, both in terms of philosophy and detail.

The Department of Defense proposal represents, in large part, a reaffirmation of the present way of doing business. It eliminates many of the inconsistencies found today in the statutes and policies of the individual services, but the fundamental operation of the officer personnel management system—a system that has served us well since World War II—remains intact.

The Senate version, on the other hand, represents a change in the underlying structure of the officer force and would require a substantially different officer management system. It would also result in an officer force with significantly different characteristics.

Although the committee has considered this subject in depth in previous Congresses, because of its complexity, because many of the members of the subcommittee are new, and because of the divergence between the defense proposal and the Senate bill, I would suggest that we hold a series of hearings with the objective of focusing in detail on the officer personnel management system and the impact of the various proposals.

[S. 1918 is as follows:]

Sec. 2. References to title 10, United States Code.

TITLE I—AMENDMENTS TO SUBTITLE A OF TITLE 10, UNITED STATES CODE—GENERAL MILITARY LAW

- Sec. 101. Definitions.
- Sec. 102. Annual authorization for officer end strengths.
- Sec. 103. Officer strength and distribution in grade.
- Sec. 104. Regular commissioned officers: Original appointment; how made; qualifications; service credit.
- Sec. 105. Appointment of reserve warrant officers.
- Sec. 106. Temporary appointments; promotion, separation, and retirement of officers on the active-duty list (second lieutenants and ensigns through major generals and rear admirals).
- Sec. 107. Annual reports to Congress; authority to order retired members of regular components to active duty.
- Sec. 108. Reserve officers: grade in which ordered to active duty.
- Sec. 109. Rank of commissioned officers.
- Sec. 110. Outside employment of active duty officers.
- Sec. 111. Medical and dental care of dependents of female members.
- Sec. 112. Separation pay for warrant officers.
- Sec. 113. Separation pay.
- Sec. 114. Separation of regular officers for various reasons.
- Sec. 115. Retirement of regular commissioned officers at age 62.
- Sec. 116. Retired grade of commissioned officers.
- Sec. 117. Computation of retired pay.
- Sec. 118. Officers attending Uniformed Services University of the Health Sciences to be counted against authorized military strength.

TITLE II—AMENDMENTS TO SUBTITLES B AND D OF TITLE 10, UNITED STATES CODE—THE ARMY AND THE AIR FORCE

- Sec. 201. Personnel detailed outside Department of Defense to be counted in computing strengths.
- Sec. 202. Repeal of prohibition on women being enlisted as aviation cadets in the Regular Air Force.
- Sec. 203. Service credit upon original appointment of reserve commissioned officers; Army and Air Force.
- Sec. 204. Exclusion of active-duty list reserve officers of the Army and Air Force from certain provisions relating to reserve officer appointments.
- Sec. 205. Warrant officers; temporary appointment and promotion.
- Sec. 206. Grade in which commissioned officers of the Army and Air Force are ordered to active duty.
- Sec. 207. Chief of Staff to President (Army and Air Force) to be included in authorized strengths.
- Sec. 208. Grade of the Special Assistant to Comptroller of the Department of Defense.
- Sec. 209. Rank, pay, and allowances of Assistant to the Chief of Engineers.
- Sec. 210. Command by commissioned officers of the Army Medical Department and by commissioned officers of the Air Force in certain categories.
- Sec. 211. Termination of appointment or enlistment of regular female members of the Army and Air Force.
- Sec. 212. Retention in active status of certain Reserve officers in the Army and Air Force until age 60.

- Sec. 213. Higher grade for service in special positions.
- Sec. 214. Computation of retired pay (Army and Air Force).
- Sec. 215. Dean of Academic Board and Registrar, United States Military Academy;
Dean of the Faculty and Registrar of the United States Air Force Academy.

TITLE III—AMENDMENTS TO SUBTITLE C OF TITLE 10, UNITED STATES CODE—THE NAVY AND MARINE CORPS

- Sec. 301. Definitions.
- Sec. 302. Rank and privileges of retirement of the Director of the Office of Budget and Reports.
- Sec. 303. Grade of the Chief of Dental Division, Bureau of Medicine and Surgery.
- Sec. 304. Grade of the Chief of Medical Service Corps, Bureau of Medicine and Surgery.
- Sec. 305. Grade of the Chief of Chaplains.
- Sec. 306. Abolishment of position of Assistant Chief for Women.
- Sec. 307. Abolishment of the position of Director of Women Marines.
- Sec. 308. Navy and Marine Corps positions of importance and responsibility; Chief of Staff to the President.
- Sec. 309. Personnel detailed outside the Department of Defense to be counted in computing strengths.
- Sec. 310. Repeal of provisions limiting the number of women that may hold permanent appointments in certain grades in the line of the Navy.
- Sec. 311. Naval Reserve officers in active status in permanent grades above chief warrant officer, W-4.
- Sec. 312. Repeal of certain provisions relating to original appointments of Navy and Marine Corps officers.
- Sec. 313. Removal of discriminatory provisions relating to transfers in line and staff corps, Regular Navy.
- Sec. 314. Original appointment of officers designated for certain duties, Regular Navy.
- Sec. 315. Original appointment of officers designated for limited duty, Regular Navy and Regular Marine Corps.
- Sec. 316. Temporary appointments of Naval Reserve and Marine Corps Reserve officers.
- Sec. 317. Service credit upon original appointment of Reserve commissioned officers; Naval Reserve and Marine Corps Reserve.
- Sec. 318. Assignment of running mates to Naval Reserve and Marine Corps Reserve officers.
- Sec. 319. Examinations for promotion of Navy and Marine Corps officers.
- Sec. 320. Retired officers withdrawn from command.
- Sec. 321. Detail of retired officers to command positions.
- Sec. 322. Removal of limitations on assignment of certain Navy officers to shore duty.
- Sec. 323. Repeal of provision providing different treatment for the discharge of women from the Regular Navy and Regular Marine Corps.
- Sec. 324. Retirement or discharge of limited duty officers of the Regular Navy and Regular Marine Corps.
- Sec. 325. Elimination from active status of Naval Reserve and Marine Corps Reserve officers.
- Sec. 326. Repeal of provision providing different treatment for the termination of appointments held by women officers in the Regular Navy and Regular Marine Corps.

- Sec. 327. Removal of discriminatory provisions relating to the elimination of officers in the Nurse Corps from active status in the Naval Reserve.
- Sec. 328. Recall and retired pay of retired officers of the Regular Navy and Regular Marine Corps.
- Sec. 329. Grade of retired members.
- Sec. 330. Removal of prohibition on women being enlisted as aviation cadets in the Regular Navy and Marine Corps.

TITLE IV—AMENDMENTS TO TITLE 37, UNITED STATES CODE, RELATING TO PAY AND ALLOWANCES

- Sec. 401. Pay grade of officers holding certain positions in the Navy.
- Sec. 402. Computation of pay; service creditable.
- Sec. 403. Subsistence allowance for enlisted members while performing certain travel.
- Sec. 404. Effective date for pay and allowances in certain cases; reimbursement of expenses in connection with certain mess operations.

TITLE V—TECHNICAL AND CONFORMING AMENDMENTS

- Sec. 501. Amendments to subtitle A of title 10, United States Code, relating to general military law.
- Sec. 502. Amendments to subtitles B and D of title 10, United States Code, relating to the Army and Air Force.
- Sec. 503. Amendments to subtitle C of title 10, United States Code, relating to the Navy.
- Sec. 504. Amendments to title 14, United States Code, relating to the Coast Guard.
- Sec. 505. Amendment to title 32, United States Code, relating to the National Guard.
- Sec. 506. Amendments to title 37, United States Code, relating to the pay and allowances of members of the uniformed services.
- Sec. 507. Amendment to the Act of March 31, 1947 (Office of Selective Service Records).
- Sec. 508. Amendment to the Military Selective Service Act.

TITLE VI—TRANSITION AND EFFECTIVE DATE PROVISIONS

- Sec. 601. Grade and promotion status of Army and Air Force officers.
- Sec. 602. Grade and promotion status of Navy and Marine Corps officers.
- Sec. 603. Common provisions for retirement, discharge, and release from active duty.
- Sec. 604. Retirement provisions for Army and Air Force officers.
- Sec. 605. Retirement and discharge provisions for Navy and Marine Corps officers.
- Sec. 606. Placement on the active-duty list.
- Sec. 607. Uniform, pay grade, rank, and title of certain rear admirals.
- Sec. 608. Regular Navy women officers: reappointment and promotion status.
- Sec. 609. Creditable service for various purposes.
- Sec. 610. Grade strengths.
- Sec. 611. Miscellaneous provisions.
- Sec. 612. Effect on suspended provisions of law.
- Sec. 613. Definitions.
- Sec. 614. Separability provision.
- Sec. 615. Effective date.

1 REFERENCES TO TITLE 10, UNITED STATES CODE

2 SEC. 2. Except as otherwise expressly provided, when-
3 ever in this Act an amendment or repeal is expressed in
4 terms of an amendment to, or repeal of, a section or other
5 provision, the reference shall be considered to be made to a
6 section or other provision of title 10, United States Code.

7 TITLE I—AMENDMENTS TO SUBTITLE A OF
8 TITLE 10, UNITED STATES CODE—GENERAL
9 MILITARY LAW

10 DEFINITIONS

11 SEC. 101. Section 101, relating to definitions, is
12 amended—

13 (1) by striking out paragraph (36) and inserting in
14 lieu thereof the following:

15 “(36) ‘Active-duty list’ means a single list for each of
16 the military services (required to be maintained under section
17 620 of this title) which contains the names of all officers of
18 that military service, other than those excluded under section
19 641 of this title, who are serving on active duty.”; and

20 (2) by adding at the end thereof the following new
21 paragraphs:

22 “(37) ‘Competitive category’ means a designated group
23 of officers who compete among themselves for promotion.

24 “(38) ‘Due-course officer’ means an officer on the
25 active-duty list who—

1 “(A) has been on continuous active duty since the
2 date such officer was commissioned;

3 “(B) has not been awarded service credit other
4 than for active commissioned service;

5 “(C) has been selected for promotion each time he
6 has been in a promotion zone and considered for pro-
7 motion;

8 “(D) has never been selected for promotion as an
9 officer below the promotion zone;

10 “(E) with respect to the Navy and Marine Corps,
11 has not lost numbers or precedence; and

12 “(F) is serving in a grade below brigadier general
13 or commodore admiral.

14 “(39) ‘Promotion zone’ means a promotion eligibility
15 category consisting of all the most senior officers on an
16 active-duty list in the same grade and competitive category
17 who—

18 “(A) are designated by the Secretary concerned to
19 be eligible for consideration for promotion to the next
20 higher grade;

21 “(B) have neither failed of selection to that grade
22 nor been removed from a promotion list to that grade;
23 and

1 “(C) if not selected for promotion by the selection
2 board considering them for promotion shall be consid-
3 ered as having failed of selection.

4 “(40) ‘Officers above the promotion zone’ means a
5 group of officers on an active-duty list in the same grade
6 competitive category who—

7 “(A) are eligible for consideration for promotion to
8 the next higher grade;

9 “(B) are in the same grade as those officers in the
10 promotion zone for that competitive category; and

11 “(C) are senior to the senior officer in the promo-
12 tion zone for that competitive category.

13 “(41) ‘Officers below the promotion zone’ means a
14 group of officers on the active-duty list in the same grade and
15 competitive category who—

16 “(A) are eligible for consideration for promotion to
17 the next higher grade;

18 “(B) are in the same grade as the officers in the
19 promotion zone for that competitive category; and

20 “(C) are junior to the junior officer in the promo-
21 tion zone for that competitive category.”.

22 ANNUAL AUTHORIZATION FOR OFFICER END STRENGTHS

23 SEC. 102. Section 138(c), relating to the authorization
24 of active-duty and civilian personnel, is amended by—

1 (1) redesignating paragraphs (2) and (3) as para-
2 graphs (4) and (5), respectively, and inserting after
3 paragraph (1) the following new paragraphs (2) and (3):

4 “(2) Congress shall authorize the strength as of
5 the end of each fiscal year for active-duty officers for
6 each of the military services. No funds may be appro-
7 priated for any fiscal year to or for the use of active-
8 duty officers of any military service unless the end
9 strength for active-duty officers of that military service
10 for that fiscal year has been authorized by law.

11 “(3) The following described personnel shall not
12 be counted in determining the strengths authorized
13 under clause (1) or (2) of this subsection:

14 “(A) members of the ready reserve ordered
15 to active duty under section 673 of this title;

16 “(B) members of the selected reserve ordered
17 to active duty under section 673b of this title;

18 “(C) members of the National Guard called
19 into Federal service under section 3500 or 8500
20 of this title;

21 “(D) members of the militia called into Fed-
22 eral service under chapter 15 of this title;

23 “(E) reserve personnel on active duty for
24 training for 180 days or less; or

1 “(F) reserve personnel on active duty for
2 180 days or less to perform special work.”;

3 (2) striking out the first sentence of subparagraph
4 (A) of paragraph (5), as redesignated by clause (1) of
5 this section, and inserting in lieu thereof the following:
6 “The Secretary of Defense shall submit to Congress a
7 written report, not later than February 15 of each fis-
8 cal year, recommending the annual active-duty end
9 strength for officers for each of the military services for
10 the next fiscal year, the annual active-duty end
11 strength for all military personnel for each of the mili-
12 tary services for the next fiscal year, and the annual
13 civilian personnel end strength for each component of
14 the Department of Defense for the next fiscal year,
15 and shall include in that report justification for the end
16 strengths recommended and an explanation of the rela-
17 tionship between the personnel end strengths recom-
18 mended for that fiscal year and the national security
19 policies of the United States in effect at the time.”;
20 and

21 (3) striking out subparagraph (D) of paragraph (5),
22 as redesignated by clause (1) of this section, and insert-
23 ing in lieu thereof the following:

1 “(D) The Secretary of Defense shall also include
2 in such report with respect to each armed force under
3 his jurisdiction—

4 “(i) the number of positions that require war-
5 rant or commissioned officers serving on active
6 duty in each of the officer grades during the cur-
7 rent fiscal year and the estimated number of such
8 positions for each of the next five fiscal years;

9 “(ii) the estimated number of officers that
10 will be serving on active duty in each grade on
11 the last day of the current fiscal year and the es-
12 timated numbers of such officers that will be
13 needed to serve on the last day of each of the
14 next five fiscal years;

15 “(iii) an estimate and analysis for the current
16 fiscal year and for each of the next five fiscal
17 years of gains to and losses from each officer
18 grade, including a tabulation of—

19 “(I) retirements displayed by year of ac-
20 tive commissioned service and active military
21 service;

22 “(II) discharges;

23 “(III) other separations;

24 “(IV) deaths;

25 “(V) promotions; and

1 “(VI) reserve and regular officers or-
 2 dered to active duty; and
 3 “(iv) an analysis of the distribution by grade
 4 in which serving and year of active commissioned
 5 service of reserve and regular officers serving on
 6 active duty on the last day of the preceding fiscal
 7 year.”.

8 OFFICER STRENGTH AND DISTRIBUTION IN GRADE

9 SEC. 103. Part II of subtitle A is amended by inserting
 10 before chapter 31 the following new chapter:

 “CHAPTER 30.—OFFICER STRENGTH AND
 DISTRIBUTION IN GRADE

 “Sec.

 “451. Officers: strengths in various categories.

 “452. Regular components: authorized strength for commissioned officers.

 “453. Commissioned officers on active duty in grades above colonel or captain
 (Navy).

 “454. Commissioned officers on active duty in grades below brigadier general or
 commodore admiral.

 “455. Suspension authority.

11 “§ 451. Officers: strengths in various categories

12 “(a) Whenever the needs of the services require, but at
 13 least once each fiscal year, the Secretary of Defense shall
 14 prescribe the authorized active-duty strength as of the end of
 15 the fiscal year for commissioned officers in grades above war-
 16 rant officer grades for each of the armed forces under his
 17 jurisdiction.

18 “(b) Under such regulations as the Secretary of Defense
 19 shall prescribe, the Secretary of each military department

1 may, for an armed force under his jurisdiction, prescribe the
 2 strength of any category of officers that may serve on active
 3 duty.

4 “(c) The authorized officer strength of the Navy is in-
 5 creased by the authorized officer strength of the Coast Guard
 6 when the Coast Guard is operating as part of the Navy.

7 **“§ 452. Regular components: authorized strength for com-**
 8 **missioned officers**

9 “The authorized strengths of the Regular components of
 10 the military services in commissioned officers (other than re-
 11 tired members) in grades above warrant officer (W-4) are as
 12 follows:

“Regular Army.....	63,000
“Regular Navy.....	45,000
“Regular Air Force.....	69,425
“Regular Marine Corps.....	12,000

13 **“§ 453. Commissioned officers on active duty in grades**
 14 **above colonel or captain (Navy)**

15 “(a) Except as provided in subsections (b), (g), and (h) of
 16 this section, the number of officers who may serve in grades
 17 above colonel or captain (Navy) in any military service may
 18 not, on the last day of a fiscal year, exceed the number com-
 19 puted for that military service under the following table:

Col. I	Col. II	Col. III	Col. IV	Col. V
The authorized strength in grades above colonel or captain (Navy) is—				
When the number of members serving on active duty on the last day of a fiscal year is—	For the Army	For the Navy	For the Air Force	For the Marine Corps
150,000				54
200,000				58
250,000				62
400,000	320	228	238	
500,000	328	236	246	
600,000	336	244	254	
700,000	344	252	262	
800,000	352	260	270	
900,000	360	268	278	
1,000,000	368	276	286	
1,100,000	376	284	294	
1,200,000	384	292	302	
1,300,000	392	300	310	

1 If the actual active-duty strength on the last day of a fiscal
 2 year, excluding members specified in subsection (b) of this
 3 section, is a number between any two consecutive figures
 4 specified in column I of the table, the corresponding strength
 5 limit for officers serving in grades above colonel or captain
 6 (Navy) for that military service is determined by mathemat-
 7 ical interpolation between the respective numbers specified in
 8 columns II, III, IV, or V, as appropriate, opposite such con-
 9 secutive figures. If such active-duty strength, excluding
 10 members specified in subsection (b) of this section, is a num-
 11 ber greater or less than the figures specified in column I for
 12 that military service, the Secretary concerned shall fix the
 13 corresponding strength for grades above colonel or captain

1 (Navy) in the same proportion as that reflected in the nearest
2 strength limit shown in the table for such military service.

3 “(b) The following described members shall be excluded
4 in computing strengths under this section:

5 “(1) members on active duty for training for 180
6 days or less; and

7 “(2) members ordered to active duty under section
8 673b of this title.

9 “(c) A person serving on active duty who is entitled to
10 the rank or pay authorized for a grade above colonel or cap-
11 tain (Navy) is considered to be an officer serving in such
12 grade for the purposes of determining strengths under this
13 section.

14 “(d) Except as provided in this section, not more than
15 50 percent of the officers on active duty in any military serv-
16 ice in grades above colonel or captain (Navy) may be serving
17 in grades above brigadier general or commodore admiral.

18 “(e) Except as provided in this section, not more than
19 15 percent of the total number of officers on active duty in
20 any military service serving in grades above colonel and cap-
21 tain (Navy) may be serving in the grades of general, admiral,
22 lieutenant general, and vice admiral; and not more than 25
23 percent of that 15 percent may be serving in grades above
24 lieutenant general and vice admiral.

1 “(f) A vacancy in any grade may be filled by an appoint-
2 ment in any lower grade.

3 “(g) An officer may not be reduced in grade, or have his
4 pay or allowances reduced, because of a reduction in the
5 maximum number of commissioned officers authorized for his
6 grade.

7 “(h) When the Secretary of Defense determines that the
8 needs of any military service with respect to officers in
9 grades above colonel or captain (Navy) are greater or less
10 than the strength determined under subsection (a) of this sec-
11 tion for that military service, he may prescribe a strength for
12 such officers greater or less, as appropriate, than the strength
13 determined under such subsection. However, any strength in-
14 crease prescribed under this subsection may not increase the
15 total of the authorized strengths determined under subsection
16 (a) of this section for all the military services by more than
17 177.

18 “§ 454. Commissioned officers on active duty in grades
19 below brigadier general or commodore
20 admiral

21 “(a) Except as provided in subsection (b) of this section,
22 of the total number of commissioned officers serving on active
23 duty in any military service in any fiscal year, the number of
24 commissioned officers who may serve in each of the grades
25 specified in columns II, III, and IV of the table below may

- 1 not, as of the end of such fiscal year, exceed a number appro-
 2 priate to the number of commissioned officers specified in col-
 3 umn I of such table:

Col. I	Col. II	Col. III	Col. IV
Armed force and number of commissioned officers serving on active duty on the last day of a fiscal year, excluding officers specified in subject. (b)	Colonel or captain (Navy)	Lieutenant colonel or commander	Major or lieutenant commander
Army:			
60,000	2,403	6,618	9,599
65,000	2,539	6,883	10,291
70,000	2,675	7,148	10,985
75,000	2,811	7,413	11,678
80,000	2,994	7,894	12,805
85,000	3,175	8,375	13,532
90,000	3,358	8,856	14,459
95,000	3,540	9,337	15,386
100,000	3,723	9,818	16,313
110,000	4,088	10,780	18,167
120,000	4,453	11,742	20,021
130,000	4,818	12,704	21,875
170,000	6,914	15,932	25,340
Navy:			
45,000	1,876	4,658	7,840
48,000	1,970	4,817	8,552
51,000	2,064	4,976	8,963
54,000	2,159	5,135	9,373
57,000	2,264	5,558	10,354
60,000	2,369	5,981	11,722
63,000	2,474	6,404	13,090
66,000	2,579	6,827	14,458
70,000	2,719	7,391	16,282
90,000	4,119	10,491	19,882
Marine Corps:			
12,500	451	1,110	2,194
15,000	459	1,172	2,354
17,500	474	1,270	2,514
20,000	518	1,518	3,776
22,500	678	1,825	3,626
25,000	838	2,133	4,076
Air Force:			
70,000	2,748	7,445	11,285
75,000	2,892	7,757	11,928
80,000	3,036	8,069	12,571
85,000	3,180	8,381	13,214
90,000	3,324	8,693	13,857
95,000	3,544	9,503	15,112
100,000	3,764	10,313	16,367
105,000	3,984	11,123	17,622
110,000	4,204	11,933	18,877
125,000	4,489	13,448	20,077

- 4 If an active-duty strength, excluding officers specified in sub-
 5 section (b) of this section, is a number between any two con-
 6 secutive figures specified in column I of the table for such
 7 military service, the corresponding strengths for the grades
 8 specified in columns II, III, and IV are determined by math-
 9 ematical interpolation between the respective numbers of the

1 two strengths. If such strength, excluding officers specified in
2 subsection (b) of this section, is a number greater or less than
3 the figures specified in column I of the table for such military
4 service, the Secretary concerned shall fix the corresponding
5 strengths for the grades specified in columns II, III, and IV
6 in the same proportion as that reflected in the nearest limit
7 shown in the table for such military service.

8 “(b) The following described officers shall be excluded in
9 computing strengths under this section:

10 “(1) Reserve commissioned officers—

11 “(A) on active duty for training for 180 days
12 or less,

13 “(B) ordered to active duty under section
14 673b of this title, or

15 “(C) on active duty for 180 days or less to
16 perform special work.

17 “(2) Medical officers.

18 “(3) Dental officers.

19 “(4) Reserve or retired officers ordered to active
20 duty for the specific purpose of administering the Se-
21 lective Service System under section 10(b)(2) of the
22 Military Selective Service Act (50 U.S.C. App.
23 460(b)(2)).

1 “(5) Warrant officers.

2 “(c) An officer may not be reduced in grade, or have his
3 pay or allowances reduced, because of a reduction in the
4 maximum number of commissioned officers authorized for his
5 grade.

6 “(d) A vacancy in any grade may be filled by an ap-
7 pointment in any lower grade.

8 **“§ 455. Suspension authority**

9 “In time of war, or national emergency declared by
10 Congress or the President after the effective date of the De-
11 fense Officer Personnel Management Act, the President may
12 suspend the operation of any provision of section 453 or 454
13 of this title. Such a suspension may not continue more than
14 two years nor more than one year after termination of the
15 war or emergency, whichever occurs first.”.

16 **REGULAR COMMISSIONED OFFICERS: ORIGINAL APPOINT-**
17 **MENT; HOW MADE; QUALIFICATIONS; SERVICE CRED-**
18 **IT**

19 **SEC. 104. (a)** Chapter 33, relating to appointments in
20 Regular components, is amended by inserting after section
21 541 the following new sections:

22 **“§ 542. Commissioned officers: original appointment; how**
23 **made**

24 “Original appointments in the grades of second lieuten-
25 ant through colonel in the Regular Army, Regular Air Force,

1 or Regular Marine Corps and in the grades of ensign through
 2 captain in the Regular Navy shall be made by the President,
 3 by and with the advice and consent of the Senate.

4 **"§ 543. Commissioned officers: original appointment;**
 5 **qualifications**

6 "(a) Under regulations prescribed by the Secretary of
 7 Defense, original appointments in commissioned grades in the
 8 Regular Army, Regular Navy, Regular Air Force, or Regu-
 9 lar Marine Corps may be given only to persons who—

10 "(1) are citizens of the United States;

11 "(2) are at least 21 years of age;

12 "(3) are of good moral character;

13 "(4) are physically qualified for active service; and

14 "(5) have such other special qualifications as the
 15 Secretary of the military department concerned may
 16 prescribe by regulation.

17 "(b)(1) Original appointments in the Regular Army or
 18 Regular Navy may be made in the grades of first lieutenant
 19 through colonel or ensign through captain (Navy) in the
 20 Medical Corps or Dental Corps and such appointments may
 21 be made in the Regular Air Force in the grades of first lieu-
 22 tenant through colonel with a view to designation as medical
 23 or dental officers. Appointments made under this subsection
 24 may be made only from qualified doctors of medicine, osteop-
 25 athy, or dentistry, as the case may be. Persons appointed

1 under this subsection shall be required to meet the qualifica-
2 tions prescribed in subsection (a) of this section.

3 “(2) To be eligible for appointment under this section to
4 the Medical Corps or with a view to designation as a medical
5 officer, as the case may be, a doctor of osteopathy must—

6 “(A) be a graduate of a college of osteopathy
7 whose graduates are eligible to be licensed to practice
8 medicine or surgery in a majority of the States;

9 “(B) be licensed to practice medicine, surgery, or
10 osteopathy in a State or in the District of Columbia;

11 “(C) under regulations prescribed by the Secre-
12 tary of Defense, have completed a number of years of
13 osteopathic and preosteopathic education equal to the
14 number of years of medical and premedical education
15 prescribed for persons entering recognized schools of
16 medicine who become doctors of medicine and who
17 would be qualified for appointment under this section in
18 the grade for which that person is being considered for
19 appointment; and

20 “(D) have such other qualifications as the Secre-
21 tary of the military department concerned prescribes
22 after considering the recommendations, if any, of the
23 Surgeon General of that military department.

24 “(c) Original appointments of officers designated for lim-
25 ited duty shall be made under section 5589 of this title.

1 **"§ 544. Commissioned officers: original appointment; serv-**
 2 **ice credit**

3 “(a) For the purposes of determining grade and rank
 4 within grade, a person originally appointed in a commis-
 5 sioned grade in the Regular Army, Regular Navy, Regular
 6 Air Force, or Regular Marine Corps shall be credited, subject
 7 to the provisions of subsection (f) of this section, at the time
 8 of his appointment with the active commissioned service,
 9 other than service as a commissioned warrant officer, that
 10 such person performed in the armed forces before such per-
 11 son’s appointment.

12 “(b) Under regulations prescribed by the Secretary of
 13 Defense, the Secretary of the military department concerned
 14 shall, in addition to any service credited to an officer under
 15 subsection (a) of this section, credit such officer, if applicable,
 16 with constructive service for advanced education, training,
 17 and experience as follows:

18 “(1) Three years, if appointed—

19 “(A) as a chaplain or veterinary officer in the
 20 Army or Navy;

21 “(B) in the Judge Advocate General’s Corps
 22 in the Army or Navy;

23 “(C) as an officer in the Air Force or Marine
 24 Corps with a view to designation as a judge advo-
 25 cate; or

1 “(D) as an officer in the Air Force with a
2 view to designation as a chaplain, or veterinary
3 officer.

4 “(2) Four years plus his years of training and ex-
5 perience as a licensed physician or dentist, if appointed
6 as a medical or dental officer in the Army or Navy, or,
7 in the case of the Air Force, with a view to designa-
8 tion as a medical or dental officer.

9 “(3) Three years, if appointed as a medical serv-
10 ice officer in the Army or Navy, or, in the case of the
11 Air Force, with a view to designation as a medical
12 service or biomedical sciences officer, and he holds a
13 degree of doctor of philosophy or a comparable degree
14 in a science allied to medicine which is a prerequisite
15 to appointment under regulations prescribed by the
16 Secretary of Defense.

17 “(c) Notwithstanding any other provision of this title, if
18 the Secretary of Defense determines that the number of
19 qualified judge advocates serving on active duty in any mili-
20 tary service in grades below major or lieutenant commander
21 is critically short of the number needed by such service, he
22 may authorize the Secretary of the military department con-
23 cerned to award to any officer appointed in the Judge Advo-
24 cate General's Corps of the Army or Navy, or to any officer
25 appointed in the Air Force or Marine Corps with a view to

1 designation as a judge advocate, a period of constructive
2 service in such an amount in addition to the period of such
3 service awarded under subsection (b)(1) of this section as will
4 result in the grade of such officer being that of captain or
5 lieutenant (Navy) and the date of rank of such officer being
6 junior to all other officers of the same grade serving on active
7 duty.

8 “(d) The service credited under subsection (b) of this
9 section shall be used only for determining—

10 “(1) initial grade as a Regular officer;

11 “(2) position on an active-duty list;

12 “(3) rank in grade; and

13 “(4) service in grade for promotion eligibility.

14 “(e) Constructive service credit may not be granted for
15 any education, training, experience, or qualifications attained
16 while serving on active duty.

17 “(f) The Secretary of Defense shall prescribe regula-
18 tions, which shall apply uniformly among the military serv-
19 ices, to permit the Secretary of a military department to
20 credit or not credit active commissioned service performed by
21 officers in the categories described in subsection (b) of this
22 section before their original appointments as regular officers
23 in such categories.

24 “(g) Notwithstanding any other provision of this title, an
25 officer of a reserve component who is originally appointed in

1 a commissioned grade in the Regular Army, Regular Navy,
2 Regular Air Force, or Regular Marine Corps shall be ap-
3 pointed in the grade and with the date of rank to which he
4 would have been entitled had he served on active duty as an
5 officer of a reserve component on the date of his original
6 appointment as a regular officer.

7 “(h) Subsections (a), (b), and (f) do not apply to a gradu-
8 ate of the United States Military Academy, the United States
9 Naval Academy, or the United States Air Force Academy.”.

10 (b) Subsection (b) of section 555, relating to warrant
11 officer grades, is amended to read as follows:

12 “(b) An appointment to any regular warrant officer
13 grade in any armed force shall be made by warrant by the
14 Secretary concerned.”.

15 (c) Clause (3) of section 564(a), relating to effect of sec-
16 ond failure of promotion of warrant officers, is amended—

17 (1) by inserting “(1)” after “with”; and

18 (2) by striking out “1167 of this title,” and insert-
19 ing in lieu thereof “286a of title 14, or (2) separation
20 pay computed under section 1173a of this title, as ap-
21 propriate”.

22 **APPOINTMENT OF RESERVE WARRANT OFFICERS**

23 **SEC. 105.** Subsection (b) of section 597, relating to the
24 appointment of reserve warrant officers, is amended to read
25 as follows:

1 “(b) An appointment to any reserve warrant officer
2 grade in any armed force shall be made by warrant by the
3 Secretary concerned.”.

4 TEMPORARY APPOINTMENTS; PROMOTION, SEPARATION,
5 AND RETIREMENT OF OFFICERS ON THE ACTIVE-
6 DUTY LIST (SECOND LIEUTENANTS AND ENSIGNS
7 THROUGH MAJOR GENERALS AND REAR ADMIRALS)
8 SEC. 106. Part II, relating to personnel, of subtitle A, is
9 amended by adding after chapter 35 the following new
10 chapters:

“CHAPTER 35A.—TEMPORARY APPOINTMENTS

“Sec.

“605. Temporary appointments in time of war or national emergency.

“606. Generals and lieutenant generals; admirals and vice admirals.

“607. Warrant officers: temporary promotions.

11 “§ 605. Temporary appointments in time of war or na-
12 tional emergency

13 “(a) In time of war, or national emergency declared by
14 Congress or the President after the effective date of the De-
15 fense Officer Personnel Management Act, the President may
16 appoint any qualified person to any temporary commissioned
17 officer grade below lieutenant general or vice admiral in the
18 Army, Navy, Air Force, or Marine Corps.

19 “(b) An officer appointed under this section is entitled to
20 the service credit prescribed in section 544 of this title.

21 “(c) An officer appointed under this section shall be or-
22 dered to active duty by the President as soon as practicable.

1 “(d) An appointment under this section shall be made by
2 the President alone and may be vacated by the President at
3 any time.

4 “(e) An appointment under this section does not change
5 the permanent status of a member of the military service so
6 appointed. A person who is appointed under this section may
7 not suffer any reduction in the pay and allowances to which
8 he was entitled because of his permanent status at the time of
9 his temporary appointment under this section.

10 “(f)(1) An officer who is promoted to a temporary grade
11 is considered to have accepted the appointment to such grade
12 on the date of the order announcing the appointment unless
13 such officer expressly declines the appointment.

14 “(2) An officer who has served continuously since he
15 subscribed to the oath of office prescribed in section 3331 of
16 title 5 is not required to take a new oath upon appointment to
17 a higher grade.

18 “(g) A temporary appointment made under this section
19 or under section 624 of this title shall, unless sooner termi-
20 nated, terminate on the second anniversary of the appoint-
21 ment, six months after the end of the war or national emer-
22 gency, or the date the appointee is released from active duty,
23 whichever is earliest.

1 **"§ 606. Generals and lieutenant generals; admirals and**
 2 **vice admirals**

3 “(a) The President may designate positions of impor-
 4 tance and responsibility to carry the grade of general or ad-
 5 miral or lieutenant general or vice admiral. The President
 6 may assign to any such position an officer of a military serv-
 7 ice who is serving on active duty in any grade above colonel
 8 or captain (Navy). An officer assigned to any such position
 9 has the grade specified for such position if he is appointed to
 10 such grade by the President, by and with the advice and
 11 consent of the Senate.

12 “(b) If the assignment of an officer who is serving in a
 13 position designated to carry the grade of general, admiral,
 14 lieutenant general, or vice admiral is terminated—

15 “(1) by orders assigning such officer to another
 16 position designated to carry one of those grades, such
 17 officer shall hold, during the period beginning on the
 18 day of that termination and ending on the day before
 19 he assumes the other position, the grade that he held
 20 on the day before that termination;

21 “(2) for the purpose of hospitalizing such officer,
 22 such officer shall hold, during the period beginning on
 23 the day of that termination and ending on the day he is
 24 discharged from the hospital, but not for more than six

1 months, the grade that he held on the day before the
2 termination; and

3 “(3) for the purpose of retiring such officer, such
4 officer shall hold, during the period beginning on the
5 day of that termination and ending on the day before
6 his retirement, but not for more than 90 days, the
7 grade that he held on the day before the termination.

8 “(c) Appointment to a grade under subsection (a) of this
9 section does not vacate the permanent grade held by the
10 officer.

11 **“§ 607. Warrant officers: temporary promotion**

12 “A warrant officer serving on active duty in any mili-
13 tary service may be appointed to a higher temporary warrant
14 officer grade under such regulations as the Secretary of the
15 military department concerned may prescribe.

16 **“CHAPTER 36.—PROMOTION, SEPARATION, AND RE-** 17 **TIREMENT OF OFFICERS ON THE ACTIVE-DUTY** 18 **LIST: SECOND LIEUTENANTS AND ENSIGNS** 19 **THROUGH MAJOR GENERALS AND REAR** 20 **ADMIRALS**

“Sec.

“611. Selection boards.

“612. Composition of selection boards.

“613. Notice of convening; communications with board.

“614. Oath of members of selection boards.

“615. Information furnished selection boards.

“616. Recommendations for promotion by selection boards.

“617. Reports of selection boards.

“618. Submission of selection board reports.

“619. Eligibility for consideration by selection board for promotion.

“620. Active-duty lists.

- "621. Competitive categories for promotion.
- "622. Numbers to be selected for promotion.
- "623. Promotion zones.
- "624. Promotions: how made; date of rank; effective date.
- "625. Brigadier generals and commodore admirals: authority to vacate promotion.
- "626. Promotions; acceptance; oath of office.
- "627. Failure of selection.
- "628. Special selection boards.
- "629. Removal from a recommended list for promotion.
- "630. Regular commissioned officers: less than five years of active commissioned service; discharge.
- "631. Regular second lieutenants and first lieutenants (Army, Air Force, and Marine Corps) and ensigns and lieutenants (junior grade) (Navy): effect of failure of selection for promotion.
- "632. Regular captains and majors (Army, Air Force, and Marine Corps) and lieutenants and lieutenant commanders (Navy): effect of failure of selection for promotion; continuation on active duty.
- "633. Regular lieutenant colonels and commanders: retirement for years of active commissioned service; continuation on active duty.
- "634. Regular colonels and captains (Navy): retirement for years of active commissioned service; continuation on active duty.
- "635. Regular brigadier generals or commodore admirals: retirement for years of active commissioned service; continuation on active duty.
- "636. Regular major generals or rear admirals: retirement for years of active commissioned service; continuation on active duty.
- "637. Regular commissioned officers: selective early retirement.
- "638. Continuation on active duty to complete disciplinary action.
- "639. Creditable service for involuntary retirement and other purposes.
- "640. Deferment of retirement or separation.
- "641. Exclusion of certain officers.
- "642. Suspension authority.
- "643. Entitlement to separation pay or retired pay.

1 "§ 611. Selection boards

- 2 "(a) Under such regulations as the Secretary of Defense
- 3 shall prescribe, the Secretary of the military department con-
- 4 cerned shall convene selection boards to recommend for pro-
- 5 motion to the next higher grade officers on the active-duty
- 6 list in each grade from second lieutenant through brigadier
- 7 general in the Army, Air Force, or Marine Corps, and from
- 8 ensign through commodore admiral in the Navy. The Secre-
- 9 tary concerned may convene separate selection boards for
- 10 each competitive category.

1 “(b) Under such regulations as the Secretary of Defense
2 shall prescribe, the Secretary of the military department con-
3 cerned may, whenever the needs of a service require, con-
4 vene selection boards to recommend officers for continuation
5 on active duty under section 632, 633, 634, 635, or 636 of
6 this title, as appropriate, or for selective early retirement
7 under section 637 of this title.

8 **“§ 612. Composition of selection boards**

9 “(a) A selection board convened under section 611 of
10 this title shall—

11 “(1) consist of five or more officers serving in a
12 grade or grades higher than the grade of the officers
13 under consideration by such board, except that in no
14 case may an officer serving in any grade below major
15 or lieutenant commander be a member of any such
16 board;

17 “(2) consist of officers on the active-duty list of
18 the same military service as the officers under consid-
19 eration, except that if qualified officers on the active-
20 duty list are not available in sufficient numbers to com-
21 prise a board, the Secretary of the military department
22 concerned shall complete the membership by appoint-
23 ing as members of the board retired officers of the
24 same military service who hold a retired grade higher
25 than the grade of officers under consideration;

1 “(3) include, when Reserve officers of a military
2 service are to be considered by such board, two or
3 more Reserve officers of that military service; and

4 “(4) include among its members at least one offi-
5 cer from each competitive category to be considered by
6 such board, and include such other officers, consistent
7 with paragraphs (1), (2), and (3) of this subsection and
8 subsection (b) of this section, as may be determined by
9 the Secretary of the military department concerned.

10 “(b) No officer may be a member of two successive se-
11 lection boards for the consideration of officers of the same
12 competitive category and grade.

13 **“§613. Notice of convening; communications with board**

14 “(a) At least 30 days before a selection board is con-
15 vened under section 611(a) of this title, the Secretary con-
16 cerned shall (1) notify in writing the officers eligible for con-
17 sideration for promotion of the date on which the board is to
18 convene and the names and dates of rank of the junior and
19 senior officers in the promotion zone, or (2) issue a general
20 written notice to the military service concerned regarding the
21 convening of a board, the names of the officers eligible for
22 consideration by the board, the convening date of the board,
23 and the names and dates of rank of the junior and senior
24 officers in the promotion zone.

1 “(b) An officer eligible for consideration by a selection
 2 board under section 611(a) of this title may send a written
 3 communication to the board, to arrive not later than the date
 4 the board convenes, calling attention to any matter concern-
 5 ing such officer that such officer considers important to his
 6 case. The selection board shall give due consideration to any
 7 timely communication sent to it under this subsection.

8 **“§ 614. Oath of members of selection boards**

9 “Each member of a selection board convened under sec-
 10 tion 611 of this title shall swear or affirm that he will, with-
 11 out prejudice or partiality, and having in view both the fit-
 12 ness of officers and the efficiency of his military service, per-
 13 form the duties imposed upon him.

14 **“§ 615. Information furnished selection boards**

15 “The Secretary of the military department concerned
 16 shall furnish the selection boards convened under section
 17 611(a) of this title with—

18 “(1) the maximum number of officers in each com-
 19 petitive category under consideration that the board
 20 may recommend for promotion to the next higher
 21 grade;

22 “(2) the names of all officers in each competitive
 23 category to be considered by the board for promotion;

1 “(3) the records (determined pertinent by such
2 Secretary) of all officers whose names are furnished to
3 the board;

4 “(4) information relating to the skill needs of the
5 military service; and

6 “(5) such other information and guidelines as may
7 be necessary to enable the board to properly fulfill its
8 functions.

9 **“§616. Recommendations for promotion by selection**
10 **boards**

11 “(a) A selection board convened under section 611(a) of
12 this title shall recommend from among the names of the offi-
13 cers furnished to it those officers whom the board considers
14 best qualified for promotion within each competitive catego-
15 ry, giving due consideration to the skill needs of the military
16 service.

17 “(b) The maximum number of officers a selection board
18 convened under section 611(a) of this title may recommend
19 for promotion from among officers being considered from
20 below the promotion zone in any competitive category may
21 not exceed a number equal to 10 percent of the total number
22 of officers that the board is authorized to recommend for pro-
23 motion in such competitive category. If that number is less
24 than one, the board may recommend one such officer. The
25 number of officers recommended for promotion under this

1 subsection shall not increase the total number authorized to
2 be recommended for promotion under section 615 of this title.

3 “(c) A selection board convened under section 611(a) of
4 this title may not recommend an officer for promotion
5 unless—

6 “(1) such officer receives the recommendation of a
7 majority of the members of the board; and

8 “(2) a majority of the members of the board finds
9 that such officer is fully qualified for promotion.

10 “(d) Except as otherwise provided by law, no officer on
11 the active-duty list may be promoted to a higher permanent
12 grade unless he has been considered and recommended for
13 promotion to such grade by a selection board convened under
14 this chapter.

15 **“§ 617. Reports of selection boards**

16 “(a) Each selection board convened under section
17 611(a) of this title shall submit a written report, signed by all
18 the members thereof, containing a list of the names of officers
19 recommended for promotion, and certifying that (1) the board
20 has carefully considered the records of each officer whose
21 name was furnished to it under section 615 of this title, and
22 (2) in the opinion of a majority of the members, the officers
23 recommended for promotion are best qualified for promotion
24 to meet the needs of the military service concerned.

1 “(b) A selection board convened under section 611(a) of
2 this title shall report to the Secretary concerned the name of
3 any officer before it for consideration for promotion whose
4 record, in the opinion of a majority of the members, indicates
5 that such officer should be required under chapter 60 of this
6 title to show cause for his retention on active duty.

7 **“§ 618. Submission of selection board reports**

8 “(a) Upon completion of the duties assigned to it, a se-
9 lection board convened under section 611(a) of this title shall
10 submit a report containing its recommendations to the Secre-
11 tary of the military department concerned. In any case in
12 which the Secretary concerned determines that the board
13 acted contrary to law or regulation, he shall return the report
14 to the board for proceedings in revision and resubmission.

15 “(b) After his final review, the Secretary concerned
16 shall submit the report of the selection board, together with
17 his recommendations for action thereon, to the Secretary of
18 Defense for transmittal to the President for approval, modifi-
19 cation, or disapproval.

20 “(c) The name of an officer recommended for promotion
21 may be removed from the report of the board only by the
22 President.

23 “(d) A list containing the names of officers recommend-
24 ed for promotion by a selection board convened under section
25 611(a) of this title which has been approved by the President,

1 and confirmed by the Senate, when required, shall be
2 promptly disseminated to the military service concerned.

3 “(e) Except as required by this section, proceedings of a
4 selection board convened under section 611 of this title may
5 not be disclosed to any person not a member of the board.

6 **“§ 619. Eligibility for consideration by selection board for**
7 **promotion**

8 “(a) An officer on the active-duty list of a military serv-
9 ice (other than a medical or dental officer) may not be consid-
10 ered for promotion to the next higher permanent grade until
11 such officer has completed the period of service in grade pre-
12 scribed below for the permanent grade in which such officer
13 is serving:

14 “(1) Eighteen months in the grade of second lieu-
15 tenant or ensign.

16 “(2) Two years in the grade of first lieutenant or
17 lieutenant (junior grade).

18 “(3) Three years in the grade of captain (Army,
19 Air Force, or Marine Corps) or lieutenant (Navy).

20 “(4) Three years in the grade of major or lieuten-
21 ant commander.

22 “(5) Three years in the grade of lieutenant colonel
23 or commander.

24 “(6) One year in the grade of colonel or captain
25 (Navy).

1 “(7) One year in the grade of brigadier general or
2 commodore admiral.

3 Whenever the needs of the military service require, the Sec-
4 retary of the military department concerned may prescribe a
5 longer period of service in any grade.

6 “(b) In computing service in grade for purposes of this
7 section, service in a grade held as a result of assignment to a
8 position or under a temporary appointment which is limited
9 in duration by its own terms is counted as service in the
10 grade in which the officer would have served except for such
11 assignment or appointment.

12 “(c) In addition to the requirements set out in subsection
13 (a) of this section, no officer may become eligible for consider-
14 ation for promotion until all officers of his grade in his com-
15 petitive category on the active-duty list senior to him are also
16 eligible for consideration.

17 “(d) Each officer having once failed of selection for pro-
18 motion to the next higher grade remains eligible for consider-
19 ation for promotion to that grade as long as he continues on
20 active duty in other than a retired status and is not promoted.

21 “(e) A selection board convened under section 611(a) of
22 this title may not consider for promotion to the next higher
23 grade—

1 “(1) an officer whose name is on a promotion list
2 for that grade as a result of his selection by an earlier
3 board convened under that section; or

4 “(2) an officer of the Navy or Marine Corps desig-
5 nated for limited duty holding a grade above lieutenant
6 commander or major.

7 “(f) An officer who is in the promotion zone or above
8 the promotion zone shall be considered for promotion by a
9 selection board convened under section 611(a) of this title.
10 The Secretary of the military department concerned may, by
11 regulation—

12 “(1) limit the number of officers from below the
13 promotion zone to be considered by such board to
14 those who are determined by him to be exceptionally
15 well qualified for promotion; and

16 “(2) prescribe criteria for determining which offi-
17 cers from below the promotion zone are considered to
18 be exceptionally well qualified.

19 **“§ 620. Active-duty lists**

20 “(a) The Secretary of the military department concerned
21 shall maintain a single active-duty list of all officers, other
22 than those excluded by section 641 of this title, of the Army,
23 Navy, Air Force, or Marine Corps, as the case may be, on
24 active duty in the grades of second lieutenant or ensign and
25 above.

1 “(b) Officers shall be carried on the active-duty list of
2 the military service of which they are members in the order
3 of seniority of the grade in which they are serving on active
4 duty. Officers serving in the same grade shall be carried in
5 the order of their rank in that grade.

6 “(c) An officer whose position on the active-duty list
7 results from service in a temporary grade or a grade held by
8 reason of his assignment to a position has, when that ap-
9 pointment or assignment ends, the grade and position on the
10 active-duty list that he would have held if he had not re-
11 ceived that appointment or assignment.

12 **“§ 621. Competitive categories for promotion**

13 “Under regulations prescribed by the Secretary of De-
14 fense, the Secretary of the military department concerned
15 shall establish competitive categories for promotion. Each of-
16 ficer whose name appears on an active-duty list shall be car-
17 ried in a competitive category of officers with whom he will
18 compete for promotion.

19 **“§ 622. Numbers to be selected for promotion**

20 “Before convening a selection board under section
21 611(a) of this title, the Secretary of the military department
22 concerned shall, under regulations prescribed by the Secre-
23 tary of Defense, determine the number of positions needed to
24 accomplish mission objectives which require officers of the
25 grade and competitive category under consideration, the esti-

1 mated number of officers needed to fill vacancies in such posi-
2 tions during the promotion period, and the number of officers
3 authorized to serve on active duty in the grade and competi-
4 tive category under consideration. Based on these determina-
5 tions, the Secretary of the military department concerned
6 shall determine the maximum number of officers in each com-
7 petitive category who may be selected for promotion.

8 **"§ 623. Promotion zones**

9 “(a) Before he convenes a selection board under section
10 611(a) of this title to consider officers for promotion to any
11 grade, the Secretary of the military department concerned
12 shall establish a promotion zone for each competitive
13 category to be considered.

14 “(b) The Secretary concerned shall determine the num-
15 ber of officers in any promotion zone from among officers
16 eligible for promotion on the basis of an estimate of—

17 “(1) the number of officers needed in the next
18 higher grade in each of the next five years;

19 “(2) the maximum number of officers authorized
20 by law for the next higher grade in each of the next
21 five years; and

22 “(3) the number of officers that can be placed in
23 that promotion zone in those years to achieve equality
24 of opportunity.

1 **"§ 624. Promotions: how made; date of rank; effective date**

2 “(a) When the report of a selection board convened
3 under section 611(a) of this title is approved by the Presi-
4 dent, the Secretary concerned shall place the names of all
5 officers approved for promotion on a single list in the order of
6 their seniority on the active-duty list. Except as provided in
7 subsection (d) of this section, and after confirmation by the
8 Senate, when required, such officers shall be promoted to the
9 next higher grade when additional officers in that grade are
10 needed. Promotions shall be made in the order in which the
11 names of officers appear on the promotion list and after offi-
12 cers selected for promotion by a previous board have been
13 promoted.

14 “(b)(1) Except for an officer who is serving under a tem-
15 porary appointment authorized by section 605 of this title, a
16 regular or reserve officer who is promoted under this section
17 shall be appointed to the regular or reserve grade, as the
18 case may be, of his component.

19 “(2) An officer serving on active duty under a tempo-
20 rary appointment authorized by section 605 of this title who
21 is promoted to a higher grade under this section shall receive
22 a temporary appointment to that higher grade. Such tempo-
23 rary appointment shall terminate as is provided in section
24 605(g) of this title.

1 “(3) The date of rank of an officer appointed under this
2 section is the date on which such officer is appointed to the
3 higher grade.

4 “(c) Appointments of officers under this section shall be
5 made by the President, by and with the advice and consent of
6 the Senate, except that appointments, other than an original
7 appointment as a regular officer, in the grade of first lieuten-
8 ant or lieutenant (junior grade) and appointments under sub-
9 section (b)(2) of this section shall be made by the President
10 alone.

11 “(d)(1) The Secretary concerned may delay the appoint-
12 ment of an officer under this section if—

13 “(A) sworn charges against such officer have been
14 received by an officer exercising general court-martial
15 jurisdiction over such officer and such charges have not
16 been disposed of;

17 “(B) an investigation is being conducted to deter-
18 mine whether disciplinary action of any kind should be
19 brought against such officer;

20 “(C) a board of officers has been convened under
21 chapter 60 of this title to review the record of such of-
22 ficer; or

23 “(D) a criminal proceeding in a State or Federal
24 court is pending against such officer.

1 If no disciplinary action is taken against such officer, the
2 charges against him are withdrawn or dismissed, he is not
3 ordered removed from active duty by the Secretary con-
4 cerned under chapter 60 of this title, or he is acquitted of the
5 charges brought against him, such officer is retained on the
6 list of officers to be appointed, his date of rank and the effec-
7 tive date for pay and allowance in the higher grade to which
8 appointed and his position on the active-duty list shall be the
9 same as if no delay had intervened.

10 “(2) The Secretary concerned may also delay an ap-
11 pointment in cases where he finds that there is good cause to
12 believe that an officer is mentally, physically, morally, or
13 professionally unqualified to perform the duties of the grade
14 for which he was selected for promotion. If the Secretary
15 concerned later determines that the officer is qualified for
16 promotion, the officer's date of rank, the effective date for
17 pay and allowances in the higher grade to which appointed,
18 and his position on the active-duty list shall be the same as if
19 no delay had intervened.

20 “(3) The appointment of an officer may not be delayed
21 unless such officer has been given written notice of the
22 grounds for the delay. An officer whose promotion has been
23 delayed shall be afforded an opportunity to make a written
24 statement to the Secretary in response to the action taken by
25 the Secretary. Any such statement shall be given careful con-

1 sideration by the Secretary concerned. An appointment may
 2 not be delayed for more than six months after the date the
 3 officer would otherwise have been appointed unless the Sec-
 4 retary concerned specifies the period of delay. In no case
 5 may an officer's appointment be delayed more than 30 days
 6 after final action has been taken in any criminal case against
 7 such officer in a State or Federal court, more than 30 days
 8 after final action has been taken in any court-martial case
 9 against such officer, or more than 18 months after the date
 10 such officer would otherwise have been appointed, whichever
 11 is later.

12 **"§ 625. Brigadier generals and commodore admirals: au-**
 13 **thority to vacate promotion**

14 "The President may vacate the promotion of an officer
 15 who has served less than 18 months in the grade of brigadier
 16 general or commodore admiral after promotion to such grade
 17 under this chapter. An officer whose promotion is vacated
 18 under this section holds the regular grade of colonel, if he is a
 19 regular officer, or the reserve grade of colonel, if he is a
 20 reserve officer. His position on the active-duty list is the posi-
 21 tion he would have held had he not been appointed to the
 22 grade of brigadier general or commodore admiral.

23 **"§ 626. Promotions: acceptance; oath of office**

24 "(a) An officer who receives notice of his promotion is
 25 considered to have accepted his appointment on the effective

1 date of the appointment, unless he expressly declines the
2 appointment.

3 “(b) An officer who has served continuously since he
4 subscribed to the oath of office prescribed in section 3331 of
5 title 5 is not required to take a new oath upon his appoint-
6 ment in a higher grade.

7 **“§ 627. Failure of selection**

8 “An officer who is in or above the promotion zone es-
9 tablished for his grade under section 623 of this title and is
10 properly considered but not selected for promotion shall be
11 considered to have failed of selection.

12 **“§ 628. Special selection boards**

13 “(a) Under regulations prescribed by the Secretary of
14 Defense, the Secretary of the military department concerned
15 may convene a special selection board, composed in accord-
16 ance with section 612 of this title, to determine whether an
17 officer who was otherwise eligible for consideration by a se-
18 lection board that had been convened under section 611(a) of
19 this title should be recommended for promotion if the Secre-
20 tary concerned determines that such officer—

21 “(1) was not considered by that selection board
22 because of error; or

23 “(2) was considered by that selection board and
24 was not selected for promotion because (A) the board
25 acted contrary to law, (B) the board's action resulted

1 from material error, or (C) the board failed to consider
2 material evidence which it should have considered.

3 "(b) The record of an officer submitted to a special se-
4 lection board convened under subsection (a) of this section
5 shall be the record as it should have appeared at the time the
6 officer was considered by a selection board, or at the time the
7 officer should have been considered by a selection board but
8 was not considered as the result of an error. That record
9 shall be compared with a representative sampling of the rec-
10 ords of those officers of the same competitive category who
11 were, and those officers who were not, selected by the board
12 which should have considered, or did consider, the officer de-
13 scribed in subsection (a) of this section.

14 "(c)(1) If the report of a special selection board, as ap-
15 proved by the President, recommends an officer described in
16 subsection (a) of this section for promotion, and such officer is
17 appointed to a higher grade, such officer is entitled to the
18 same date of rank, the same effective date for pay and
19 allowances of that grade, and the same position on the ac-
20 tive-duty list as such officer would have had if he had been
21 selected by the board which should have considered, or did
22 consider, him.

23 "(2) If a special selection board convened under this
24 section does not recommend for promotion an officer who is

1 referred to it for consideration, that officer is considered as
2 having failed of selection.

3 **"§ 629. Removal from a recommended list for promotion**

4 “(a) The President may remove the name of any officer
5 from a list of officers recommended for promotion by a selec-
6 tion board convened under this chapter.

7 “(b) If, after consideration of a list of officers recom-
8 mended for promotion, the Senate does not advise and con-
9 sent to the appointment of an officer whose name is on such
10 list, that officer's name shall be removed from such list.

11 “(c) An officer whose name is removed from a list de-
12 scribed in subsection (a) or (b) of this section continues to be
13 eligible for consideration for promotion. If he is recommended
14 for promotion by the next selection board and promoted, he is
15 entitled to the same position on the active-duty list, the same
16 date of rank in the grade, and the same effective date for pay
17 and allowances upon promotion to which he would have been
18 entitled if his name had not been so removed. However, if the
19 officer is not recommended for promotion by the next selec-
20 tion board or if his name is again removed under this section
21 from the list of officers recommended for promotion by the
22 next selection board, or if the Senate again does not advise
23 and consent to his promotion, he is considered for all pur-
24 poses as having twice failed of selection for promotion.

1 **"§ 630. Regular commissioned officers: less than five years**
 2 **of active commissioned service; discharge**

3 "The Secretary of the military department concerned,
 4 under regulations prescribed by the Secretary of Defense,
 5 may discharge any regular officer who has less than five
 6 years of active commissioned service.

7 **"§ 631. Regular second lieutenants and first lieutenants**
 8 **(Army, Air Force, and Marine Corps) and en-**
 9 **signs and lieutenants (junior grade) (Navy):**
 10 **effect of failure of selection for promotion**

11 "Except as provided in section 641(b) of this title, an
 12 officer of a military service serving in the regular grade of
 13 second lieutenant or first lieutenant, or each officer of the
 14 Regular Navy serving in the grade of ensign or lieutenant
 15 (junior grade) who has failed of selection for promotion to the
 16 next higher regular grade for the second time shall—

17 "(1) be discharged on the date requested by him
 18 and approved by the Secretary concerned, but not later
 19 than the first day of the seventh calendar month after
 20 the calendar month in which the President approves
 21 the report of the board which considered him for the
 22 second time but did not recommend him;

23 "(2) if he is eligible for retirement under any pro-
 24 vision of law, be retired under that law on the date re-
 25 quested by him and approved by the Secretary con-

1 cerned, but not later than the first day of the seventh
 2 calendar month after the calendar month in which the
 3 President approves the report of the board which con-
 4 sidered him for the second time but did not recommend
 5 him; or

6 “(3) if on the date he is to be discharged under
 7 clause (1) he is within two years of qualifying for re-
 8 tirement under section 3911, 6323, or 8911 of this
 9 title, be retained on active duty until he is qualified for
 10 retirement and then be retired, unless he is sooner re-
 11 tired or discharged under another provision of law.

12 The retirement or discharge of an officer under this section
 13 shall be considered involuntary.

14 **“§ 632. Regular captains and majors (Army, Air Force,**
 15 **and Marine Corps) and lieutenants and lieu-**
 16 **tenant commanders (Navy): effect of failure**
 17 **of selection for promotion; continuation on**
 18 **active duty**

19 “(a) Except as provided by section 641(b) of this title,
 20 an officer of a military service serving in the grade of captain,
 21 major, lieutenant (Navy), or lieutenant commander who has
 22 failed of selection for promotion to the next higher regular
 23 grade for the second time and whose name is not on a recom-
 24 mended list for promotion, shall—

1 “(1) be discharged on the date requested by him
2 and approved by the Secretary concerned, but not later
3 than the first day of the seventh calendar month after
4 the calendar month in which the President approves
5 the report of the board which considered him for the
6 second time but did not recommend him for promotion;

7 “(2) if he is eligible for retirement under any pro-
8 vision of law, be retired under that law on the date re-
9 quested by him and approved by the Secretary con-
10 cerned, but not later than the first day of the seventh
11 calendar month after the calendar month in which the
12 President approves the report of the board which con-
13 sidered him for the second time but did not recommend
14 him for promotion; or

15 “(3) if on the date he is to be discharged under
16 clause (1) he is within two years of qualifying for re-
17 tirement under section 3911, 6323, or 8911 of this
18 title, be retained on active duty until he is qualified for
19 retirement and then retired, unless he is sooner retired
20 or discharged under another provision of law.

21 “(b)(1) Notwithstanding subsection (a) of this section,
22 any officer described in such subsection may be continued on
23 active duty, subject to the needs of the service, if selected for
24 continuation in the approved report of a selection board con-
25 vened under section 611(b) of this title.

1 “(2) A captain or lieutenant (Navy) described in subsec-
2 tion (a) of this section may not be continued on active duty
3 for a period which extends beyond the last day of the month
4 in which that officer completes 20 years of service as deter-
5 mined under section 639 of this title unless promoted to the
6 next higher grade.

7 “(3) A major or lieutenant commander described in sub-
8 section (a) of this section may not be continued for a period of
9 active duty which extends beyond the last day of the month
10 in which that officer completes 24 years of service as deter-
11 mined under section 639 of this title unless promoted to the
12 next higher grade.

13 “(4) An officer who is selected for continuation but de-
14 clines to serve under the terms of a continuation offer shall be
15 discharged, retained, or retired under the provisions of sub-
16 section (a) of this section.

17 “(c) Each officer who is continued on active duty under
18 subsection (b) of this section, who has not been subsequently
19 promoted or continued on active duty, and who is not on any
20 list of officers recommended for continuation or promotion to
21 the next higher grade shall, unless he is sooner retired or
22 discharged under another provision of law—

23 “(1) be discharged upon the expiration of the offi-
24 cer's continued service; or

1 “(2) if he is eligible for retirement under any pro-
 2 vision of law, be retired under that law on the first day
 3 of the first month following the month in which that
 4 officer completes his continued service.

5 Notwithstanding the provisions of clause (1), any officer who
 6 would otherwise be discharged under such clause and who is
 7 within two years of qualifying for retirement under section
 8 3911, 6323, or 8911 of this title, shall, unless he is sooner
 9 retired or discharged under some other provision of law, be
 10 retained on active duty until he is qualified for retirement and
 11 then be retired.

12 “(d) The retirement or discharge of an officer under this
 13 section shall be considered involuntary.

14 **“§633. Regular lieutenant colonels and commanders: re-**
 15 **tirement for years of active commissioned**
 16 **service; continuation on active duty**

17 “(a) An officer of a military service who holds the regu-
 18 lar grade of lieutenant colonel or commander, except an offi-
 19 cer designated for limited duty, who is not on a list of officers
 20 recommended for promotion shall be retired on the first day
 21 of the month after the month in which he completes 28 years
 22 of service as determined under section 639 of this title.

23 “(b) The Secretary concerned may convene a selection
 24 board under section 611(b) of this title to determine whether
 25 an officer described in subsection (a) of this section should

1 have his retirement deferred and be continued on active duty
 2 for a period not to exceed five years. However, such period
 3 may not be extended beyond the date of the continued offi-
 4 cer's sixty-second birthday.

5 **"§ 634. Regular colonels and captains (Navy): retirement**
 6 **for years of active commissioned service;**
 7 **continuation on active duty**

8 "(a) An officer of a military service who holds the regu-
 9 lar grade of colonel or captain (Navy), whose name is not on
 10 a recommended list for promotion to a higher grade, shall, if
 11 not earlier retired, be retired on the first day of the month
 12 after the month in which he completes 30 years of service
 13 determined under section 639 of this title.

14 "(b) The Secretary concerned may convene a selection
 15 board under section 611(b) of this title to determine whether
 16 an officer described in subsection (a) of this section should
 17 have his retirement deferred and be continued on active duty
 18 for a period not to exceed five years. However, such period
 19 may not be extended beyond the date of the continued offi-
 20 cer's sixty-second birthday.

21 **"§ 635. Regular brigadier generals or commodore admi-**
 22 **als: retirement for years of active duty serv-**
 23 **ice; continuation on active duty**

24 "(a) An officer of a military service who holds the regu-
 25 lar grade of brigadier general or commodore admiral whose

1 name is not on a recommended list for promotion shall, if not
 2 earlier retired, be retired on the first day of the first month
 3 after the date of the fifth anniversary of his appointment to
 4 that grade or on the first day of the month after the month in
 5 which he completes 30 years of service determined under
 6 section 639 of this title, whichever is later.

7 “(b) The Secretary concerned may convene a selection
 8 board under section 611(b) of this title to determine whether
 9 an officer described in subsection (a) of this section should
 10 have his retirement deferred and be continued on active duty
 11 for a period not to exceed five years. However, such period
 12 may not be extended beyond the date of the continued offi-
 13 cer's sixty-second birthday.

14 **“§ 636. Regular major generals or rear admirals: retire-**
 15 **ment for years of active commissioned serv-**
 16 **ice; continuation on active duty**

17 “(a) An officer of a military service who holds the regu-
 18 lar grade of major general or rear admiral shall, if not earlier
 19 retired, be retired on the first day of the first month after the
 20 date of the fifth anniversary of his appointment to that grade
 21 or on the first day of the month after the month in which he
 22 completes 35 years of service determined under section 639
 23 of this title, whichever is later.

24 “(b) The Secretary concerned may convene a selection
 25 board under section 611(b) of this title to determine whether

1 an officer described in subsection (a) of this section should
 2 have his retirement deferred and be continued on active duty
 3 for a period not to exceed five years. However, such period
 4 may not be extended beyond the date of the continued offi-
 5 cer's sixty-second birthday.

6 **"§ 637. Regular commissioned officers: selective early re-**
 7 **tirement**

8 "(a) Notwithstanding the tenure provisions of section
 9 633 or 634 of this title, each regular officer on an active-duty
 10 list of the Army, Navy, Air Force, or Marine Corps serving
 11 in the regular grade of—

12 "(1) lieutenant colonel or commander who has
 13 failed of selection for promotion to the regular grade of
 14 colonel or captain (Navy) two or more times and
 15 whose name is not on a recommended list for promo-
 16 tion; or

17 "(2) colonel or captain (Navy) who has served at
 18 least four years of active duty in such grade and whose
 19 name is not on a recommended list for promotion;

20 may be considered for early retirement by a selection board
 21 convened under section 611(b) of this title. The number of
 22 such officers authorized by the Secretary concerned to be se-
 23 lected for early retirement may not be more than 30 percent
 24 of the number of those officers considered in each grade in
 25 each competitive category.

1 “(b) An officer who is recommended for early retirement
2 under this section, and whose retirement is approved by the
3 Secretary concerned, shall—

4 “(1) if such officer is eligible for retirement under
5 any other provision of law, be retired under that law
6 on the date requested by him and approved by the Sec-
7 retary concerned, but not later than the first day of the
8 seventh month after the month in which the Secretary
9 concerned approves the report of the board that recom-
10 mended him for retirement;

11 “(2) if such officer is not eligible for retirement
12 under any other provision of law, be retained on active
13 duty until qualified for retirement under section 3911,
14 6323, or 8911 of this title, and then be retired, unless
15 he is sooner retired or discharged under some other
16 provision of law; or

17 “(3) if his name is on an approved list for promo-
18 tion to a higher grade than that in which he was serv-
19 ing at the time he was considered and selected for re-
20 tirement under this section, be retained on active duty.

21 “(c) So long as an officer holds the same grade, he may
22 not be considered for early retirement under this section more
23 than once in any five-year period.

24 “(d) The retirement of an officer under this section is
25 considered involuntary.

1 **"§ 638. Continuation on active duty to complete disciplin-**
 2 **ary action**

3 "When any action has been commenced against any of-
 4 ficer who is to be separated under this chapter with a view to
 5 trying such officer by court-martial, the separation of such
 6 officer may be delayed without prejudice by the Secretary of
 7 the military department concerned until the completion of the
 8 action.

9 **"§ 639. Creditable service for involuntary retirement and**
 10 **other purposes**

11 "(a) The period of service which subjects an officer on
 12 the active-duty list to involuntary retirement under this chap-
 13 ter shall be the officer's total active commissioned service.

14 "(b) Constructive service credit awarded to any officer
 15 under section 544(b) of this title, or under any other provi-
 16 sion of law, shall not be included in computing the years of
 17 creditable service under subsection (a) of this section.

18 **"§ 640. Deferment of retirement or separation**

19 "The Secretary of the military department concerned
 20 may defer the retirement or separation under this title of any
 21 officer in the grade of second lieutenant or ensign, or above,
 22 if evaluation of his physical condition and determination of his
 23 entitlement to retirement or separation for physical disability
 24 require hospitalization or medical observation that cannot be

1 completed before the date he would otherwise be required to
 2 retire or be separated under this title.

3 **"§ 641. Exclusion of certain officers**

4 “(a) Officers in the following categories are not subject
 5 to this chapter:

6 “(1) Reserve commissioned officers—

7 “(A) on active duty for training;

8 “(B) on active duty under section 175(a)(9),
 9 3015, 3019, or 8019 of this title;

10 “(C) on active duty to perform special work;
 11 or

12 “(D) ordered to active duty under section
 13 673b of this title.

14 “(2) Reserve or retired officers ordered to active
 15 duty for the specific purpose of administering the Se-
 16 lective Service System under section 10(b)(2) of the
 17 Military Selective Service Act (50 U.S.C. App.
 18 460(b)(2)).

19 “(3) The registrar, director of admissions, dean,
 20 and permanent professors at the United States Military
 21 Academy and the United States Air Force Academy.

22 “(4) Warrant officers.

23 “(5) Retired officers on active duty.

24 “(b) An officer designated for limited duty in the Navy
 25 or Marine Corps who fails of selection for promotion to the
 26 next higher grade for the second time and is not on a recom-

1 mended list for promotion is governed by section 6383 of this
2 title.

3 **"§ 642. Suspension authority**

4 "In time of war, or national emergency declared by
5 Congress or the President after the effective date of the De-
6 fense Officer Personnel Management Act, the President may
7 suspend the operation of any law relating to the promotion,
8 involuntary retirement, or separation of commissioned offi-
9 cers of the Army, Navy, Air Force, or Marine Corps. Such a
10 suspension may not continue more than two years or more
11 than one year after the termination of the war or national
12 emergency, whichever occurs first.

13 **"§ 643. Entitlement to separation pay or retired pay**

14 "(a) An officer discharged under this chapter is entitled,
15 if eligible therefor, to separation pay computed under section
16 1173a of this title.

17 "(b) An officer retired under this chapter is entitled to
18 retired pay computed under section 3991 or 8991 or chapter
19 71, 571, or 573 of this title, as appropriate."

20 ANNUAL REPORTS TO CONGRESS; AUTHORITY TO ORDER

21 RETIRED MEMBERS OF REGULAR COMPONENTS TO

22 ACTIVE DUTY

23 SEC. 107. Section 687, relating to readjustment pay for
24 nonregulars, is amended to read as follows:

1 **"§ 637. Regular components: retired members**

2 “(a) Under regulations prescribed by the Secretary of
3 Defense, the Secretary of the military department concerned
4 may order a retired member of the Regular Army, Regular
5 Navy, Regular Air Force, or Regular Marine Corps to active
6 duty at any time. The Secretary of the military department
7 concerned may assign, to the extent consistent with other
8 provisions of law, a member ordered to active duty under this
9 section to such duties as the Secretary considers necessary in
10 the interests of national defense.

11 “(b) A retired member of a military service who, while
12 on active duty, is appointed to a grade that is higher than his
13 retired grade, is entitled, upon his release from that tour of
14 active duty, to placement on the retired list in the highest
15 grade in which he served on active duty satisfactorily, as
16 determined by the Secretary of the military department con-
17 cerned, for not less than six months.

18 “(c) Except in time of war, or national emergency de-
19 clared by the Congress or the President after the effective
20 date of the Defense Officer Personnel Management Act, not
21 more than 15 retired officers of the Army, Navy, Air Force,
22 or Marine Corps in grades above colonel or captain (Navy)
23 may be on active duty at any one time. For the purposes of
24 this subsection a retired officer ordered to active duty for a
25 period of 60 days or less is not counted.”.

1 “(b) Rank among officers of the same grade or equiva-
2 lent grades is determined by comparing dates of rank. An
3 officer whose date of rank is earlier than the date of rank of
4 another officer of the same or equivalent grade is senior to
5 that officer.

6 “(c) Rank among officers of the same grade or equiva-
7 lent grades who have the same date of rank is determined by
8 regulations prescribed by the Secretary of Defense which
9 shall apply uniformly among the military services.

10 “(d) An officer who holds a grade as a result of an origi-
11 nal appointment shall be awarded a date of rank at the time
12 of his appointment which reflects his prior creditable commis-
13 sioned service and constructive service. This date is deter-
14 mined by the Secretary of the military department concerned
15 under regulations which shall be prescribed by the Secretary
16 of Defense and which shall apply uniformly among the mili-
17 tary services.

18 “(e) Except as otherwise provided by law, the date of
19 rank of an officer who holds a grade as a result of a promo-
20 tion is the date of his appointment to that grade.

21 “(f) Under regulations prescribed by the Secretary of
22 Defense, which shall apply uniformly among the military
23 services, the date of rank of a reserve officer subject to place-
24 ment on the active-duty list who has not been on continuous

1 active duty since his original appointment as a reserve com-
 2 missioned officer may be changed to a later date to reflect his
 3 qualifications and experience.”; and

4 (2) by inserting after section 749 a new section as
 5 follows:

6 **“§ 750. Command: retired officers**

7 “A retired officer has no right to command except when
 8 on active duty.”.

9 **OUTSIDE EMPLOYMENT OF ACTIVE DUTY OFFICERS**

10 **SEC. 110.** Subsection (a) of section 973, relating to the
 11 outside employment of regular officers on active duty, is
 12 amended—

13 (1) by striking out “No officer on the active list
 14 of” and inserting in lieu thereof “An officer on active
 15 duty in”;

16 (2) by striking out “Regular” wherever it ap-
 17 pears; and

18 (3) by inserting “not” after “may”.

19 **MEDICAL AND DENTAL CARE OF DEPENDENTS OF FEMALE**

20 **MEMBERS**

21 **SEC. 111.** Paragraph (2) of section 1072, relating to
 22 definition of “dependent”, is amended—

23 (1) by striking out “wife” in clause (A) and insert-
 24 ing in lieu thereof “spouse”;

1 (2) by striking out clauses (C) and (D) and insert-
2 ing in lieu thereof the following:

3 “(C) by the unremarried widower;”; and

4 (3) by redesignating clauses (E) and (F) as clauses
5 (D) and (E), respectively.

6 SEPARATION PAY FOR WARRANT OFFICERS

7 SEC. 112. (a) The second sentence of section 1165, re-
8 lating to separation of regular warrant officers during proba-
9 tionary period, is amended to read as follows: “A warrant
10 officer who is separated under this section is entitled, if eligi-
11 ble therefor, to separation pay under section 1173a, or he
12 may be enlisted under section 515 of this title.”.

13 (b) Subsection (a) of section 1166, relating to elimina-
14 tion or retirement for unfitness or unsatisfactory performance
15 of regular warrant officers, is amended—

16 (1) by striking out “severance pay computed
17 under section 1167(b) of this title” in the second sen-
18 tence and inserting in lieu thereof a comma and the
19 following: “if eligible therefor, separation pay under
20 section 1173a of this title or severance pay under sec-
21 tion 286a of title 14, as appropriate”; and

22 (2) by striking out the third sentence and inserting
23 in lieu thereof the following: “However, instead of
24 being granted the benefits of the preceding sentence,
25 he may be enlisted under section 515 of this title.”.

1 (c) Section 1167, relating to computation of severance
2 pay of regular warrant officers, is repealed.

3

SEPARATION PAY

4 SEC. 113. Chapter 59 is further amended by adding at
5 the end thereof a new section as follows:

6 **"§ 1173a. Members: separation pay upon involuntary dis-**
7 **charge or release from active duty**

8 "(a) For the purposes of chapter 36 (except section 630)
9 and sections 564 and 6383 of this title, an officer who is
10 involuntarily discharged or released from active duty and
11 who has completed five or more, but less than 20, years of
12 active service immediately before that discharge or release is
13 entitled to separation pay computed under subsection (d)(1) of
14 this section.

15 "(b) Under regulations prescribed by the Secretary of
16 Defense, an officer who is discharged from active duty under
17 section 630 or 1187 of this title, or a warrant officer of a
18 military service who is separated under section 1165 or 1166
19 of this title, and who has completed five or more, but less
20 than 20, years of active service immediately before that dis-
21 charge or separation is entitled, unless the Secretary con-
22 cerned determines that the conditions under which the officer
23 is discharged or separated do not warrant such pay, to sepa-
24 ration pay computed under subsection (d)(1) or (d)(2) of this

1 section, as determined by the Secretary of the military de-
2 partment concerned.

3 “(c) Under regulations prescribed by the Secretary con-
4 cerned, a non-regular member of an armed force who is dis-
5 charged or released from active duty and who has completed
6 five or more, but less than 20, years of active service imme-
7 diately before that discharge or release, is entitled, unless the
8 Secretary concerned determines that the conditions under
9 which the member is discharged or separated do not warrant
10 such payment, to separation pay computed under subsection
11 (d)(1) of this section, if—

12 “(1) such member is involuntarily discharged or
13 released from active duty; or

14 “(2) such member was not accepted for an addi-
15 tional tour of active duty for which he volunteered.

16 “(d) The amount of separation pay which may be paid to
17 a member under this section shall be—

18 “(1) 10 percent of the product of his years of ac-
19 tive service multiplied by 12 times the monthly basic
20 pay to which such member was entitled at the time of
21 his discharge or release from active duty or \$30,000,
22 whichever is less; or

23 “(2) one-half of the amount computed under
24 clause (1), but in no event more than \$15,000.

25 “(e) A member who—

1 “(1) is discharged or released from active duty at
2 his request;

3 “(2) is released from active duty for training; or

4 “(3) upon discharge or release from active duty, is
5 immediately eligible for retired or retainer pay based
6 on his military service;

7 is not entitled to separation pay under this section.

8 “(f) In determining the total number of years of service
9 to be used as a multiplier in computing separation pay under
10 this section, a part of a year that is six months or more is
11 counted as a whole year and a part of a year that is less than
12 six months is disregarded.

13 “(g) For the purposes of this section—

14 “(1) a period for which the member concerned has
15 previously received separation pay, severance pay, or
16 readjustment pay under this section, or under any
17 other provision of law, based on his service in the
18 armed forces may not be used again in computing the
19 amount of separation pay; and

20 “(2) the total amount of separation pay, readjust-
21 ment pay, and severance pay that a member may re-
22 ceive under this section, and under any other provision
23 of law, based on his service in the armed forces may
24 not exceed \$30,000 in the case of a member who re-
25 ceives separation pay computed under clause (1) of

1 subsection (d) of this section or \$15,000 in the case of
2 a member who receives separation pay computed under
3 clause (2) of such subsection.

4 “(h)(1) A member who has received separation pay
5 under this section, or severance pay or readjustment pay
6 under any other provision of law, based on his service in the
7 armed forces, and who later qualifies for retired or retainer
8 pay under this title or title 14, shall have deducted from his
9 retired or retainer pay so much thereof as is based on the
10 service for which he has received separation pay under this
11 section, or severance pay or readjustment pay under any
12 other provision of law, until the total amount deducted is
13 equal to the amount of the separation pay, severance pay, or
14 readjustment pay received.

15 “(2) A member who has received separation pay under
16 this section, or severance pay or readjustment pay under any
17 other provision of law, based on his service in the armed
18 forces, is not deprived of any disability compensation to
19 which he may be entitled under any law administered by the
20 Veterans’ Administration, but there shall be deducted from
21 that disability compensation an amount equal to the amount
22 of the separation pay, severance pay, and readjustment pay
23 received. Notwithstanding the foregoing sentence, no deduc-
24 tion may be made from disability compensation for the
25 amount of any separation pay, severance pay, and readjust-

1 ment pay received because of an earlier discharge or release
2 from a period of active duty if the disability which is the basis
3 for that disability compensation was incurred or aggravated
4 during a later period of active duty.”.

5 SEPARATION OF REGULAR OFFICERS FOR VARIOUS
6 REASONS

SEC. 114. Part II of subtitle A is amended by inserting
after chapter 59 a new chapter as follows:

“CHAPTER 60—SEPARATION OF REGULAR OFFICERS FOR VARIOUS REASONS

"Sec.

"1181. Boards of officers: substandard performance of duty; authority to convene.

"1182. Boards of officers: other than substandard performance of duty; authority to convene.

"1183. Boards of inquiry: composition; duties.

"1184. Boards of review: composition; duties.

"1185. Removal of officer: action by Secretary upon recommendation.

"1186. Rights and procedures.

"1187. Officers considered for removal: retirement or discharge.

"1188. Officers eligible to serve on boards.

9 "§1181. Boards of officers: substandard performance of
10 duty; authority to convene

11 "Under regulations prescribed by the Secretary of De-
12 fense, the Secretary of the military department concerned
13 may, at any time, convene a board of officers to review the
14 record of any commissioned officer, other than a commis-
15 sioned warrant officer or a retired officer, of the Regular
16 Army, Regular Navy, Regular Air Force, or Regular Marine
17 Corps, as the case may be, to determine whether such officer
18 shall be required, because his performance of duty has fallen

1 below standards which the Secretary of Defense shall pre-
 2 scribe, to show cause for his retention on active duty.

3 **"§ 1182. Boards of officers: other than substandard per-**
 4 **formance of duty; authority to convene**

5 "Under regulations prescribed by the Secretary of De-
 6 fense, the Secretary of the military department concerned
 7 may, at any time, convene a board of officers to review the
 8 record of any commissioned officer, other than a commis-
 9 sioned warrant officer or a retired officer of the Regular
 10 Army, Regular Navy, Regular Air Force, or Regular Marine
 11 Corps, as the case may be, to determine whether such officer
 12 should be required, because of misconduct, because of moral
 13 or professional dereliction, or because his retention is not
 14 clearly consistent with the interests of national security, to
 15 show cause for his retention on active duty.

16 **"§ 1183. Boards of inquiry: composition; duties**

17 "(a) A board of inquiry composed of three or more offi-
 18 cers shall be convened at such time and place as the Secre-
 19 tary of the military department concerned may prescribe to
 20 receive evidence and make findings and recommendations
 21 with respect to whether an officer who is required to show
 22 cause for retention under section 1181 or 1182 of this title
 23 should be retained on active duty.

1 “(b) A fair and impartial hearing before a board of in-
2 quiry shall be given to each officer required to show cause for
3 retention on active duty.

4 “(c) If a board of inquiry determines that the officer has
5 failed to establish that he should be retained, it shall send the
6 record of its proceedings to a board of review.

7 “(d) If a board of inquiry determines that the officer has
8 established that he should be retained on active duty, his case
9 is closed. However—

10 “(1) an officer who is required to show cause for
11 retention under section 1181 of this title may not again
12 be required to show cause for retention under such sec-
13 tion within the one-year period beginning on the date
14 of that determination; or

15 “(2) an officer who is required to show cause for
16 retention under section 1181 or 1182 of this title may
17 again be required to show cause for retention under
18 section 1182 of this title at any time.

19 An officer who has been required to show cause as a result of
20 proceedings under section 1182 of this title and thereafter
21 retained may not again be required to show cause solely for
22 conduct which was the subject of the previous proceedings,
23 unless the findings or recommendations of the board of in-
24 quiry that considered his case are determined to have been
25 obtained by fraud or collusion.

1 **"§ 1184. Boards of review: composition; duties**

2 “(a) Boards of review, each composed of three or more
3 officers, shall be convened by the Secretary of the military
4 department concerned at such times and places as the Secre-
5 tary may prescribe to review the records of cases of regular
6 commissioned officers recommended for removal from active
7 duty by boards of inquiry convened under section 1183 of this
8 title.

9 “(b) If, after reviewing the record of a case, a board of
10 review determines that the officer has failed to establish that
11 he should be retained on active duty, it shall send its recom-
12 mendation to the Secretary of the military department con-
13 cerned for his action.

14 “(c) If, after reviewing the record of a case, a board of
15 review determines that the officer has established that he
16 should be retained on active duty, his case is closed. How-
17 ever—

18 “(1) an officer who is required to show cause for
19 retention under section 1181 of this title may not again
20 be required to show cause for retention under such sec-
21 tion within the one-year period beginning on the date
22 of that determination; or

23 “(2) an officer who is required to show cause for
24 retention under section 1181 or 1182 of this title may

1 be again required to show cause for retention under
2 section 1182 of this title at any time.

3 An officer who has been required to show cause as a result of
4 proceedings under section 1182 of this title and thereafter
5 retained may not again be required to show cause solely for
6 conduct which was the subject of the previous proceedings,
7 unless the findings or recommendations of the board of in-
8 quiry or board of review that considered his case are deter-
9 mined to have been obtained by fraud or collusion.

10 **“§ 1185. Removal of officer: action by Secretary upon rec-**
11 **ommendation**

12 “The Secretary of the military department concerned
13 may remove an officer from active duty if his removal is rec-
14 ommended by a board of review under this chapter.

15 **“§ 1186. Rights and procedures**

16 “Under regulations prescribed by the Secretary of De-
17 fense, any officer required to show cause under this chapter
18 for his retention on active duty shall be—

19 “(1) notified in writing, at least 30 days before
20 the hearing of the case by a board of inquiry, of the
21 reasons for which such officer is being required to
22 show cause for retention on active duty;

23 “(2) allowed reasonable time, as determined by
24 the board of inquiry, to prepare his defense;

1 “(3) allowed to appear in person and be repre-
2 sented by counsel at proceedings before a board of in-
3 quiry; and

4 “(4) allowed full access to, and furnished copies
5 of, records relevant to his case, except that a board
6 shall withhold any records that the Secretary con-
7 cerned determines should be withheld in the interest of
8 national security.

9 When a record is withheld under clause (4), the officer whose
10 case is under consideration shall, to the extent that the na-
11 tional security permits, be furnished a summary of the rec-
12 ords so withheld.

13 **“§1187. Officers considered for removal: retirement or**
14 **discharge**

15 “(a) At any time during proceedings under this chapter
16 and before the removal of an officer from active duty, the
17 Secretary of the military department concerned may grant a
18 request—

19 “(1) for voluntary retirement, if the officer is oth-
20 erwise qualified therefor;

21 “(2) for honorable discharge under subsection (b)
22 of this section, in those cases brought under section
23 1181 of this title; or

1 “(3) for discharge under subsection (b) of this sec-
 2 tion, in those cases brought under section 1182 of this
 3 title.

4 “(b) Each officer removed from active duty under this
 5 chapter shall—

6 “(1) if such officer is eligible for voluntary retire-
 7 ment under any law on the date of his removal, be re-
 8 tired in the grade and with the pay for which he would
 9 be eligible if retired at his request; or

10 “(2) if such officer is ineligible for voluntary re-
 11 tirement under any law on the date of his removal—

12 “(A) be honorably discharged in the grade
 13 then held, in those cases brought under section
 14 1181 of this title; or

15 “(B) be discharged in the grade then held, in
 16 those cases brought under section 1182 of this
 17 title.

18 “(c) An officer retired under this chapter is entitled to
 19 retired pay computed under section 3991 or 8991 or chapter
 20 571 of this title, as appropriate.

21 **“§ 1188. Officers eligible to serve on boards**

22 “(a) An officer who serves on a board convened under
 23 this chapter shall be an officer of the same military service as

1 the officer being considered by that board. No officer may
 2 serve on a board convened under this chapter unless such
 3 officer is serving on active duty in a grade above lieutenant
 4 colonel or commander and is senior in grade and rank to any
 5 officer being considered by that board. If qualified officers on
 6 active duty are not available in sufficient numbers to com-
 7 prise a board, the Secretary of the military department con-
 8 cerned shall complete the membership by appointing retired
 9 officers of the same military service who have the prescribed
 10 qualifications.

11 “(b) No person may be a member of more than one
 12 board convened under this chapter to consider the same
 13 officer.”.

14 RETIREMENT OF REGULAR COMMISSIONED OFFICERS AT
 15 AGE 62

16 SEC. 115. Chapter 63, relating to retirement for age, is
 17 amended by inserting after section 1263 a new section as
 18 follows:

19 “§ 1264. Age 62: regular commissioned officers; exceptions

20 “(a) Unless retired or separated earlier, each regular
 21 commissioned officer of a military service, other than an offi-
 22 cer holding a grade above general or admiral, or a permanent

1 professor, director of admissions, or registrar of the United
 2 States Military Academy or the United States Air Force
 3 Academy, or a warrant officer, shall be retired on the first
 4 day of the month following the month in which such officer
 5 becomes 62 years of age. A permanent professor, director of
 6 admissions, or the registrar of the United States Military
 7 Academy or United States Air Force Academy shall be re-
 8 tired on the first day of the month following the month in
 9 which he becomes 64 years of age.

10 “(b) Notwithstanding subsection (a) of this section, the
 11 President may defer the retirement of an officer serving in a
 12 temporary grade above major general or rear admiral, or
 13 serving in a position that carries a grade above major general
 14 or rear admiral, but not later than the first day of the month
 15 following the month in which he becomes 64 years of age.
 16 Not more than ten deferments under this subsection may be
 17 in effect at any one time.”.

18 RETIRED GRADE OF COMMISSIONED OFFICERS

19 SEC. 116. Chapter 69, relating to retired grade, is
 20 amended by inserting before section 1371 a new section as
 21 follows:

22 “§ 1370. Commissioned officers: retired grade; general rule

23 “(a) Except as provided in subsection (b) of this section
 24 and unless entitled to a higher retired grade under another

1 provision of law, a regular, reserve, or temporary commis-
2 sioned officer, other than a commissioned warrant officer, of
3 the Army, Navy, Air Force, or Marine Corps who retires
4 under any provision of law other than chapter 61 or 67 of
5 this title will be retired in the highest grade in which he
6 served on active duty satisfactorily, as determined by the
7 Secretary of the military department concerned, for not less
8 than six months. However, in order to be eligible for volun-
9 tary retirement under section 3911, 6323, or 8911 of this
10 title in any grade above major or lieutenant commander or
11 below lieutenant general or vice admiral, a commissioned of-
12 ficer must have served on active duty in that grade for not
13 less than three years. A reserve or temporary officer who
14 requests retirement under section 3911, 6323, or 8911 of
15 this title, after he is notified that he will be released from
16 active duty without his consent and is retired pursuant to
17 that request, is considered, for purposes of this section, to be
18 retired involuntarily. An officer retired pursuant to section
19 1187(b)(1) of this title shall be considered to have been re-
20 tired voluntarily under section 3911, 6323, or 8911, as
21 appropriate.

22 “(b) An officer of a military service who is serving in or
23 has served in a grade above major general or rear admiral

1 may, upon retirement, be appointed by the President, by and
 2 with the advice and consent of the Senate, to the highest
 3 grade held by him while serving on active duty.”.

4 **COMPUTATION OF RETIRED PAY**

5 **SEC. 117. (a) (1)** Section 1401, relating to computation
 6 of retired pay, is amended by adding at the end of the table
 7 contained in such section a new formula as follows:

“5.	631	Monthly basic pay ¹ of mem-	2½ percent of years		Excess over 75
	632	ber's retired grade. ²	of service credited		percent of pay
	633		under sec. 1405. ³		computation is
	634				based.”.
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8 (2) Section 1401 is further amended by adding after the
 9 last footnote to the table contained in such section a new
 10 footnote as follows:

“⁵ For the purposes of this section, determine officer's retired grade as if sections 3962(b) and 8962(b) did not apply.”.

11 (b) Section 1405 is amended to read as follows:

12 **“§ 1405. Years of service**

13 “For the purposes of section 1401 (formulas 4 and 5),
 14 3991 (formula B), 6151(b), 6323(e), 6325 (a)(2) and (b)(2),
 15 6383(c)(2), or 8991 (formula B) of this title, the years of
 16 service of a member of the armed forces are computed by
 17 adding—

18 “(1) his years of active service;

1 “(2) the years of service, not included in clause
2 (1), with which he was entitled to be credited on the
3 day before the effective date of the Defense Officer
4 Personnel Management Act, in computing his basic
5 pay; and

6 “(3) the years of service, not included in clause
7 (1) or (2), with which he would be entitled to be cred-
8 ited under section 1333 of this title if he were entitled
9 to retired pay under section 1331 of this title.”.

10 OFFICERS ATTENDING UNIFORMED SERVICES UNIVERSITY
11 OF THE HEALTH SCIENCES TO BE COUNTED AGAINST
12 AUTHORIZED MILITARY STRENGTH

13 SEC. 118. The second sentence of section 2114(b), re-
14 lating to students attending the Uniformed Services Universi-
15 ty of the Health Sciences, is amended by striking out “, but
16 shall not be counted against any prescribed military
17 strengths”.

18 TITLE II—AMENDMENTS TO SUBTITLES B AND D
19 OF TITLE 10, UNITED STATES CODE—THE
20 ARMY AND THE AIR FORCE

21 PERSONNEL DETAILED OUTSIDE DEPARTMENT OF
22 DEFENSE TO BE COUNTED IN COMPUTING STRENGTHS

23 SEC. 201. (a) Section 3230, relating to personnel de-
24 tailed outside the Department of Defense, is repealed.

1 (b) Section 8230, relating to personnel detailed outside
2 the Department of Defense, is repealed.

3 REPEAL OF PROHIBITION ON WOMEN BEING ENLISTED AS
4 AVIATION CADETS IN THE REGULAR AIR FORCE

5 SEC. 202. Subsections (b) and (c) of section 8257, relat-
6 ing to the qualifications, grade, and limitations on aviation
7 cadets in the Regular Air Force, is amended by striking out
8 "male" wherever such term appears in such section.

9 SERVICE CREDIT UPON ORIGINAL APPOINTMENT OF
10 RESERVE COMMISSIONED OFFICERS; ARMY AND AIR FORCE

11 SEC. 203. (a) Section 3353, relating to the appointment
12 and service credit of commissioned officers of the Army, is
13 amended to read as follows:

14 **"§ 3353. Commissioned officers: service credit upon origi-**
15 **nal appointment**

16 "(a) For the purpose of chapters 337 and 363 of this
17 title and under regulations prescribed by the Secretary of De-
18 fense, a person who is originally appointed as a reserve com-
19 missioned officer in the Army may be credited at the time of
20 his appointment with service as a commissioned officer, ex-
21 cept service as a commissioned warrant officer, that he per-
22 formed in an active status in any armed force.

23 "(b) Under regulations prescribed by the Secretary of
24 Defense, the Secretary of the Army shall, in addition to any
25 service credited to an officer under subsection (a) of this sec-

1 tion, credit such officer, if applicable, with constructive serv-
2 ice for advanced education, training, and experience as fol-
3 lows:

4 “(1) four years plus his years of training and ex-
5 perience as a licensed physician or dentist, if appointed
6 in the Medical Corps or Dental Corps;

7 “(2) three years, if appointed in the Chaplain
8 Corps, the Veterinary Corps, or the Judge Advocate
9 General's Corps; and

10 “(3) three years, if appointed as a medical service
11 officer he holds a degree of doctor of philosophy or a
12 comparable degree in a science allied to medicine.

13 “(c) Notwithstanding any other provision of this title, if
14 the Secretary of Defense determines that the number of
15 qualified judge advocates serving on active duty in the Army
16 in grades below major is critically short of the number needed
17 by the Army, he may authorize the Secretary of the Army to
18 award to any officer appointed in the Judge Advocate Gener-
19 al's Corps of the Army a period of constructive service in
20 such an amount in addition to the period of such service
21 awarded under subsection (b) of this section as will result in
22 the grade of such officer, if ordered to active duty, being that
23 of captain or lieutenant (Navy) and the date of rank of such
24 officer being junior to all other officers of the same grade
25 serving on active duty in the Army.”.

1 (b) Section 8353, relating to the appointment and serv-
2 ice credit of reserve commissioned officers of the Air Force,
3 is amended to read as follows:

4 **"§ 8353. Commissioned officers: service credit upon origi-**
5 **nal appointment**

6 "(a) Under regulations prescribed by the Secretary of
7 Defense, and for the purpose of chapters 837 and 863 of this
8 title, a person who is originally appointed as a Reserve com-
9 missioned officer in the Air Force may be credited at the time
10 of his appointment with service as a commissioned officer,
11 except service as a commissioned warrant officer, in an ac-
12 tive status that he performed in any armed force.

13 "(b) Under regulations prescribed by the Secretary of
14 Defense, the Secretary of the Air Force shall, in addition to
15 any service credited to an officer under subsection (a) of this
16 section, credit such officer, if applicable, with constructive
17 service for advanced education, training, and experience as
18 follows:

19 "(1) four years plus his years of training and ex-
20 perience as a licensed physician or dentist, if designat-
21 ed as a medical or dental officer;

22 "(2) three years, if designated as a chaplain, vet-
23 erinary officer, or judge advocate; and

24 "(3) three years, if designated as a medical serv-
25 ice or biomedical sciences officer with a degree of doc-

1 tor of philosophy or a comparable degree in a science
2 allied to medicine which is a prerequisite to
3 appointment.

4 “(c) Notwithstanding any other provision of this title, if
5 the Secretary of Defense determines that the number of
6 qualified judge advocates serving on active duty in the Air
7 Force in grades below major is critically short of the number
8 needed by the Air Force, he may authorize the Secretary of
9 the Air Force to award to any officer appointed in the Air
10 Force with a view to designation as a judge advocate a
11 period of constructive service in such an amount in addition
12 to the period of such service awarded under subsection (b) of
13 this section as will result in the grade of such officer, if or-
14 dered to active duty, being that of captain and the date of
15 rank of such officer being junior to all other officers of the
16 same grade serving on active duty in the Air Force.”.

17 EXCLUSION OF ACTIVE-DUTY LIST RESERVE OFFICERS OF
18 THE ARMY AND AIR FORCE FROM CERTAIN PROVI-
19 SIONS RELATING TO RESERVE OFFICER APPOINT-
20 MENTS

21 SEC. 204. (a) Chapter 337, relating to appointments as
22 reserve officers, is amended by adding at the end thereof a
23 new section as follows:

1 **"§ 3396. Exclusion of certain officers**

2 "The preceding sections of this chapter, except section
3 3353, shall not apply to those reserve officers on the active-
4 duty list."

5 (b) Chapter 837, relating to appointments as Reserve
6 officers, is amended by adding at the end thereof a new sec-
7 tion as follows:

8 **"§ 8396. Exclusion of certain officers**

9 "The preceding sections of this chapter, except section
10 8353, shall not apply to those Reserve officers on the active-
11 duty list."

12 **WARRANT OFFICERS; TEMPORARY APPOINTMENT AND**
13 **PROMOTION**

14 **SEC. 205. (a)** Sections 3448 and 3449, relating to Army
15 warrant officers, are repealed.

16 (b) Sections 8448 and 8449, relating to Air Force war-
17 rant officers, are repealed.

18 **GRADE IN WHICH COMMISSIONED OFFICERS OF THE ARMY**
19 **AND AIR FORCE ARE ORDERED TO ACTIVE DUTY**

20 **SEC. 206. (a)** Section 3494, relating to the grade in
21 which reserve commissioned officers of the Army are ordered
22 to active duty, is repealed.

23 (b) Section 8494, relating to grades in which Reserve
24 commissioned officers of the Air Force are ordered to active
25 duty, is repealed.

1 CHIEF OF STAFF TO PRESIDENT (ARMY AND AIR FORCE)

2 TO BE INCLUDED IN AUTHORIZED STRENGTHS

3 SEC. 207. (a) Section 3531, relating to the appointment
4 of an Army general officer as the Chief of Staff to the Presi-
5 dent, is amended by striking out the last sentence thereof.

6 (b) Section 8531, relating to the appointment of an Air
7 Force general officer as the Chief of Staff to the President, is
8 amended by striking out the last sentence thereof.

9 GRADE OF THE SPECIAL ASSISTANT TO COMPTROLLER OF

10 THE DEPARTMENT OF DEFENSE

11 SEC. 208. Section 3532, relating to the grade of the
12 Special Assistant to the Comptroller of the Department of
13 Defense, is repealed.

14 RANK, PAY, AND ALLOWANCES OF ASSISTANT TO THE

15 CHIEF OF ENGINEERS

16 SEC. 209. Section 3535, relating to the rank, pay, and
17 allowances of the Assistant to the Chief of Engineers in
18 charge of civil works, is repealed.

19 COMMAND BY COMMISSIONED OFFICERS OF THE ARMY

20 MEDICAL DEPARTMENT AND BY COMMISSIONED OFFI-

21 CERS OF THE AIR FORCE IN CERTAIN CATEGORIES

22 SEC. 210. (a) Section 3579, relating to the exercise of
23 command by officers of the Army Medical Department, is
24 amended—

1 (1) by striking out “, other than an officer of the
2 Army Nurse Corps or Army Medical Specialist
3 Corps,” in subsection (a);

4 (2) by striking out subsection (b); and

5 (3) by redesignating subsection (c) as subsection
6 (b).

7 (b) Section 8579, relating to the exercise of command
8 by Air Force officers in certain designated categories, is
9 amended to read as follows:

10 **“§ 8579. Command: commissioned officers in certain des-**
11 **ignated categories**

12 “An officer designated as a medical, dental, veterinary,
13 medical service, biomedical sciences officer, or nurse is not
14 entitled to exercise command because of rank, except within
15 the categories prescribed in section 8067 (a) through (f) or (i)
16 of this title, or over persons placed under his charge.”.

17 **TERMINATION OF APPOINTMENT OR ENLISTMENT OF REG-**
18 **ULAR FEMALE MEMBERS OF THE ARMY AND AIR**
19 **FORCE**

20 **SEC. 211.** (a) Section 3818, relating to the termination
21 of appointment or enlistment of regular female members of
22 the Army, is repealed.

23 (b) Section 8818, relating to the termination of appoint-
24 ment or enlistment of regular female members of the Air
25 Force, is repealed.

1 RETENTION IN ACTIVE STATUS OF CERTAIN RESERVE
2 OFFICERS IN THE ARMY AND AIR FORCE UNTIL AGE 60

3 SEC. 212. (a) Section 3855, relating to the retention in
4 an active status of certain Army Reserve officers until age
5 60, is amended—

6 (1) by inserting “Veterinary Corps, in the podia-
7 try specialty in the Medical Allied Sciences Section of
8 the Medical Service Corps, in the Optometry Section
9 of the Medical Service Corps,” after “Dental Corps,”;
10 and

11 (2) by adding at the end thereof a new sentence
12 as follows: “An officer may be retained in an active
13 status under the authority of this section only to fill a
14 mission-based requirement.”.

15 (b) Section 8855, relating to the retention in an active
16 status of certain Air Force Reserve officers until age 60, is
17 amended—

18 (1) by inserting “veterinary officer, optometrist,
19 podiatrist,” after “dental officer,”; and

20 (2) by adding at the end thereof a new sentence
21 as follows: “An officer may be retained in an active
22 status under the authority of this section only to fill a
23 mission-based requirement.”.

1 HIGHER GRADE FOR SERVICE IN SPECIAL POSITIONS

2 SEC. 213. (a) Section 3962, relating to a higher grade
3 for service in special positions by Army officers, is
4 amended—

5 (1) by striking out “3066” in subsection (a) and
6 inserting in lieu thereof “606”;

7 (2) by striking out “active list” in subsection (a)
8 and inserting in lieu thereof “active-duty list”;

9 (3) by striking out subsection (b); and

10 (4) by redesignating subsection (c) as subsection
11 (b).

12 (b) Section 8962, relating to a higher grade for service
13 in special positions by Air Force officers, is amended—

14 (1) by striking out “(a)” at the beginning of sub-
15 section (a);

16 (2) by striking out “8066” in subsection (a) and
17 inserting in lieu thereof “606”;

18 (3) by striking out “active list” in subsection (a)
19 and inserting in lieu thereof “active-duty list”; and

20 (4) by striking out subsection (b).

21 (c) In the case of an officer of the Army or Air Force
22 who served at any time prior to the effective date of this Act
23 in a position described in section 3962(a) or 8962(a) of title
24 10, United States Code, for purposes of such service refer-
25 ence in such sections to section 606 shall be deemed to refer

1 to section 3066, in the case of an Army officer, or section
 2 8066, in the case of an Air Force officer, as such section was
 3 in effect on the day before the effective date of this Act, and
 4 the term "active-duty list" when used in such sections shall
 5 be deemed to mean "active list or active-duty list".

6 COMPUTATION OF RETIRED PAY (ARMY AND AIR FORCE)

7 SEC. 214. (a) Section 3991, relating to the computation
 8 of retired pay of Army personnel, is amended by striking out
 9 the table contained in such section and inserting in lieu there-
 10 of a new table as follows:

Formula	For sections	Column 1. Take	Column 2. Multiply by	Column 3. Add	Column 4. Subtract
A	3911 3918 3920 3924	Monthly basic pay ² of member's retired grade. ¹	2½ percent of years of service credited to him under section 1405. ⁴		Excess over 75 percent of pay upon which computation is based.
B	3914	Monthly basic pay ² to which member was entitled on day before he retired.	2½ percent of years of service credited to him under section 3925. ⁴	10 percent of product of columns 1 and 2 for extraordinary heroism in line of duty. ⁵	Excess over 75 percent of pay upon which computation is based.
C	3917	Monthly basic pay ² to which member was entitled on day before he retired.	2½ percent of years of service credited to him under section 3925. ⁴		Excess over 75 percent of pay upon which computation is based.

¹ For the purposes of this section, determine member's retired grade as if section 3962(b) did not apply and, for an officer who has served as Chief of Staff, compute at the highest rates of basic pay applicable to him while he served in that office.

² Compute at rates applicable on date of retirement.

³ Compute at rates applicable on date of retirement, or if the member has served as sergeant major of the Army, compute at the highest basic pay applicable to him while he so served, if such basic pay is greater.

⁴ Before applying percentage factor, credit a part of a year that is six months or more as a whole year, and disregard a part of a year that is less than six months.

⁵ The Secretary of the Army's determination as to extraordinary heroism is conclusive for all purposes."

11 (b) Section 8991, relating to the computation of retired
 12 pay of Air Force personnel, is amended by striking out the
 13 table contained in such section and inserting in lieu thereof a
 14 new table as follows:

"Formula	For sections	Column 1. Take	Column 2. Multiply by	Column 3. Add	Column 4. Subtract
A	8911 8913 8920 8924	Monthly basic pay ² of member's retired grade. ¹	2½ percent of years of service credited to him under section 1405. ⁴		Excess over 75 percent of pay upon which computation is based.
B	8914	Monthly basic pay ³ to which member was entitled on day before he retired.	2½ percent of years of service credited to him under section 8925. ⁴	10 percent of product of columns 1 and 2 for extraordinary heroism in line of duty. ⁵	Excess over 75 percent of pay upon which computation is based.
C	8917	Monthly basic pay ³ to which member was entitled on day before he retired.	2½ percent of years of service credited to him under section 8925. ⁴		Excess over 75 percent of pay upon which computation is based.

¹ For the purposes of this section, determine member's retired grade as if section 8962(b) did not apply and, for an officer who has served as Chief of Staff, compute at the highest rates of basic pay applicable to him while he served in that office.

² Compute at rates applicable on date of retirement.

³ Compute at rates applicable on date of retirement, or if the member has served as chief master sergeant of the Air Force, compute at the highest basic pay applicable to him while he so served, if such basic pay is greater.

⁴ Before applying percentage factor, credit a part of a year that is six months or more as a whole year, and disregard a part of a year that is less than six months.

⁵ The Secretary of the Air Force's determination as to extraordinary heroism is conclusive for all purposes."

- 1 DEAN OF ACADEMIC BOARD AND REGISTRAR, UNITED
- 2 STATES MILITARY ACADEMY; DEAN OF THE FACULTY
- 3 AND REGISTRAR OF THE UNITED STATES AIR FORCE
- 4 ACADEMY
- 5 SEC. 215. (a)(1) Subsection (b) of section 4335, relating
- 6 to the Dean of the Academic Board at the United States
- 7 Military Academy, is amended by striking out the second
- 8 sentence and inserting in lieu thereof the following: "The
- 9 Dean has the grade of brigadier general, is counted as a
- 10 brigadier general in determining strengths under section 453
- 11 of this title, and is entitled to the benefits authorized for regu-
- 12 lar brigadier generals of the Army, except that his retirement
- 13 age is that of a permanent professor of the Academy."
- 14 (2) Section 4336 is amended by striking out subsection
- 15 (c).

1 (b)(1) Subsection (b) of section 9335, relating to the
 2 Dean of the Faculty of the United States Air Force Acad-
 3 emy, is amended to read as follows:

4 “(b) The Dean has the grade of brigadier general, is
 5 counted as a brigadier general in determining strengths under
 6 section 453 of this title, and is entitled to the benefits author-
 7 ized for regular brigadier generals of the Air Force, except
 8 that his retirement age is that of a permanent professor of the
 9 Academy.”.

10 (2) Section 9336 is amended by striking out subsection
 11 (c).

12 TITLE III—AMENDMENTS TO SUBTITLE C OF
 13 TITLE 10, UNITED STATES CODE—THE
 14 NAVY AND MARINE CORPS

15 DEFINITIONS

16 SEC. 301. Section 5001, relating to definitions, is
 17 amended—

18 (1) by striking out paragraph (6) and inserting in
 19 lieu thereof the following:

20 “(6) ‘Commissioned officer’ means a member of
 21 the naval service whose appointment has been made by
 22 commission by the President.”; and

23 (2) by striking out paragraphs (9) and (10).

1 RANK AND PRIVILEGES OF RETIREMENT OF THE
2 DIRECTOR OF THE OFFICE OF BUDGET AND REPORTS

3 SEC. 302. Section 5064, relating to the Director and
4 Assistant Director of the Office of Budget and Reports, is
5 amended by striking out subsection (b) and redesignating sub-
6 sections (c) and (d) as subsections (b) and (c), respectively.

7 GRADE OF THE CHIEF OF DENTAL DIVISION, BUREAU OF
8 MEDICINE AND SURGERY

9 SEC. 303. Subsection (a) of section 5138, relating to the
10 grade of the Chief of the Dental Division in the Bureau of
11 Medicine and Surgery, is amended by striking out "in the
12 grade of rear admiral" and inserting in lieu thereof "not
13 below the grade of commodore admiral".

14 GRADE OF THE CHIEF OF MEDICAL SERVICE CORPS,
15 BUREAU OF MEDICINE AND SURGERY

16 SEC. 304. Subsection (a) of section 5139, relating to the
17 Medical Service Corps, Bureau of Medicine and Surgery, is
18 amended by striking out "in the Navy" in the third sentence
19 and inserting in lieu thereof "unless entitled to a higher rank
20 or grade".

21 GRADE OF THE CHIEF OF CHAPLAINS

22 SEC. 305. Section 5142, relating to the Chief of Chap-
23 lains, Bureau of Naval Personnel, is amended by striking out
24 "rear admiral" and inserting in lieu thereof "commodore
25 admiral".

1 ABOLISHMENT OF POSITION OF ASSISTANT CHIEF FOR
2 WOMEN

3 SEC. 306. Section 5143 relating to the Assistant Chief
4 for Women, Bureau of Naval Personnel, is repealed.

5 ABOLISHMENT OF THE POSITION OF DIRECTOR OF WOMEN
6 MARINES

7 SEC. 307. Section 5206, relating to the detail and re-
8 tirement of the Director of Women Marines, is repealed.

9 NAVY AND MARINE CORPS POSITIONS OF IMPORTANCE
10 AND RESPONSIBILITY; CHIEF OF STAFF TO THE
11 PRESIDENT

12 SEC. 308. Chapter 517, relating to certain positions of
13 admiral, vice admiral, general, and lieutenant general, is
14 repealed.

15 PERSONNEL DETAILED OUTSIDE THE DEPARTMENT OF
16 DEFENSE TO BE COUNTED IN COMPUTING STRENGTHS

17 SEC. 309. Section 5416, relating to personnel detailed
18 outside the Department of Defense, is repealed.

19 REPEAL OF PROVISIONS LIMITING THE NUMBER OF
20 WOMEN THAT MAY HOLD PERMANENT APPOINT-
21 MENTS IN CERTAIN GRADES IN THE LINE OF THE
22 NAVY

23 SEC. 310. Section 5452, relating to women line officers
24 on active duty in the Navy and women officers on active duty
25 in the Marine Corps, is repealed.

1 NAVAL RESERVE OFFICERS IN ACTIVE STATUS IN PERMA-
2 NENT GRADES ABOVE CHIEF WARRANT OFFICER, W-4

3 SEC. 311. Subsection (a) of section 5457, relating to
4 officers in an active status in grades above chief warrant offi-
5 cer, W-4, in the Naval Reserve, is amended—

6 (1) by striking out “grade of rear admiral” and in-
7 serting in lieu thereof “grades of commodore admiral
8 and rear admiral combined”; and

9 (2) by adding at the end thereof a new sentence
10 as follows: “Not more than 50 percentum of the offi-
11 cers in an active status authorized under this subsec-
12 tion may serve in the grade of rear admiral.”.

13 REPEAL OF CERTAIN PROVISIONS RELATING TO ORIGINAL
14 APPOINTMENTS OF NAVY AND MARINE CORPS OFFICERS

15 SEC. 312. (a) Section 5573, relating to appointment of
16 graduates of the Naval Academy, is repealed.

17 (b) Section 5581, relating to the appointment of women
18 in the Medical Corps, Dental Corps, and Medical Service
19 Corps of the Naval Reserve is repealed.

20 (c) Section 5585, relating to the filling of vacancies in
21 the grade of second lieutenant in the Regular Marine Corps
22 from graduates of the Naval Academy and other officers, is
23 repealed.

24 (d) Section 5590, relating to women in the Regular
25 Navy and Regular Marine Corps, is repealed.

1 (e) Section 5591, relating to the maximum number of
 2 ensigns that may be appointed annually in the Supply Corps
 3 of the Regular Navy, is repealed.

4 (f) Section 5592, relating to the maximum number of
 5 ensigns that may be appointed annually in the Civil Engineer
 6 Corps of the Regular Navy, is repealed.

7 (g) Section 5593, relating to the maximum number of
 8 ensigns that may be appointed annually in the Medical Serv-
 9 ice Corps of the Regular Navy, is repealed.

10 (h) Section 5594, relating to the maximum number of
 11 ensigns that may be appointed annually in the Nurse Corps
 12 of the Regular Navy, is repealed.

13 (i) Section 5595, relating to restrictions on the appoint-
 14 ment of former midshipmen and cadets in the Regular Marine
 15 Corps, is repealed.

16 REMOVAL OF DISCRIMINATORY PROVISIONS RELATING TO
 17 TRANSFERS IN LINE AND STAFF CORPS, REGULAR
 18 NAVY

19 SEC. 313. Section 5582, relating to transfers in line and
 20 staff corps of the Regular Navy, is amended to read as
 21 follows:

22 **"§ 5582. Regular Navy: transfers, line and staff corps**

23 "(a) A regular officer of the Navy in a staff corps in a
 24 grade not above lieutenant commander may be appointed in
 25 the line of the Navy to the same grade.

1 “(b) A regular officer in the line of the Navy in a grade
2 not above lieutenant commander may be appointed in the
3 Supply Corps or the Civil Engineer Corps to the same
4 grade.”.

5 ORIGINAL APPOINTMENT OF OFFICERS DESIGNATED FOR
6 CERTAIN DUTIES, REGULAR NAVY

7 SEC. 314. Section 5587, relating to officers of the Reg-
8 ular Navy designated for engineering, aeronautical engineer-
9 ing, or other special duty, is amended—

10 (1) by striking out subsection (a) and inserting in
11 lieu thereof the following:

12 “(a) Persons may be originally appointed in the line of
13 the Navy as regular officers designated for engineering duty,
14 aeronautical engineering duty, or special duty.”;

15 (2) by striking out “public information” in the
16 third sentence of subsection (c) and inserting in lieu
17 thereof “public affairs”, and by inserting “geophysics,
18 cryptography,” after “psychology,” in such sentence;
19 and

20 (3) by striking out “are additional numbers in
21 grade. They” in subsection (d).

1 ORIGINAL APPOINTMENT OF OFFICERS DESIGNATED FOR
2 LIMITED DUTY, REGULAR NAVY AND REGULAR
3 MARINE CORPS

4 SEC. 315. Section 5589, relating to Regular Navy and
5 Regular Marine Corps officers designated for limited duty, is
6 amended—

7 (1) by striking out that portion of subsection (a)
8 before clause (1) and inserting in lieu thereof the
9 following:

10 “(a) Original appointments as regular officers of the
11 Navy in a grade not above lieutenant in the line, in the Sup-
12 ply Corps, and in the Civil Engineer Corps may be made
13 from—”;

14 (2) by striking out that portion of subsection (b)
15 before clause (1) and inserting in lieu thereof the
16 following:

17 “(b) Original appointments as regular officers of the
18 Marine Corps in a grade not above captain may be made
19 from—”; and

20 (3) by inserting in subsection (c) “the qualifica-
21 tions specified in section 543(a) (1), (2), (3), and (4)
22 and must have” after “must have”.

1 TEMPORARY APPOINTMENTS OF NAVAL RESERVE AND
2 MARINE CORPS RESERVE OFFICERS

3 SEC. 316. Section 5598, relating to temporary appoint-
4 ments in the Naval Reserve and Marine Corps Reserve dur-
5 ing a war or national emergency, is repealed.

6 SERVICE CREDIT UPON ORIGINAL APPOINTMENT OF RE-
7 SERVE COMMISSIONED OFFICERS; NAVAL RESERVE
8 AND MARINE CORPS RESERVE

9 SEC. 317. Section 5600, relating to service credit upon
10 original appointment to the Naval and Marine Corps Re-
11 serves, is amended to read as follows:

12 **"§ 5600. Naval Reserve and Marine Corps Reserve: service**
13 **credit upon original appointment**

14 “(a) Under regulations prescribed by the Secretary of
15 Defense, for the purpose of determining his grade, seniority
16 in grade, and eligibility for promotion, a person who is origi-
17 nally appointed as a commissioned officer in a permanent
18 grade above chief warrant officer, W-4, in the Naval Re-
19 serve or Marine Corps Reserve may be credited at the time
20 of his appointment with service as a commissioned officer,
21 other than a commissioned warrant officer, that he performed
22 in an active status in any armed force.

23 “(b) Under regulations prescribed by the Secretary of
24 Defense, the Secretary of the Navy shall, in addition to any
25 service credited to an officer under subsection (a) of this sec-

1 tion, credit such officer, if applicable, with constructive serv-
2 ice for advanced education, training, and experience as
3 follows:

4 “(1) four years plus his years of training and ex-
5 perience as a licensed physician or dentist, if appointed
6 in the Medical Corps or Dental Corps;

7 “(2) three years, if appointed in the Chaplain
8 Corps or Judge Advocate General's Corps, or, in the
9 case of the Marine Corps, if designated as a judge
10 advocate; and

11 “(3) three years, if appointed in the Medical Serv-
12 ice Corps with a degree of doctor of philosophy or a
13 comparable degree in a science allied to medicine
14 which is a prerequisite to appointment.

15 “(c) Notwithstanding any other provision of this title, if
16 the Secretary of Defense determines that the number of
17 qualified judge advocates serving on active duty in the Navy
18 or the Marine Corps in grades below lieutenant commander
19 or major is critically short of the number needed by the Navy
20 or Marine Corps, respectively, he may authorize the Secre-
21 tary of the Navy to award to any officer appointed in the
22 Judge Advocate General's Corps of the Navy, or to any offi-
23 cer appointed in the Marine Corps with a view to designation
24 as a judge advocate, a period of constructive service in such
25 an amount in addition to the period of such service awarded

1 under subsection (b) of this section as will result in the grade
 2 of such officer, if ordered to active duty, being that of lieutenant
 3 ant (Navy) or captain and the date of rank of such officer
 4 being junior to all other officers of the same grade serving on
 5 active duty in the Navy or Marine Corps, as the case may
 6 be.”.

7 ASSIGNMENT OF RUNNING MATES TO NAVAL RESERVE
 8 AND MARINE CORPS RESERVE OFFICERS

9 SEC. 318. Section 5665, relating to assignment of running
 10 mates to Naval Reserve and Marine Corps Reserve officers
 11 in permanent grades above chief warrant officer, W-4,
 12 is amended—

13 (1) by striking out subsections (a) and (b) and inserting
 14 in lieu thereof the following:

15 “(a) While in the grade of lieutenant (junior grade) or in
 16 a higher grade, each officer in an active status in the Naval
 17 Reserve who is not on an active-duty list has a running mate
 18 of the same grade who shall be assigned under regulations
 19 prescribed by the Secretary of the Navy.

20 “(b) While in the grade of first lieutenant or a higher
 21 grade, each officer in an active status in the Marine Corps
 22 Reserve who is not on an active-duty list has a running mate
 23 of the same grade who shall be assigned under regulations
 24 prescribed by the Secretary of the Navy.”; and

25 (2) by striking out subsections (c), (d), and (e).

23 SEC. 324. Section 6383, relating to retirement and re-
24 lated matters, retirement of Regular Navy and Regular Ma-
25 rine Corps officers, is amended—

1 (1) by striking out subsection (b) and inserting in
2 lieu thereof the following:

3 “(b) Each regular officer on the active-duty list desig-
4 nated for limited duty, whose name is not on a promotion list,
5 and who is serving in the grade of lieutenant commander in
6 the Navy or serving in the grade of major in the Marine
7 Corps shall be retired on the first day of the seventh month
8 following the month in which he is considered as having
9 failed of selection for promotion to the next higher grade for
10 the second time.”;

11 (2) by striking out the comma after “grade” in
12 subsection (c)(1) and inserting in lieu thereof “and ex-
13 cept as provided in section 1370,”;

14 (3) by striking out subsections (d) and (e) and in-
15 serting in lieu thereof the following:

16 “(d) Each regular officer on the active-duty list desig-
17 nated for limited duty, whose name is not on a list of officers
18 recommended for promotion, and who is serving in the grade
19 of lieutenant in the Navy or serving in the grade of captain in
20 the Marine Corps shall be honorably discharged on the first
21 day of the seventh month following the month in which he is
22 considered as having twice failed of selection for promotion to
23 the grade of lieutenant commander or major.

24 “(e) Each Regular officer on the active-duty list of the
25 Navy or the Marine Corps designated for limited duty, whose

1 name is not on a list of officers recommended for promotion,
 2 and who is serving in the grade of ensign or second lieuten-
 3 ant, or lieutenant (junior grade) or first lieutenant, shall be
 4 honorably discharged on the first day of the seventh month
 5 following the month in which he is considered as having
 6 twice failed of selection for promotion.”;

7 (4) by striking out subsection (f) and redesignating
 8 subsections (g) and (h) as subsections (f) and (g), re-
 9 spectively;

10 (5) by striking out “retirement or” in the first
 11 sentence of subsection (f), as redesignated by clause
 12 (4), and by striking out “retired or” in the first and
 13 second sentences of such subsection; and

14 (6) by adding at the end thereof a new subsection
 15 as follows:

16 “(h) An officer discharged under this section is entitled,
 17 if eligible therefor, to separation pay under section 1173a of
 18 this title.”.

19 ELIMINATION FROM ACTIVE STATUS OF NAVAL RESERVE
 20 AND MARINE CORPS RESERVE OFFICERS

21 SEC. 325. Section 6389, relating to the elimination
 22 from active status of Naval Reserve and Marine Corps Re-
 23 serve officers, is amended—

1 (1) by striking out "subsection (a)" in the first
2 sentence of subsection (b) and inserting in lieu thereof
3 "subsection (a) or (f)";

4 (2) by striking out the second sentence of subsection
5 (d) and inserting in lieu thereof the following:
6 "Each other officer is considered to have for this purpose
7 as much total commissioned service as the years
8 of service computed under section 639 of this title of
9 any regular officer on the active-duty list of the Navy
10 not restricted in the performance of duty, or any regular
11 officer on the active-duty list of the Marine Corps
12 not restricted in the performance of duty, as appropriate,
13 who has served continuously since original appointment
14 as an ensign on active-duty in the Navy or
15 as a second lieutenant on active-duty in the Marine
16 Corps, has not lost numbers or precedence, and is, or
17 has been after September 6, 1947, junior to that other
18 officer."; and

19 (3) by striking out subsection (e) and inserting in
20 lieu thereof the following:

21 "(e) This section does not apply to women Reserve officers
22 or to Reserve officers in the Nurse Corps.

23 "(f)(1) An officer in an active status in the Naval Reserve
24 serving in the grade of commodore admiral shall be
25 eliminated from active status if he is not on a list of officers

1 recommended for promotion, has thirty years of total com-
 2 missioned service, and has held the grade of commodore ad-
 3 miral for at least five years.

4 “(2) An officer in an active status in the Naval Reserve
 5 serving in the grade of rear admiral shall be eliminated from
 6 active status if he has thirty-five years of total commissioned
 7 service and has held the grade of rear admiral for at least five
 8 years.”.

9 REPEAL OF PROVISION PROVIDING DIFFERENT TREAT-
 10 MENT FOR THE TERMINATION OF APPOINTMENTS
 11 HELD BY WOMEN OFFICERS IN THE REGULAR NAVY
 12 AND REGULAR MARINE CORPS

13 SEC. 326. Section 6393, relating to the termination of
 14 appointments of women officers in the Regular Navy and
 15 Regular Marine Corps, is repealed.

16 REMOVAL OF DISCRIMINATORY PROVISIONS RELATING TO
 17 THE ELIMINATION OF OFFICERS IN THE NURSE
 18 CORPS FROM ACTIVE STATUS IN THE NAVAL RE-
 19 SERVE

20 SEC. 327. Subsection (a) of section 6397, relating to the
 21 elimination of officers in the Nurse Corps from active status
 22 in the Naval Reserve, is amended to read as follows:

23 “(a) An officer of the Naval Reserve in any grade in the
 24 Nurse Corps may be eliminated from an active status under

1 the conditions prescribed in this title for the separation from
2 active duty of a regular officer in the same grade.”.

3 RECALL AND RETIRED PAY OF RETIRED OFFICERS OF THE
4 REGULAR NAVY AND REGULAR MARINE CORPS

5 SEC. 328. Section 6481, relating to authority to recall
6 retired officers of the Regular Navy and Regular Marine
7 Corps, and section 6487 of such title, relating to the retired
8 pay of retired rear admirals, are repealed.

9 GRADE OF RETIRED MEMBERS

10 SEC. 329. Section 6483, relating to the grade of retired
11 members when ordered to active duty, is amended by striking
12 out subsection (a) and striking out the subsection designation
13 “(b)” at the beginning of subsection (b).

14 REMOVAL OF PROHIBITION ON WOMEN BEING ENLISTED
15 AS AVIATION CADETS IN THE REGULAR NAVY AND
16 MARINE CORPS

17 SEC. 330. Subsection (a) of section 6911, relating to the
18 enlistment of aviation cadets, is amended by striking out
19 “male” each time such word appears in the second sentence.

1 TITLE IV—AMENDMENTS TO TITLE 37, UNITED
 2 STATES CODE, RELATING TO PAY AND
 3 ALLOWANCES

4 PAY GRADE OF OFFICERS HOLDING CERTAIN POSITIONS IN
 5 THE NAVY

6 SEC. 401. (a) Section 202 of title 37, United States
 7 Code, relating to the pay grades of officers holding certain
 8 positions in the armed forces, is amended by striking out sub-
 9 sections (a) through (e) and (g) through (l) and by striking out
 10 the subsection designation “(f)” at the beginning of subsec-
 11 tion (f).

12 (b) The catchline of section 202 of such title is amended
 13 to read as follows:

14 “§202. Pay grades: assignment to; rear admirals (upper
 15 half) of the Coast Guard”.

16 COMPUTATION OF PAY; SERVICE CREDITABLE

17 SEC. 402. Section 205 of title 37, United States Code,
 18 relating to computation of basic pay, is amended—

19 (1) by inserting “and” at the end of clause (6) of
 20 subsection (a);

21 (2) by striking out clauses (7) and (8) of subsec-
 22 tion (a) and redesignating clause (9) as clause (7);

23 (3) by striking out “clauses (2)–(9)” in the second
 24 sentence of subsection (a) and inserting in lieu thereof
 25 “clauses (2)–(7)”;

1 (4) by striking out the second sentence of subsec-
 2 tion (b); and

3 (5) by striking out subsection (c) and redesignating
 4 subsections (d) and (e) as subsections (c) and (d),
 5 respectively.

6 SUBSISTENCE ALLOWANCE FOR ENLISTED MEMBERS

7 WHILE PERFORMING CERTAIN TRAVEL

8 SEC. 403. The third sentence of section 402(b) of title
 9 37, United States Code, relating to basic allowance for sub-
 10 sistence, is amended to read as follows: "An enlisted member
 11 is entitled to the allowance while on an authorized leave of
 12 absence, while confined in a hospital, or while performing
 13 travel under orders away from his designated post of duty,
 14 but not while being subsisted in kind at the expense of the
 15 United States."

16 EFFECTIVE DATE FOR PAY AND ALLOWANCES IN CERTAIN
 17 CASES; REIMBURSEMENT OF EXPENSES IN CONNEC-
 18 TION WITH CERTAIN MESS OPERATIONS

19 SEC. 404. (a) Section 904 of title 37, United States
 20 Code, relating to effective date for pay and allowances for
 21 officers of the Navy and Marine Corps promoted under chap-
 22 ter 545 of title 10, United States Code, is repealed; and sec-
 23 tion 905 of such title, relating to effective date of pay and
 24 allowances for Navy and Marine Corps officers not covered

1 under section 904 of title 18, United States Code, is
2 repealed.

3 (b) Chapter 19 of title 37, United States Code, relating
4 to administration of pay and allowances, is amended by add-
5 ing at the end thereof the following new sections:

6 **"§ 1010. Commissioned officers: promotion; effective date**
7 **for pay and allowances**

8 "An officer of a uniformed service who is promoted to a
9 grade above second lieutenant or ensign is entitled to the pay
10 and allowances of the grade to which promoted on the effec-
11 tive date of such promotion.

12 **§ 1011. Mess operation: reimbursement of expenses**

13 "At messes where meals are sold to officers, civilians,
14 or enlisted members, entitled to per diem pursuant to section
15 404(d)(2) of this title, the Secretary of Defense by regulations
16 shall establish rates for such meals sufficient to provide reim-
17 bursement of operating expenses and food costs to the appro-
18 priations concerned, except that members of the uniformed
19 services and civilians in a travel status receiving a per diem
20 allowance in lieu of subsistence shall be charged at a rate of
21 not less than \$2.50 per day. For the purposes of this section,
22 payments for meals at the rates established hereunder may
23 be made in cash or by deduction from the pay of enlisted
24 members or civilian employees. Members of organized non-
25 profit youth groups sponsored at either the national or local

1 level, when extended the privilege of visiting a military in-
 2 stallation and permitted to eat in the general mess by the
 3 commanding officer of the installation, shall pay the com-
 4 muted ration cost of such meal or meals.”.

5 TITLE V—TECHNICAL AND CONFORMING

6 AMENDMENTS

7 AMENDMENTS TO SUBTITLE A OF TITLE 10, UNITED
 8 STATES CODE, RELATING TO GENERAL MILITARY LAW

9 SEC. 501. (a) Section 101 is amended—

10 (1) by inserting “(A)” after “(4)” in paragraph (4)
 11 and adding at the end thereof the following:

12 “(B) ‘Military service’ means the Army,
 13 Navy, Air Force, or Marine Corps.”; and

14 (2) by striking out “duty on the active list,” in
 15 paragraph (22).

16 (b) Section 123(a) is amended by striking out “3571,”
 17 “3847,” “5867,” “6397,” “8370,” “8571,” and
 18 “8847,”.

19 (c) Subsection (a) of section 266 is amended by striking
 20 out “Each” at the beginning of such section and inserting in
 21 lieu thereof “Except as provided in section 612(a)(3) of this
 22 title, each”.

23 (d) The table of sections at the beginning of chapter 33
 24 is amended by inserting immediately below the item relating
 25 to section 541 the following new items:

"542. Commissioned officers: original appointment; how made.

"543. Commissioned officers: original appointment; qualifications.

"544. Commissioned officers: original appointment; service credit."

1 (e) Subsection (a) of section 593 is amended—

2 (1) by striking out ", except commissioned war-

3 rant officer," in the first sentence; and

4 (2) by striking out "3352 or 8352" in the second

5 sentence and inserting in lieu thereof "624, 3352, or

6 8352".

7 (f) The table of sections at the beginning of chapter 39 is

8 amended by striking out the item relating to section 687 and

9 inserting in lieu thereof the following:

"687. Regular components: retired members.

"688. Reserve commissioned officers: grade in which ordered to active duty."

10 (g) The table of sections at the beginning of chapter 43

11 is amended—

12 (1) by striking out the item relating to section 741

13 and inserting in lieu thereof the following:

"741. Rank: commissioned officers of the military services.";

14 and

15 (2) by adding at the end thereof the following new

16 item:

"750. Command: retired officers."

17 (h) Section 743 is amended by striking out "active list"

18 and inserting in lieu thereof "active-duty list".

19 (i) Subsection (b) of section 973 is amended—

1 (1) by inserting "regular" before "officer" in the
2 first sentence; and

3 (2) by striking out "on the active list of the Regu-
4 lar Army, Regular Navy, Regular Air Force, Regular
5 Marine Corps, or Regular Coast Guard" and inserting
6 in lieu thereof "of an armed force".

7 (j) Subsection (d) of section 1079 is amended—

8 (1) by striking out ", (C),"; and

9 (2) by striking out "(E)" and inserting in lieu
10 thereof "(D)".

11 (k) Subsection (c) of section 1086 is amended by striking
12 out "(F)" in clauses (1) and (2) and inserting in lieu thereof
13 "(E)".

14 (l) The table of sections at the beginning of chapter 59 is
15 amended—

16 (1) by striking out the item relating to section
17 1167; and

18 (2) by adding at the end thereof the following new
19 item:

"1173a. Members: separation pay upon involuntary discharge or release from active duty."

20 (m) Clause (1) of section 1208(a) is amended by striking
21 out "or mandatory elimination from the active list" and in-
22 serting in lieu thereof ", discharge, or retirement for length
23 of service".

1 (n)(1) Clause (1) of section 1211(a) is amended by strik-
 2 ing out "active list of his regular component" and inserting in
 3 lieu thereof "active-duty list".

4 (2) Clause (2) of section 1211(b) is amended to read as
 5 follows:

6 "(2) if a warrant officer of a regular component,
 7 be recalled to active duty and, as soon as practicable,
 8 be reappointed by the Secretary concerned in the regu-
 9 lar grade held by him when his name was placed on
 10 the temporary disability retired list, or in the next
 11 higher regular warrant officer grade;"

12 (o) The table of sections at the beginning of chapter 63
 13 is amended by inserting immediately below the item relating
 14 to section 1263 the following new item:

"1264. Age 62: regular commissioned officers: exceptions."

15 (p) The table of sections at the beginning of chapter 69
 16 is amended by inserting above the item relating to section
 17 1371 the following new item:

"1370. Commissioned officers: retired grade; general rule."

18 (q) The table contained in section 1401 is amended by
 19 striking out "1255" in the column labeled "For sections".

20 (r) Clause (2) of section 2126 is amended by striking out
 21 " , other than subsection (a) (7) and (8), of title 37".

(s) The table of chapters at the beginning of subtitle A and the table of chapters at the beginning of part II of subtitle A are each amended—

(1) by inserting

“30. Officer Strength and Distribution in Grade 451”

immediately above the item relating to chapter 31;

(2) by inserting immediately below the item relating to chapter 35 the following new items:

“35A. Temporary Appointments..... 605

“36. Promotion, Separation, and Retirement of Officers on the Active-Duty List: Second Lieutenants and Ensigns Through Major General and Rear Admiral..... 611”;

and

(3) by adding immediately below the item relating to chapter 59 the following new item:

“60. Separation of Regular Officers for Various Reasons..... 1181”.

AMENDMENTS TO SUBTITLES B AND D OF TITLE 10,
UNITED STATES CODE, RELATING TO THE ARMY AND
AIR FORCE

SEC. 502. (a)(1) Subsection (b) of section 3034 is amended to read as follows:

“(b) The Chief of Staff, while so serving, has the grade of general without vacating his regular or reserve grade.”.

(2) Section 3036 is amended—

(A) by striking out “(3) Judge Advocate General.” in subsection (a);

(B) by redesignating clause (4) as clause (3); and

1 (C) by striking out “, except the Judge Advocate
2 General,” in subsection (b) and by striking out the last
3 sentence of such subsection.

4 (b) Subsection (b) of section 8034(b) is amended to read
5 as follows:

6 “(b) The Chief of Staff, while so serving, as the grade of
7 general without vacating his regular or reserve grade.”.

8 (c) Chapter 307 is amended by striking out section 3066
9 and by striking out the item relating to such section in the
10 table of sections at the beginning of such chapter.

11 (d)(1) Chapter 807 is amended by striking out section
12 8066 and by striking out the item relating to such section in
13 the table of sections at the beginning of such chapter.

14 (2) Subsection (e) of section 8062 is amended by striking
15 out “and chapter 831” and inserting in lieu thereof “, chap-
16 ter 831, and section 138”.

17 (3) Subsection (a) of section 8067 is amended by striking
18 out “in conformity with section 8289 or 8294 of this title,”.

19 (4) Subsection (e) of section 8067 is amended by striking
20 out “in conformity with section 8291 of this title,”.

21 (5) Subsection (h) of section 8067 is amended by striking
22 out “in conformity with section 8293 of this title,”.

23 (e)(1) Chapter 331 is amended by striking out sections
24 3201, 3202, 3203, 3204, 3205, 3206, 3207, 3209, 3210,
25 3211, 3113, 3214, and 3216 and by striking out the items

1 relating to such sections and section 3230 in the table of
2 sections at the beginning of such chapter.

3 (2) The first sentence of section 3212 is amended to
4 read as follows: "The authorized strength in any reserve
5 grade, as prescribed under this chapter, is automatically in-
6 creased to the minimum extent necessary to give effect to
7 each appointment in that grade under section 1211(a), 3036,
8 3365(a), or 3366 of this title."

9 (3) Sections 3222 and 3225 are each amended by strik-
10 ing out "of 837,000" and "in section 3201(a) of this title".

11 (f)(1) Chapter 831 is amended by striking out sections
12 8201, 8202, 8203, 8204, 8205, 8206, 8207, 8208, 8209,
13 8210, 8211, 8213, 8214, and 8215 and by striking out the
14 items relating to such sections and section 8230 in the table
15 of sections at the beginning of such chapter.

16 (2) The first sentence of section 8212 is amended to
17 read as follows: "The authorized strength in any reserve
18 grade, as prescribed under this chapter, is automatically in-
19 creased to the minimum extent necessary to give effect to
20 each appointment made in that grade under section 1211(a),
21 8365 (a) and (c), 8366 (a) and (d), 8375, 8376, 8380, or
22 8381 of this title."

23 (3) Sections 8222 and 8225 are each amended by strik-
24 ing out "of 502,000" and "in section 8201(a) of this title".

1 (g) Chapter 335 is amended by striking out sections
 2 3284, 3285, 3286, 3287, 3288, 3289, 3290, 3291, 3292,
 3 3293, 3294, 3295, 3296, 3297, 3298, 3299, 3300, 3302,
 4 3303, 3305, 3306, 3307, 3308, 3309, 3312, 3313, and 3314
 5 and by striking out the items relating to such sections in the
 6 table of sections at the beginning of such chapter.

7 (h) Chapter 835 is amended by striking out sections
 8 8284, 8285, 8286, 8287, 8288, 8289, 8293, 8294, 8295,
 9 8296, 8297, 8298, 8299, 8300, 8301, 8302, 8303, 8305,
 10 8306, 8307, 8308, 8309, 8312, 8313, and 8314 and by
 11 striking out the items relating to such sections in the table of
 12 sections at the beginning of such chapter.

13 (i) The table of sections at the beginning of chapter 337
 14 is amended—

15 (1) by striking out the item relating to section
 16 3353 and inserting in lieu thereof the following:

“3353. Commissioned officers: service credit upon original appointment.”;

17 and

18 (2) by adding at the end thereof the following new
 19 item:

“3396. Exclusion of certain officers.”.

20 (j) The table of sections at the beginning of chapter 837
 21 is amended—

22 (1) by striking out the item relating to section
 23 8353 and inserting in lieu thereof the following:

"8353. Commissioned officers: service credit upon original appointment.";

1 and

2 (2) by adding at the end thereof a new item as

3 follows:

"8396. Exclusion of certain officers.".

4 (k) Clause (1) of section 3360(b) is amended by striking
5 out "or on the active list" and inserting in lieu thereof "as a
6 Regular officer".

7 (l) Chapter 339 is amended by striking out sections
8 3441, 3442, 3444, 3445, 3447, 3451, and 3452 and by
9 striking out the items relating to such sections and sections
10 3448 and 3449 in the table of sections at the beginning of
11 such chapter.

12 (m) Chapter 839 is amended by striking out sections
13 8441, 8442, 8444, 8445, 8447, 8451, and 8452 and by
14 striking out the items relating to such sections and sections
15 8448 and 8449 in the table of sections at the beginning of
16 such chapter.

17 (n) Chapter 341 is amended by striking out section 3504
18 and by striking out the item relating to sections 3494 and
19 3504 in the table of sections at the beginning of such chapter.

20 (o) Chapter 841 is amended by striking out section 8504
21 and by striking out the item relating to sections 8494 and
22 8504 in the table of sections at the beginning of such chapter.

1 (p) The table of sections at the beginning of chapter 343
2 is amended by striking out the items relating to sections
3 3532 and 3535.

4 (q) Chapter 345 is amended by striking out sections
5 3571, 3573, 3574, and 3582 and by striking out the items
6 relating to such sections in the table of sections at the begin-
7 ning of such chapter.

8 (r) Chapter 845 is amended by striking out sections
9 8571, 8573, 8574, and 8582 and by striking out the items
10 relating to such sections in the table of sections at the begin-
11 ning of such chapter.

12 (s) Chapters 359 and 360 are repealed.

13 (t) Chapters 859 and 860 are repealed.

14 (u) Chapter 361 is amended by striking out section 3814
15 and by striking out the item relating to sections 3814 and
16 3818 in the table of sections at the beginning of such chapter.

17 (v) Chapter 861 is amended by striking out section 8814
18 and by striking out the item relating to sections 8814 and
19 8818 in the table of sections at the beginning of such chapter.

20 (w) Chapter 365 is repealed.

21 (x) Chapter 865 is repealed.

22 (y)(1) Chapter 367 is amended by striking out sections
23 3913, 3916, 3919, 3921, 3923, and 3927 and by striking out
24 the items relating to such section in the table of sections at
25 the beginning of such chapter.

1 (2) Subsection (a) of section 3924 is amended by striking
2 out "3786" and inserting in lieu thereof "1187".

3 (z)(1) Chapter 867 is amended by striking out sections
4 8913, 8915, 8916, 8919, 8921, 8922, 8923, and 8927 and
5 by striking out the items relating to such sections in the table
6 of sections at the beginning of such chapter.

7 (2) Subsection (a) of section 8924 is amended by striking
8 out "8786" and inserting in lieu thereof "1187".

9 (3)(A) Section 3961 is amended by striking out "Un-
10 less" at the beginning of such section and inserting in lieu
11 thereof "Except as provided in section 1370 of this title and
12 unless".

13 (B) Section 3963 is amended by striking out subsection
14 (a) and by striking out the subsection designation "(b)" at the
15 beginning of subsection (b).

16 (aa) The table of chapters at the beginning of subtitle B
17 and at the beginning of part II of such subtitle are each
18 amended by striking out the items relating to chapters 359,
19 360, and 365.

20 (bb) The table of chapters at the beginning of subtitle D
21 and at the beginning of part II of such subtitle are each
22 amended by striking out the items relating to chapters 859,
23 860, and 865.

1 (cc) Section 8961 is amended by striking out "Unless"
2 at the beginning of such section and inserting in lieu thereof
3 "Except as provided in section 1370 of this title and unless".

4 (dd) Section 8963 is amended by striking out subsection
5 (a) and by striking out the subsection designation "(b)" at the
6 beginning of subsection (b).

7 (ee) The first sentence of section 4301(b) is amended by
8 striking out "active list" and inserting in lieu thereof "active-
9 duty list".

10 (ff) The first sentence of section 9301(b) is amended by
11 striking out "active list" and inserting in lieu thereof "active-
12 duty list".

13 (gg)(1) The table of sections at the beginning of chapter
14 403 is amended by striking out "and commission" in the item
15 relating to section 4353.

16 (2) Subsection (d) of section 4333 is amended by striking
17 out "regular or temporary" and by striking out "applicable
18 promotion list" and inserting in lieu thereof "active-duty
19 list".

20 (3) Section 4336 is amended—

21 (A) by striking out "a promotion list officer" in
22 subsections (a) and (b) and inserting in lieu thereof "a
23 regular officer"; and

24 (B) by inserting "or active-duty list" after "on the
25 promotion list" in subsections (a) and (b).

1 (4) Section 4353, relating to the degree and commission
2 upon graduation of a United States Military Academy cadet,
3 is amended—

4 (A) by striking out “and commission” in the
5 catchline of such section;

6 (B) by striking out the subsection designation
7 “(a)” at the beginning of subsection (a); and

8 (C) by striking out subsection (b).

9 (hh)(1) The table of sections at the beginning of chapter
10 903 is amended by striking out “and commission” in the item
11 relating to section 9353.

12 (2) Section 9336 is amended—

13 (A) by striking out “a promotion list officer” in
14 subsections (a) and (b) and inserting in lieu thereof “a
15 regular officer”; and

16 (B) by inserting “or active-duty list” after “on the
17 promotion list” in subsections (a) and (b).

18 (3) Section 9353, relating to the degree and commission
19 of a United States Air Force Academy cadet, is amended—

20 (A) by striking out “and commission” in the
21 catchline of such section:

22 (B) by striking out the subsection designation
23 “(a)” at the beginning of subsection (a); and

24 (C) by striking out subsection (b).

1 AMENDMENTS TO SUBTITLE C OF TITLE 10, UNITED

2 STATES CODE, RELATING TO THE NAVY

3 SEC. 503. (a) Subsection (a) of section 5064 is amended
4 by striking out "active list" and inserting in lieu thereof "ac-
5 tive-duty list".

6 (b)(1) Subsection (a) of section 5081 is amended by
7 striking out "active list" and inserting in lieu thereof "active-
8 duty list".

9 (2) Section 5085 is amended—

10 (A) by striking out "active list" in subsection (a)
11 and inserting in lieu thereof "active-duty list"; and

12 (B) by striking out subsection (d).

13 (3) Section 5086 is amended—

14 (A) by striking out in subsection (a) "active list"
15 and inserting in lieu thereof "active-duty list"; and

16 (B) by striking out subsection (c).

17 (4) Subsection (a) of section 5087 is amended by striking
18 out "active list" each time it appears and inserting in lieu
19 thereof "active-duty list".

20 (5) Section 5088 is amended—

21 (A) by striking out "active list" in subsection (a)
22 and inserting in lieu thereof "active-duty list"; and

23 (B) by striking out subsection (d).

1 (c)(1) The table of sections at the beginning of chapter
2 513 is amended by striking out the item relating to sections
3 5134 and 5143.

4 (2)(A) Subsection (a) of section 5133 is amended to read
5 as follows:

6 “(a) Unless otherwise appointed to a higher grade under
7 another provision of law, an officer of the Navy while serving
8 as a chief of bureau or Judge Advocate General has the rank
9 of rear admiral. Unless otherwise appointed to a higher grade
10 under another provision of law, an officer of the Marine
11 Corps while serving as Judge Advocate General has the rank
12 of major general.”.

13 (B) Subsection (b) of section 5133 is amended—

14 (i) by striking out the second sentence; and

15 (ii) by inserting “or active-duty list” after “active
16 list” in the last sentence.

17 (3) Section 5137 is amended by striking out “active
18 list” each time it appears and inserting in lieu thereof “ac-
19 tive-duty list”.

20 (4) Subsection (a) of section 5139 is amended by striking
21 out “active list” in the first sentence and inserting in lieu
22 thereof “active-duty list”.

23 (5) Subsection (a) of section 5140 is amended by striking
24 out “active list” in the first sentence and inserting in lieu
25 thereof “active-duty list”.

1 (6) The second sentence of subsection (a) of section
2 5141 and the second sentence of subsection (b) of such sec-
3 tion are amended by striking out "active list" and inserting
4 in lieu thereof "active-duty list".

5 (7) Section 5142 is amended by striking out "active
6 list" and inserting in lieu thereof "active-duty list".

7 (8) Section 5150 is amended by striking out in subsec-
8 tions (b) and (d) "active list" and inserting in lieu thereof
9 "active-duty list".

10 (d)(1) The table of sections at the beginning of chapter
11 515 is amended—

12 (A) by striking out "pay;" in the item relating to
13 section 5202; and

14 (B) by striking out the item relating to section
15 5206.

16 (2) Subsection (a) of section 5201 is amended by striking
17 out "active list" in the first sentence and inserting in lieu
18 thereof "active-duty list".

19 (3) The catchline of section 5202 is amended by striking
20 out "pay;".

21 (4) Subsection (a) of section 5202 is amended by striking
22 out "active list" and inserting in lieu thereof "active-duty
23 list".

1 (e) The table of chapters at the beginning of subtitle C
2 and at the beginning of part I of such subtitle are each
3 amended by striking out the item relating to chapter 517.

4 (f) Chapter 531 is amended by striking out sections
5 5401, 5402, 5403, 5404, 5405, 5406, 5407, 5408, 5409,
6 5412, 5415, and 5417 and by striking out in the table of
7 sections at the beginning of such chapter the items relating to
8 such sections and section 5416.

9 (g) Chapter 533 is amended by striking out sections
10 5441, 5442, 5443, 5444, 5445, 5446, 5447, 5448, 5449,
11 5450, 5451, 5454, and 5455 and by striking out in the table
12 of sections at the beginning of such chapter the items relating
13 to such sections and section 5452.

14 (h)(1) The table of sections at the beginning of chapter
15 535 is amended by striking out the items relating to sections
16 5504, 5505, and 5507.

17 (2)(A) Section 5501 is amended—

18 (i) by striking out the subsection designation “(a)”
19 at the beginning of subsection (a);

20 (ii) by redesignating clauses (4) through (9) of sub-
21 section (a) as clauses (5) through (10), respectively;

22 (iii) by inserting after clause (3) a new clause (4)
23 as follows:

24 “(4) Commodore admiral.”; and

25 (iv) by striking out subsections (b) and (c).

1 (B) Sections 5504 and 5505 are repealed.

2 (3) Section 5506 is amended—

3 (A) by striking out “Officers” in the first sentence
4 and inserting in lieu thereof “Subject to section 741,
5 officers”; and

6 (B) by striking out “When” in the second sen-
7 tence and inserting in lieu thereof “Subject to section
8 741, when”.

9 (4) Section 5508 is amended—

10 (A) by striking out “a lineal” in the first sentence
11 of subsection (a) and inserting in lieu thereof “an ac-
12 tive-duty” and by striking out the last sentence of such
13 subsection;

14 (B) by striking out the subsection designation
15 “(a)” at the beginning of such subsection; and

16 (C) by striking out subsection (b).

17 (i)(1) The table of sections at the beginning of chapter
18 539 is amended by striking out the items relating to sections
19 5571, 5572, 5573, 5573a, 5574, 5575, 5576, 5577, 5578,
20 5578a, 5579, 5580, 5581, 5583, 5584, 5585, 5586, 5590,
21 5591, 5592, 5593, 5594, 5595, 5596, 5597, 5598, 5599,
22 and 5601.

23 (2) Subsection (b) of section 5587 is amended by striking
24 out “any officer on the active list” and inserting in lieu there-
25 of “a regular officer”.

1 (3) Section 5587a is amended—

2 (A) by inserting “regular” before “officer” and
3 striking out “active list” and inserting in lieu thereof
4 “active-duty list” in subsection (a);

5 (B) by striking out the subsection designation
6 “(a)” at the beginning of subsection (a); and

7 (C) by striking out subsection (b).

8 (4) Sections 5571, 5572, 5573, 5573a, 5574, 5575,
9 5576, 5577, 5578, 5578a, 5579, 5580, 5583, 5584, 5586,
10 5596, 5597, and 5599 are repealed.

11 (j) Chapter 541 is amended by striking out sections
12 5651, 5652, 5652a, 5652b, 5652c, 5653, 5654, 5655, 5656,
13 5657, 5658, 5659, 5660, 5661, 5662, 5663, 5664, and 5666
14 and by striking out in the table of sections at the beginning of
15 such chapter the items relating to such sections.

16 (k) Chapters 543 and 545 are repealed, and the table of
17 chapters at the beginning of subtitle C and at the beginning
18 of part II of such subtitle are amended by striking out the
19 items relating to chapters 543, 545, and 547.

20 (l)(1) The table of sections at the beginning of chapter
21 549 is amended by striking out the item relating to section
22 5907.

23 (2) Section 5891 is amended—

24 (A) by striking out “(c), (d), and (e), a reserve offi-
25 cer who is on the lineal list maintained under section

1 5504" in subsection (b) and inserting in lieu thereof
2 “(c) and (d), a reserve officer who is on the active-duty
3 list maintained under section 620”;

4 (B) by striking out subsections (c) and (g) and re-
5 designating subsections (d), (e), and (f) as subsections
6 (c), (d), and (e), respectively; and

7 (C) by striking out “chapter 543” in subsections
8 (d) and (e), as redesignated by clause (2), and inserting
9 in lieu thereof “chapter 36”, and by striking out “the
10 lineal list” and “a lineal list” wherever they appear in
11 such subsections and inserting in lieu thereof “the ac-
12 tive-duty list”.

13 (3) The fourth sentence of section 5892 is amended by
14 striking out “prescribed for line and staff corps officers on the
15 active list of the Navy” and inserting in lieu thereof “estab-
16 lished by the Secretary for regular line and staff corps offi-
17 cers on the active-duty list under other provisions of this
18 title”.

19 (4) Section 5896 is amended by inserting “before the
20 effective date of the Defense Officer Personnel Management
21 Act” after “section 5581 of this title” wherever it appears
22 therein.

23 (5) Section 5897 is amended by inserting “before the
24 effective date of the Defense Officer Personnel Management

1 Act" after "section 5581 of this title" wherever it appears
2 therein.

3 (6) Subsection (b) of section 5898 is amended by insert-
4 ing "before the effective date of the Defense Officer Person-
5 nel Management Act" after "section 5581 of this title".

6 (7) Section 5899 is amended—

7 (A) by inserting "before the effective date of the
8 Defense Officer Personnel Management Act" after
9 "section 5581 of this title" wherever it appears there-
10 in;

11 (B) by striking out "section 5764" in subsections
12 (a) and (c) and inserting in lieu thereof "chapter 36";

13 (C) by inserting "or above" after "captain" in the
14 second sentence of subsection (a);

15 (D) by striking out "section 5765" in subsections
16 (b) and (d) and inserting in lieu thereof "chapter 36";

17 (E) by striking out "lineal list" in subsections (b)
18 and (e) and inserting in lieu thereof "active-duty list";

19 (F) by striking out "section 5702" in subsection
20 (e) and inserting in lieu thereof "chapter 36"; and

21 (G) by striking out "chapter 543" in subsection (f)
22 and inserting in lieu thereof "chapter 36".

23 (8) Section 5901 is amended by striking out subsection
24 (c).

1 (9) Subsections (b) and (c) of section 5902 are amended
2 by striking out "chapter 545" and inserting in lieu thereof
3 "chapter 36".

4 (10) Section 5906 is amended by striking out "chapter
5 543" and inserting in lieu thereof "chapter 36".

6 (11) The second sentence of subsection (a) of section
7 5910 and the second sentence of subsection (b) of such sec-
8 tion are amended by striking out "active list" and inserting
9 in lieu thereof "active-duty list".

10 (m) The table of sections at the beginning of chapter
11 551 is amended by striking out the item relating to section
12 5955.

13 (n) The table of sections at the beginning of chapter 553
14 is amended by striking out the item relating to section 5982.

15 (o) (1) The table of sections at the beginning of chapter
16 555 is amended by striking out the item relating to section
17 6018.

18 (2) Section 6015 is amended by striking out "appointed
19 under section 5590 of this title".

20 (p) The table of sections at the beginning of chapter 569
21 is amended by striking out the item relating to section 6294.

22 (q) Subsection (c) of section 6323 is amended by striking
23 out "Unless" and inserting in lieu thereof "Except as pro-
24 vided in section 1370 and unless".

1 (r) Subsection (a) of section 6325 is amended by insert-
2 ing "of this section or section 1370" after "subsection (b)".

3 (s) (1) Sections 6371, 6372, 6373, 6374, 6376, 6377,
4 6378, 6379, 6380, 6381, 6382, 6384, 6385, 6386, 6387,
5 6388, 6390, 6392, 6393, 6394, 6395, 6396, 6398, 6400,
6 6401, 6402, and 6407 are repealed.

7 (2) The table of sections at the beginning of chapter 573
8 is amended—

9 (A) by striking out the items relating to the sec-
10 tions referred to in paragraph (1);

11 (B) by striking out "or severance" in the item re-
12 lating to section 6383; and

13 (C) by striking out "severance" in the item relat-
14 ing to section 6404 and inserting in lieu thereof "sepa-
15 ration".

16 (3) Subsection (a) of section 6383 is amended by striking
17 out "Each officer designated for limited duty on the active
18 list of the Navy or the Marine Corps" and inserting in lieu
19 thereof "Each regular officer of the Navy or Marine Corps
20 designated for limited duty".

21 (4) Section 6403 is amended—

22 (A) by inserting "before the effective date of the
23 Defense Officer Personnel Management Act" after
24 "section 5581 of this title" in subsection (a);

1 (B) by inserting "or chapter 36" after "this chap-
2 ter" in subsections (a) and (b);

3 (C) by inserting "regular" after "woman line" in
4 subsection (a); and

5 (D) by striking out "active list" in subsections (a)
6 and (b) and inserting in lieu thereof "active-duty list".

7 (5) Section 6404 is amended by striking out "lump-sum
8 payments" and inserting in lieu thereof "separation pay".

9 (6) The catchline of section 6404 is amended by striking
10 out "severance" and inserting in lieu thereof "separation".

11 (t) Section 6488 is repealed and the table of sections at
12 the beginning of chapter 575 is amended by striking out the
13 items relating to sections 6481, 6487, and 6488.

14 (u) Sections 6909 and 6914 are repealed and the table
15 of sections at the beginning of chapter 601 is amended by
16 striking out the items relating to such sections.

17 (v) Subsection (a) of section 7042 is amended by striking
18 out "active list" and inserting in lieu thereof "active-duty
19 list".

20 AMENDMENTS TO TITLE 14, UNITED STATES CODE,

21 RELATING TO THE COAST GUARD

22 SEC. 504. (a)(1) Chapter 11 of title 14, United States
23 Code, is amended by adding a new section as follows:

1 **"§ 286a. Regular warrant officers: severance pay**

2 “(a) The severance pay of a regular warrant officer of
3 the Coast Guard who is separated under section 564(a)(3) of
4 title 10 is computed by multiplying his years of active service
5 creditable to him under section 511 of the Career Compensa-
6 tion Act of 1949, as amended, but not more than 12, by
7 twice the monthly basic pay to which he is entitled at the
8 time of separation.

9 “(b) The severance pay of a regular warrant officer of
10 the Coast Guard who is separated under section 1166 of title
11 10 is computed by multiplying his years of active service
12 creditable to him under section 511 of the Career Compensa-
13 tion Act of 1949, as amended, but not more than 12, by the
14 monthly basic pay to which he is entitled at the time of
15 separation.

16 “(c) For the purposes of this section, a part of the year
17 that is six months or more is counted as a whole year, and a
18 part of a year that is less than six months is disregarded.

19 “(d) The acceptance of severance pay under this section
20 does not deprive a person of any retirement benefits from the
21 United States. However, there shall be deducted from each
22 of his retirement payments so much thereof as is based on the
23 service for which he has received severance pay under this
24 section, until the total deductions equal the amount of such
25 severance pay. However, no person is entitled to severance

1 pay under this section in an amount that is more than
2 \$15,000.”.

3 (2) The table of sections at the beginning of chapter 11
4 of such title is amended by inserting immediately below the
5 item relating to section 286 a new item as follows:

“286a. Regular warrant officers: severance pay.”.

6 AMENDMENT TO TITLE 32, UNITED STATES CODE,
7 RELATING TO THE NATIONAL GUARD

8 SEC. 505. Paragraph (12) of section 101 of title 32,
9 United States Code, is amended by striking out “duty on the
10 active list,”.

11 AMENDMENTS TO TITLE 37, UNITED STATES CODE, RE-
12 LATING TO THE PAY AND ALLOWANCES OF MEMBERS
13 OF THE UNIFORMED SERVICES

14 SEC. 506. (a) Section 101(18) of title 37, United States
15 Code, is amended by striking out “duty on the active list,”.

16 (b) The table of sections at the beginning of chapter 3 of
17 such title is amended by striking out the item relating to
18 section 202 and inserting in lieu thereof the following:

“202. Pay grades: assignment to; rear admirals (upper half) of the Coast Guard.”.

19 (c) The table contained in section 201(a) of such title is
20 amended—

21 (1) by striking out “Environmental Science Serv-
22 ices Administration” in the heading of the third column

1 and inserting in lieu thereof "National Oceanic and At-
2 mospheric Administration";

3 (2) by striking out "Rear admiral (upper half)" in
4 the third column and inserting in lieu thereof "Rear
5 admiral (Navy) and rear admiral (upper half) (Coast
6 Guard and National Oceanic and Atmospheric Admin-
7 istration)"; and

8 (3) by striking out "Rear admiral (lower half) and
9 commodore" in the third column and inserting in lieu
10 thereof "Commodore admiral (Navy) and rear admiral
11 (lower half) and commodore (Coast Guard and National
12 Oceanic and Atmospheric Administration)".

13 (d) Subsection (a) of section 204 of such title is amended
14 by striking out "Except for members covered by section
15 202(i) of this title, the" and inserting in lieu thereof "The".

16 (e) Sections 302, 302a(b), 302b, and 303(b) are amended
17 by inserting ", separation pay," before "or severance pay".

18 (f) Section 406 of such title is amended—

19 (1) by inserting "separation pay or" before "sev-
20 erance pay" in subsections (d)(2) and (g)(2); and

21 (2) by inserting "separation pay or" before "re-
22 adjustment pay" in subsections (d)(2) and (g)(2).

23 (g) Section 415 of such title is amended—

1 (1) by striking out "a reserve" in the first sen-
 2 tence of subsection (a) and inserting in lieu thereof
 3 "an";

4 (2) by striking out in subsection (a) " , an officer of
 5 the Army or the Air Force without specification of
 6 component, or a regular officer of an armed force ap-
 7 pointed under section 2106 or 2107 of title 10";

8 (3) by striking out subsections (c) and (e); and

9 (4) by redesignating subsection (d) as subsection
 10 (c).

11 (h) The table of sections at the beginning of chapter 17
 12 of such title is amended by striking out the items relating to
 13 sections 904 and 905.

14 (i) The table of sections at the beginning of chapter 19
 15 of such title is amended by adding at the end thereof the
 16 following new items:

"1010. Commissioned officers: promotions; effective date for pay and allowances.
 "1011. Mess operations: reimbursement of expenses."

17 AMENDMENT TO THE ACT OF MARCH 31, 1947 (OFFICE OF
 18 SELECTIVE SERVICE RECORDS)

19 SEC. 507. Subsection (d) of section 6 of the Act of
 20 March 31, 1947, chapter 26 (50 U.S.C. App. 326(d)), is
 21 amended—

22 (1) by striking out "on the active or retired list of
 23 the Army, Navy, Marine Corps, or Coast Guard, or of
 24 any Reserve component thereof,"; and

1 (2) by striking out "in the Army, Navy, Marine
2 Corps, or Coast Guard or any Reserve component
3 thereof, or as such officer or employee in any depart-
4 ment or agency of the United States" and inserting in
5 lieu thereof "or employee".

6 AMENDMENT TO THE MILITARY SELECTIVE SERVICE ACT

7 SEC. 508. Clause (4) of section 10(b) of the Military
8 Selective Service Act (50 U.S.C. App. 460(b)(4)) is
9 amended—

10 (1) by striking out "on the active or retired list of
11 the armed forces, or any reserve component thereof
12 with his consent,"; and

13 (2) by striking out "as such officer in the armed
14 forces or reserve component thereof, or" and "in any
15 department or agency of the United States".

16 TITLE VI—TRANSITION AND EFFECTIVE DATE
17 PROVISIONS

18 GRADE AND PROMOTION STATUS OF ARMY AND AIR FORCE

19 OFFICERS

20 SEC. 601. Notwithstanding any other provision of
21 law—

22 (1) Except as provided in paragraphs (3), (5), (6), (7),
23 and (8), a regular or reserve officer of the Army or Air Force
24 subject to placement on an active-duty list who, on the effec-
25 tive date of this Act—

1 (A) is serving on active duty in a temporary grade
2 below major general and such grade is equal to or
3 higher than his permanent grade; or

4 (B) is on an approved list of officers who have
5 been recommended for promotion, but has not been
6 promoted, to a temporary grade below major general
7 and such grade is equal to or higher than his perma-
8 nent grade;

9 is considered to be recommended for promotion by a board
10 convened under section 611(a) of title 10, United States
11 Code, as added by this Act, to a permanent grade equivalent
12 to the grade in which he is serving or for which he was
13 recommended, as the case may be.

14 (2) The date of rank of an officer promoted under au-
15 thority of paragraph (1) is the date on which such officer is
16 promoted unless, on the day before his promotion, such offi-
17 cer was serving in a temporary grade equivalent to the per-
18 manent grade to which he is promoted, in which event the
19 date of rank is the date of his temporary grade.

20 (3) A reserve officer of the Army or Air Force subject to
21 placement on an active duty list who, on the effective date of
22 this Act, holds a reserve grade higher than the temporary
23 grade in which he is serving on such date, may, if he is rec-
24 ommended for promotion under chapter 36 of title 10, United
25 States Code, as added by this Act, to a temporary grade

1 equal to or lower than his reserve grade, be appointed by the
2 President, by and with the advice and consent of the Senate,
3 to such temporary grade.

4 (4) A regular officer of the Army or Air Force who, on
5 the day before the effective date of this Act, was on a recom-
6 mended list for promotion to a regular grade higher than the
7 grade in which he was serving on that day, is considered to
8 have been recommended for promotion to such regular grade
9 in an approved report of a board convened under section
10 611(a) of title 10, United States Code, as added by this Act.

11 (5)(A) An officer of the Army or Air Force who, on the
12 effective date of this Act, holds the regular grade of first
13 lieutenant, captain, or major and who has been considered
14 only once, but has not been recommended for promotion to
15 the next higher regular grade by a duly convened selection
16 board shall, within one year after the effective date of this
17 Act, be considered again by a selection board convened by
18 the Secretary concerned for promotion to the next higher
19 regular grade.

20 (B) If an officer described in subparagraph (A) is recom-
21 mended by the selection board which again considers him for
22 promotion, he is considered as having been recommended for
23 promotion to the next higher regular grade or the grade in
24 which he is serving, whichever grade is higher, by a board
25 convened under section 611(a) of title 10, United States

1 Code, as added by this Act. However, if such officer is not
2 recommended for promotion by such board, he shall, unless
3 continued on active duty under amendments made by this
4 Act, be retired or discharged, as appropriate, under laws in
5 effect on the day before the effective date of this Act (except
6 as provided in section 603(3)).

7 (6) An officer of the Army or Air Force who, on the
8 effective date of this Act, has the regular grade of first lieu-
9 tenant, captain, or major and has twice failed of selection for
10 promotion to the next higher regular grade, shall, unless con-
11 tinued on active duty under amendments made by this Act,
12 be retired or discharged, as appropriate, under laws in effect
13 on the day before the effective date of this Act (except as
14 provided in section 603(3)).

15 (7)(A) A reserve officer of the Army or Air Force sub-
16 ject to placement on the active-duty list who, on the effective
17 date of this Act, is serving on active duty and who has been
18 considered only once, but not selected for promotion to the
19 reserve grade of captain, major, or lieutenant colonel under
20 section 3366, 3367, or 8866, as appropriate, of title 10,
21 United States Code, shall, unless sooner promoted, be con-
22 sidered again for promotion to that grade by a selection board
23 convened under section 3366, 3367, or 8866, as appropriate,
24 of such title.

1 (B) If an officer described in subparagraph (A) is recom-
2 mended for promotion by the selection board which again
3 considers him for promotion, he shall be considered as having
4 been recommended for promotion to the next higher reserve
5 grade or a reserve grade equivalent to the temporary grade
6 in which he is serving on the effective date of this Act,
7 whichever is higher. However, if such officer is not recom-
8 mended for promotion by such board, he shall (except as pro-
9 vided in section 603(3)) be governed by section 3846 or
10 8846, as appropriate, of title 10, United States Code.

11 (8) An officer of the Army or Air Force who, on the
12 effective date of this Act, is serving on active duty and is
13 considered to have twice failed of selection for promotion to
14 the reserve grade of captain, major, or lieutenant colonel
15 shall be retired or discharged, as appropriate, under the laws
16 in effect on the day before the effective date of this Act (ex-
17 cept as provided in section 603(3)).

18 (9)(A) A regular or reserve officer of the Army or Air
19 Force subject to placement on the active-duty list who, on
20 the date before the effective date of this Act—

21 (i) was serving on active duty in a grade above
22 brigadier general or was on a list of officers recom-
23 mended for promotion, but not promoted to such grade;

24 (ii) held a permanent grade below major general;
25 and

1 (iii) had not, at any time, been recommended for
2 promotion to the regular or reserve grade of major
3 general in an approved report of a selection board;
4 shall, within one year after the effective date of this Act, be
5 considered for promotion to the permanent grade of major
6 general by a special selection board convened by the Secre-
7 tary concerned. An officer recommended for promotion by
8 such board shall be considered as having been recommended
9 by a board convened under section 611(a) of title 10, United
10 States Code, as added by this Act.

11 (B) An officer described in subparagraph (A) who is not
12 recommended for promotion by a special selection board con-
13 vened under such subparagraph shall, if he holds a permanent
14 grade below brigadier general, be considered to have been
15 recommended for promotion to the permanent grade of briga-
16 dier general by a board convened under section 611(a) of title
17 10, United States Code, as added by this Act.

18 (C) The date of rank in the permanent grade of any
19 officer recommended for promotion under this paragraph shall
20 be determined by the Secretary concerned.

21 GRADE AND PROMOTION STATUS OF NAVY AND MARINE

22 CORPS OFFICERS

23 SEC. 602. Notwithstanding any other provision of
24 law—

1 (1) An officer of the Navy or Marine Corps who is sub-
2 ject to placement on the active-duty list and who, on the
3 effective date of this Act, is on a promotion list to a grade
4 below vice admiral or lieutenant general or is serving in a
5 temporary grade below vice admiral or lieutenant general
6 and such grade is higher than his permanent grade, is consid-
7 ered to have been recommended for promotion in an ap-
8 proved report of a board convened under section 611(a) of
9 title 10, United States Code, as added by this Act, to a per-
10 manent grade equivalent to the grade in which he is serving
11 on such date or for which he has been recommended for pro-
12 motion, as appropriate. This paragraph does not apply to an
13 officer—

14 (A) serving in a temporary grade which, by its
15 own terms, is limited in duration;

16 (B) designated for limited duty in a grade to
17 which he was appointed under section 5596 of title 10,
18 United States Code, before the repeal of such section;
19 or

20 (C) recommended for promotion or promoted to a
21 grade under section 5787 of such title, as in effect be-
22 fore the effective date of this Act.

23 (2) An officer of the Navy or Marine Corps who, on the
24 effective date of this Act, is considered to have failed of selec-
25 tion for promotion one or more times to a grade below cap-

tain (Navy) or colonel is subject to the amendments made by this Act as if such failure or failures had occurred after the effective date of this Act.

COMMON PROVISIONS FOR RETIREMENT, DISCHARGE, AND
RELEASE FROM ACTIVE DUTY

SEC. 603. Notwithstanding any other provision of law—

(1) An officer of a military service who is serving under a temporary appointment on the day before the effective date of this Act, who has a permanent status as an enlisted member or a warrant officer, and who on the effective date of this Act—

(A) has not completed ten years of commissioned service for retirement eligibility under section 3911, 6323, or 8911 of title 10, United States Code; and

(B) becomes eligible for retirement under any other provision of law;

is entitled to retire in the highest permanent grade he held as an enlisted member or warrant officer, as the case may be, prior to the effective date of this Act.

(2) An officer of a military service who was recommended for continuation on the active list under Public Law 86-155 (73 Stat. 333) or section 10 of Public Law 86-616 (74 Stat. 395) shall not be subject to the selective early re-

1 tirement provisions of section 637 of title 10, United States
2 Code, as added by this Act.

3 (3) A member of an armed force who is on active duty
4 on the day before the effective date of this Act and who is
5 discharged or released from such duty on or after such date,
6 may, if eligible therefor, elect to receive—

7 (A) readjustment pay or severance (lump-sum) pay
8 under laws in effect before the effective date of this
9 Act; or

10 (B) separation pay under section 1173a of title
11 10, United States Code, as added by this Act.

12 RETIREMENT PROVISIONS FOR ARMY AND AIR FORCE

13 OFFICERS

14 SEC. 604. Notwithstanding any other provision of
15 law—

16 (1) An officer of the Army or Air Force who, on the day
17 before the effective date of this Act, held the regular grade of
18 major or was on a recommended list for promotion to such
19 grade, shall be retired on the first day of the month in which
20 such officer completes twenty-one years of service computed
21 under section 3927(a) or 8927(a), as appropriate, of title 10,
22 United States Code, as in effect on the day before the effec-
23 tive date of this Act, unless such officer is—

24 (A) sooner retired or separated under another pro-
25 vision of law;

1 (B) promoted to a higher regular grade; or

2 (C) continued on active duty under amendments

3 made by this Act.

4 (2) An officer of the Army or Air Force who, on the day
5 before the effective date of this Act, held the regular grade of
6 colonel or was on a recommended list for promotion to such
7 grade, shall be retired on the date provided by laws in effect
8 on the day before the effective date of this Act, unless such
9 officer is—

10 (A) sooner retired or separated under another pro-
11 vision of law;

12 (B) promoted to a higher regular grade; or

13 (C) continued on active duty under amendments
14 made by this Act.

15 (3) An officer of the Army or Air Force who is serving
16 on active duty on the effective date of this Act and whose
17 retirement has been deferred or suspended before that date
18 may continue to serve on active duty in a deferred or sus-
19 pended status for the period of such deferral or suspension.

20 RETIREMENT AND DISCHARGE PROVISIONS FOR NAVY AND

21 MARINE CORPS OFFICERS

22 SEC. 605. Notwithstanding any other provision of
23 law—

24 (1) An officer who, on the day before the effective date
25 of this Act, held the regular grade of captain, commander, or

1 lieutenant commander in the Navy, or the regular grade of
2 colonel, lieutenant colonel, or major in the Marine Corps, or
3 was on a promotion list to any such grade, shall be retired on
4 the date provided under laws in effect on the day before the
5 effective date of this Act, unless such officer is—

6 (A) sooner retired or separated under another pro-
7 vision of law;

8 (B) promoted to a higher regular grade; or

9 (C) continued on active duty under amendments
10 made by this Act.

11 (2) An officer of the Navy who, on the effective date of
12 this Act, holds the regular grade of rear admiral or is on a
13 promotion list to such grade shall be continued on active duty
14 or retired under laws in effect on the day before the effective
15 date of this Act.

16 (3) An officer of the Marine Corps who, on the effective
17 date of this Act, holds the regular grade of brigadier general
18 or is on a promotion list to such grade shall be retired under
19 laws in effect on the day before the effective date of this Act.

20 (4) An officer of the Navy who, on the effective date of
21 this Act, holds or is on a promotion list to the reserve grade
22 of rear admiral is not subject to section 6389(f) of title 10,
23 United States Code, as added by this Act.

24 (5) Unless promoted to a higher regular grade under
25 chapter 36 of title 10, United States Code, as added by this

1 Act, a regular officer of the Navy or Marine Corps designated
2 for limited duty before the effective date of this Act is subject
3 to section 6383 of such title, as in effect on the day before
4 the effective date of this Act.

5 (6) A regular officer of the Navy or Marine Corps who
6 was subject to section 6396, 6401, or 6402, as appropriate,
7 of title 10, United States Code, as in effect on the day before
8 the effective date of this Act, and who, after such date, would
9 be subject to discharge under section 631 or 632 of such title,
10 as added by this Act, may, if otherwise eligible, elect to be
11 discharged under section 6396, 6401, or 6402, as appropri-
12 ate, as in effect on the day before the effective date of this
13 Act.

14 (7) Except as provided in section 637 of title 10, United
15 States Code, as added by this Act, an officer of the Navy or
16 Marine Corps appointed under section 5590 of such title, as
17 in effect on the day before the effective date of this Act, who
18 was not twice failed of selection for promotion prior to such
19 effective date, and who is not selected for promotion to a
20 higher regular grade after such effective date, may not be
21 retired earlier than such officer would have been retired had
22 this Act not been enacted.

23 PLACEMENT ON THE ACTIVE-DUTY LIST

24 SEC. 606. Not later than six months after the effective
25 date of this Act, each officer of a military service who is

1 required to be placed on an active-duty list under chapter 36
 2 of title 10, United States Code, as added by this Act, shall be
 3 placed on such list with the same relative seniority such offi-
 4 cer held on the day before the effective date of this Act. Such
 5 placement shall be considered to have been made on the
 6 effective date of this Act.

7 UNIFORM, PAY GRADE, RANK, AND TITLE OF CERTAIN

8 REAR ADMIRALS

9 SEC. 607. (a) An officer who, on the day before the
 10 effective date of this Act, was serving in the grade of rear
 11 admiral and who, on that day, was entitled to the pay of a
 12 rear admiral of the upper half or of the lower half shall be
 13 considered after such date as serving in the grade of rear
 14 admiral or commodore admiral, as appropriate, except that in
 15 either case such officer's title shall be rear admiral. An officer
 16 who, on the day before the effective date of this Act, was on
 17 a promotion list to the grade of rear admiral shall, upon pro-
 18 motion, be considered as serving in the grade of commodore
 19 admiral, except that such officer's title shall be rear admiral.

20 (b) An officer who, on the day before the effective date
 21 of this Act—

22 (1) was serving on active duty in the grade of
 23 rear admiral and entitled to the basic pay of a rear ad-
 24 miral of the lower half; or

1 (2) was on a promotion list to rear admiral and is
2 promoted to that grade after such effective date;
3 is entitled to wear the uniform and insignia of a rear admiral.
4 For the purpose of computing basic pay, such officer shall be
5 assigned the pay grade he would have been assigned under
6 applicable provisions of law in effect on the day before the
7 effective date of this Act.

8 (c) Except as otherwise provided by law, an officer of
9 the Navy who, on the day before the effective date of this
10 Act, held the grade of rear admiral on the retired list or the
11 temporary disability retired list, retains that grade and is en-
12 titled to wear the uniform and insignia of a rear admiral as
13 established under amendments made by this Act. Such an
14 officer, when ordered to active duty—

15 (1) holds the grade and wears the uniform and in-
16 signia of a rear admiral as established under amend-
17 ments made by this Act; and

18 (2) has the rank among commissioned officers of
19 the military services and is entitled to the basic pay
20 of—

21 (A) a commodore admiral if he was entitled
22 to the retired pay of a rear admiral of the lower
23 half on the day before the effective date of this
24 Act; or

1 (B) a rear admiral if he was entitled to the
 2 retired pay of a rear admiral of the upper half on
 3 the day before the effective date of this Act.

4 (d) Unless entitled to a higher grade under another pro-
 5 vision of law, an officer of the Navy who, on the day before
 6 the effective date of this Act—

7 (1) was serving on active duty; and

8 (2) held the grade of rear admiral;

9 and who retires on or after the effective date of this Act,
 10 retires in the grade of rear admiral and is entitled to wear the
 11 uniform and insignia of a rear admiral as established under
 12 amendments made by this Act. If such officer is ordered to
 13 active duty after his retirement, for the purposes of determin-
 14 ing his pay, uniform and insignia, and rank among other com-
 15 missioned officers, he is considered as having held the grade
 16 of rear admiral on the retired list on the day before the effec-
 17 tive date of this Act.

18 REGULAR NAVY WOMEN OFFICERS: REAPPOINTMENT AND
 19 PROMOTION STATUS

20 SEC. 608. Notwithstanding any other provision of
 21 law—

22 (1)(A) Each officer who was serving in a staff corps of
 23 the Navy under an appointment made in accordance with
 24 section 5590 of title 10, United States Code, as in effect
 25 before the effective date of this Act, shall be reappointed in

1 that corps under the amendments made by this Act, notwith-
2 standing any limitations otherwise specified by law with re-
3 gard to age, grade, or physical standards.

4 (B) A reappointment made under subparagraph (A) shall
5 be considered for all purposes as having been an original ap-
6 pointment, and all provisions of law applicable to male offi-
7 cers previously appointed in a staff corps of the Navy prior to
8 the effective date of this Act shall apply to an officer reap-
9 pointed under this section, except as otherwise specifically
10 provided in this Act.

11 (C) Any officer reappointed in any staff corps of the
12 Navy under this section shall be reappointed in the grade and
13 with the date of rank held at the time of reappointment.

14 (D) Any officer reappointed under this paragraph who at
15 the time of reappointment has accrued leave to such officer's
16 credit shall not lose such accrued leave by reason of such
17 reappointment.

18 (2) Any officer appointed to the line of the Navy under
19 section 5590 of title 10, United States Code, as in effect
20 before the effective date of this Act, and who possesses the
21 requisite statutory qualifications for appointment in any staff
22 corps, may be reappointed in that corps under the terms and
23 conditions specified in this section.

24 (3)(A) Each officer on the active list of the line of the
25 Navy or the Marine Corps who was appointed under section

1 5590 of title 10, United States Code, as in effect before the
2 effective date of this Act, shall be reappointed under this sec-
3 tion, notwithstanding any limitations otherwise specified by
4 law with regard to age, grade, or physical standards.

5 (B) All provisions of law relating to male officers on the
6 active list of the Navy or Marine Corps apply to officers
7 reappointed under this Act except as otherwise specifically
8 provided in this Act.

9 (C) Any officer reappointed under this section shall be
10 reappointed in the grade and with the date of rank held at the
11 time of reappointment.

12 (D) Any officer reappointed under this paragraph who at
13 the time of reappointment has leave accrued to his credit
14 shall not lose such accrued leave by reason of such reappoint-
15 ment.

16 (4)(A) As soon as practicable after all reappointments
17 are made under paragraphs (1), (2), and (3), the name of each
18 officer so reappointed shall be entered on the appropriate
19 active-duty list of the Navy or of the Marine Corps in a posi-
20 tion among officers of such officer's grade as may be deter-
21 mined in accordance with such regulations as the Secretary
22 of the Navy may prescribe. All officers shall be placed on the
23 active-duty list without change in their relative positions held
24 on any list for promotion established for them while they

1 were appointed under any provision of title 10, United States
2 Code, repealed by this Act.

3 (B) Any female officer who, by virtue of her date of rank
4 and other considerations, would be placed on a promotion list
5 senior to an officer who has failed of selection for promotion
6 one or more times, and who is considered to have failed of
7 selection for promotion not more than once, shall, for pur-
8 poses of determining her eligibility for consideration for pro-
9 motion to the next higher grade, be considered for promotion
10 with those officers who are considered to have failed of selec-
11 tion for promotion the same number of times as such female
12 officer, or with those officers who are considered never to
13 have failed of selection for promotion, as appropriate.

14 (C) No female officer who is considered to have failed of
15 selection for promotion one or more times and whose position
16 on an active-duty list is junior to any male officer on such list
17 who is considered to have failed of selection for promotion a
18 fewer number of times than such female officer may be given
19 any advantages over such male officer in the selection proc-
20 ess by virtue of such active-duty list position.

21 CREDITABLE SERVICE FOR VARIOUS PURPOSES

22 SEC. 609. Notwithstanding any other provision of
23 law—

24 (1) The years of service creditable to an officer of a
25 military service which subject such officer to involuntary re-

1 tirement, discharge, or separation are the years of service
2 creditable to such officer for such purpose on the day before
3 the effective date of this Act plus all subsequent years of
4 service creditable under section 639 of title 10, United States
5 Code, as added by this Act. In the case of an officer for
6 whom no means of computing such service existed on the day
7 before the effective date of this Act, creditable service shall
8 be determined under regulations prescribed by the Secretary
9 of Defense, except that in no case shall such officer be cred-
10 ited with less service than his total active commissioned
11 service.

12 (2) The years of service to be credited to any person
13 shall not be affected by the amendments made by this Act if,
14 before the effective date of this Act, such person—

15 (A) was credited with such years of service on or
16 after an original appointment; or

17 (B) was participating in a program leading to an
18 appointment as an officer in a military service and the
19 crediting of years of service.

20 (3) For purposes of computing retired pay or basic pay,
21 each officer of the Army and Navy in the Medical or Dental
22 Corps, each officer of the Air Force designated as a medical
23 or dental officer, and each officer of the Public Health Serv-
24 ice commissioned as a medical or dental officer before the
25 effective date of this Act is entitled to count any service that

1 was creditable to such officer for such purpose under laws in
2 effect on the day before the effective date of this Act.

3 (4) For the purpose of computing the years of service for
4 pay and allowances, including retired, severance, readjust-
5 ment, separation, and basic pay, the total years of service on
6 an officer of a military service shall be computed by adding to
7 that service so creditable on the day before the effective date
8 of this Act all subsequent service as computed under amend-
9 ments made by this Act.

10 (5) An officer of a military service who was on active
11 duty on the day before the effective date of this Act and who
12 is retired under chapter 36 of title 10, United States Code, as
13 added by this Act, shall be entitled to retired pay in an
14 amount equal to not less than 50 percent of the basic pay
15 upon which his retired pay is based.

16 (6) The service that an officer of a military service has
17 in a particular grade is the sum of—

18 (A) the years, months, and days of service in that
19 grade accrued under laws in effect before the effective
20 date of this Act; and

21 (B) the years, months, and days of service in that
22 grade accrued under laws in effect on and after the ef-
23 fective date of this Act.

GRADE STRENGTHS

SEC. 610. Notwithstanding any other provision of law, the maximum numbers of officers authorized to serve in the grade of colonel or captain (Navy), lieutenant colonel or commander, or major or lieutenant commander, as determined under the provisions of section 454 of title 10, United States Code, as added by amendments made by this Act, may be increased for the fiscal year shown in column I of the table below by the percentage indicated opposite such fiscal year for the grade shown in column II, III, or IV:

Column I	Column II	Column III	Column IV
	Colonel or captain (Navy)	Lieutenant colonel or commander	Major or lieutenant commander
For the fiscal year ending September 30—	Percent	Percent	Percent
Army:			
1980	20	33	18
1981	20	33	15
1982	20	33	11
1983	20	33	7
1984	20	33	0
1985	16	27	0
1986	12	21	0
1987	8	15	0
1988	4	8	0
Navy:			
1980	20	24	13
1981	20	24	11
1982	20	24	7
1983	20	24	4
1984	20	24	0
1985	16	19	0
1986	12	14	0
1987	8	9	0
1988	4	4	0
Air Force:			
1980	25	33	20
1981	20	33	16
1982	20	33	11
1983	20	33	4
1984	20	33	0

Column I	Column II	Column III	Column IV
	Colonel or captain (Navy)	Lieutenant colonel or commander	Major or lieutenant commander
For the fiscal year ending September 30—	Percent	Percent	Percent
1985.....	16	27	0
1986.....	12	21	0
1987.....	8	14	0
1988.....	4	7	0
Marine Corps:			
1980.....	27	18	13
1981.....	27	18	10
1982.....	27	18	7
1983.....	27	18	3
1984.....	27	18	0
1985.....	21	15	0
1986.....	15	11	0
1987.....	10	7	0
1988.....	5	3	0

1 The computation of any increase authorized under this sec-
2 tion shall be rounded off to the nearest whole number.

3 MISCELLANEOUS PROVISIONS

4 SEC. 611. (a) Notwithstanding any other provision of
5 law—

6 (1) An officer who, on the day before the effective date
7 of this Act, was—

8 (A) serving on active duty; and

9 (B) entitled to rank and contingent privileges of
10 retirement under section 5064 of title 10, United
11 States Code, as in effect on the day before the effective
12 date of this Act;

13 shall have his rank and retirement privileges determined
14 under laws in effect on such date.

1 (2) In order to maintain the seniority position among
2 officers of any military service as such position existed on the
3 day before the effective date of this Act, the Secretary of
4 Defense, for a period of one year after the effective date of
5 this Act, may adjust the date of rank of any officer of such
6 service who was serving on active duty on the day before
7 such effective date.

8 (b) Except as otherwise expressly provided in this Act,
9 the provisions of this Act do not affect rights and duties that
10 matured, penalties that were incurred, and proceedings that
11 were begun before the effective date of this Act.

12 EFFECT ON SUSPENDED PROVISIONS OF LAW

13 SEC. 612. If any provision of law that is in a suspended
14 status on the day before the effective date of this Act is
15 amended by this Act, the suspension status of that provision
16 is not affected by that amendment.

17 DEFINITIONS

18 SEC. 613. As used in this title, the term "military serv-
19 ice" has the same meaning ascribed to it in section 101(4)(B)
20 of title 10, United States Code, as added by this Act; the
21 term "Secretary concerned" has the same meaning ascribed
22 to it in section 101(8) of such title; and the term "active-duty
23 list" has the same meaning ascribed to it in section 101(36)
24 of such title, as added by this Act.

1

SEPARABILITY PROVISION

2

SEC. 614. If a part of this Act is invalid, all valid parts
3 that are severable from the invalid part remain in effect. If a
4 part of this Act is invalid in one or more of its applications,
5 the part remains in effect in all valid applications that are
6 severable from the invalid part.

7

EFFECTIVE DATE

8

SEC. 615. This Act shall become effective on the first
9 day of the sixth calendar month following the month in which
10 it is enacted.

Passed the Senate November 30 (legislative day, November 29), 1979.

Attest:

J. S. KIMMITT,

Secretary.

Mr. NICHOLS. Today we will hear from Robert B. Pirie, Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics, and Maj. Gen. R. Dean Tice, Deputy Assistant Secretary of Defense for Military Personnel Policy.

Subsequently, we will schedule representatives from each of the military departments to focus in greater detail on the individual service impacts of the various proposals.

The legislation we have before us is extremely complex. Attempts to modify one aspect of the system have direct and indirect effects on other elements of the system. This interaction is difficult to trace, but it has a very significant impact on the individual officers. We must be extremely cautious that we do not modify the system without understanding the resultant changes and reactions of the officers to these changes.

I hope the department witnesses will be able to assist us in this endeavor. Some of the statements may be necessarily long as a consequence of the broad and complex nature of the subject.

We will open our hearings, then, on DOPMA with Hon. Robert Pirie, Assistant Secretary of Defense for Manpower Reserve Affairs and Logistics.

Mr. Secretary.

STATEMENT OF HON. ROBERT B. PIRIE, JR., ASSISTANT SECRETARY FOR MANPOWER, RESERVE AFFAIRS AND LOGISTICS, DEPARTMENT OF DEFENSE, ACCOMPANIED BY MAJ. GEN. R. DEAN TICE, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR MILITARY PERSONNEL POLICY

Mr. PIRIE. Thank you, Mr. Chairman.

OUTLINE OF STATEMENT OF HON. ROBERT B. PIRIE, ASSISTANT SECRETARY OF DEFENSE (M.R.A. & L.)

BACKGROUND

Proposed legislation is the continuation of efforts by DOD and the Congress since 1974 to update the laws pertaining to the management of commissioned officers.

Passed by the House in 1976 and 1978 with minor changes. Senate passed bill in 1979 substantially different from DOD/House proposal.

DOD DOPMA

Purpose of the bill is to establish new statutory limitations on the number of officers who may serve in senior grades below flag/general officer rank and to make more uniform the provisions of law that apply to the different services:

Provide common law for the appointment of Regular officers and for the active duty service of Reserve officers; Provide uniform laws for promotion procedures for officers in the separate services; Establish common provisions governing career expectations in the various grades; and Establish common mandatory separation and retirement points.

The current laws governing officer personnel management, primarily the Officer Personnel Act of 1947 (OPA) and the Officer Grade Limitation Act of 1954 (OGLA), do not reflect actual management needs today and cause several major problems which DOPMA will correct:

In 1954, the Air Force's field grade officer limits were set substantially lower than the other Services because the Air Force was a new Service at that time; Relief from these limits has been provided through a succession of temporary measures since 1959; Existing statutory grade ceilings would only permit recall of reserve units if their senior officers were excluded; Current Army and Air Force promotion system requires officers to be selected and promoted twice to the same grade, a temporary promotion (pay and insignia change), followed later by a permanent promotion that establishes tenure; Current regular officer force limits do not recognize the true size of the standing force, has necessitated reserve officers serving

continuously on active duty for 20 years or more; and Army/Air Force and Navy/Marine Corps promotion, separation and retirement systems are different and provide different career opportunity and expectation.

SYSTEM OBJECTIVES AND VARIABLES

To sustain the type of force structure required to meet the requirements of national security, we have three basic objectives in developing our programs:

To meet requirements for officers in the various grades at ages conducive to effective performance; To provide career opportunity that will attract and retain the number of high caliber officers needed; and To provide career opportunity that is reasonably consistent among the Services.

Attainment of these basic objectives, however, is complicated by a number of factors:

Unique characteristics of military personnel management, we have to "grow our own" experience—limited lateral entry into the Force, we need a young and vigorous officer corps during both peace and war; A complex interrelationship of variables directly influence the characteristics of the force: Annual procurement—the number of officers taken in each year to maintain the size of the force, Normal attrition—officers who leave the service voluntarily, Forced attrition—involuntary separations, Promotion timing—normal year of promotion for an officer, Promotion opportunity—advancement opportunity; and Grade distribution—number of officers in each of the various grades.

A change in any one of these variables can produce different results with long term consequences.

MAJOR PROVISIONS OF THE BILL

Appointments: Standardizes basic qualifications for the appointment of officers in the various services.

Constructive credit for appointment: Provides equity and uniformity in the application of service credit for the original appointments of professionals—physicians, lawyers, etc.

Single promotion system: Abolishes the current dual (temporary/permanent) promotion system.

All regular career force: Provides for an all regular force by 11 years of service or the major/lieutenant commander promotion point, whichever is later; and Not intended to cut short the careers of active duty reserves, but rather will afford them careers as regulars.

Up or out system retained to maintain vitality of officer force: Process requires that an officer is eliminated from military service after a number of years depending on the grade attained or if he is passed over for promotion to certain grades; System ensures an adequate balance between youth and experience; Has worked well over the past 30 years to provide a youthful, vigorous, fully combat-ready officer corps during peacetime; and Seniority system that existed before World War II did not emphasize selectivity thereby creating readiness problems.

Career expectation: Standardizes tenure of officers between the services; Majors/lieutenant commanders (O-4) who twice fail promotion to the next higher grade are involuntarily separated unless continued to 20 years and retirement; Lieutenant colonels/commanders (O-5) twice failed of selection to the next higher grade are involuntarily retired at 26 years; Colonels/captains (Navy) (O-6) are retired at 30 years; and

New authority is provided to involuntarily retire O-5's and O-6's prior to the 26th and 30th year of service: To be sparingly used during force reductions.

General and flag grades are not addressed in DOD version of DOPMA in order to avoid further complexity in the bill.

Equalization of treatment for female officers provided for to eliminate current inequities in law.

Permanent officer field grade limitations are revised: Tables will insure that billet requirements for each grade are adequately satisfied while maintaining a selective promotion flow at reasonable intervals with credible promotion opportunity; and These limitations will result in the following characteristics:

Grade	Time of promotion ¹	Estimated promotion opportunity
To colonel/captain (O-6).....	22±1 year.....	50
To lieutenant colonel/commander (O-5).....	16±1 year.....	70
To major/lieutenant commander (O-4).....	10±1 year.....	80
To captain/lieutenant (O-3).....	4.....	95
To first lieutenant/lieutenant (i.g.) (O-2).....	2.....	(2)

¹ Years of commissioned service.

² Fully qualified.

Cost and Budget Data: While not intended to produce savings DOD DOPMA has the potential for long term savings of \$70 million annually in FY 80 dollars.

SENATE VERSION OF DOPMA (S. 1918)

Alternative bill proposed by the Senate postulates a radically different management system:

Fails to meet stated objectives; Is a system tilted towards management not the individual; and Justified on the basis that it will save money without reducing experience levels necessary to fill requirements.

Major changes proposed, reasons/impacts are as follows:

Substantial reductions in grade authorizations: 30 percent in O-6's, 25 percent in O-5's and 20 percent in O-4's over a 10-year transition period; Reductions were rationalized by the claim that DOD could not justify grade tables in terms of mission requirements and that the DOD proposal is characterized by rapid turnover leading to an officer corps richer in grade but poorer in experience; and However, this argument ignores GAO certification of current officer grade requirement validation/determination procedures.

Senate only attempts to relate grade requirements to command billets, which ignores the diversity and complexity of the current military establishment; DOD grade tables will give Services a long term basis to meet requirements while providing sufficient career opportunity to attract and retain the kinds of people needed; Senate version will result in drastic reductions in career opportunity and a smaller field grade force; To offset field grade structure and maintain experience levels, Senate proposes to continue O-3's to 20 years and O-4's to 24 years of service; Experience indicates that officers will be less likely to stay on under this scheme; and Grade tables proposed by Senate, therefore, rest on the speculative assumptions about retention that could cause an experience drain difficult to overcome.

Senate bill introduces new flag general officer grade authorization tables that will adversely affect the management of this resource: Issue of flag/general officer management is complex; Should be addressed separately; All regular career force concept was discarded; This would continue the current practice of career Reserve officers serving on active duty instead of becoming regulars under DOD DOPMA; Up or out is modified to permit continuation of O-3's and O-4's to 20 and 24 years of service, respectively: Purportedly will afford Services additional flexibility in managing their officer forces; and Limited authority is manageable, However, should not be intended as a means to offset reductions in field grade authorizations.

Tenure and retirement provisions are changed to permit extension of officers in grades O-5 through O-8 for five years: Includes a provision that requires officers to serve 3 years in grade before qualifying for voluntary retirement in that grade; Use of extension of tenure, however, is a limited tool because of the possibility of incurring promotion stagnation if senior grades are loaded up with too many continued officers; and 3 years in grade for retirement provisions is inflexible; Situation is better managed by policy rather than law, Could cause individual hardship.

There are numerous other anomalies and problems in Senate's bill.

A principal advantaged claimed for S. 1918 is that it has the potential to effect considerable savings: CBO cost analysis confirms this, *provided* there are no changes in retention behavior; and Current RAND study, however, indicates that reductions in career opportunity postulated by the Senate will adversely impact on retention behavior, Can expect 33 percent drop in retention at end of obligation under S. 1918 scheme, Thus, any savings would be negated and would in fact generate additional costs.

In examining S. 1918 as an alternative, it is apparent that it incurs serious risks to our readiness: Officers would be signaled that a military career is less attractive

than employment in the civilian sector. This point of view was highlighted by various Senators when the bill was debated on the floor of the Senate; DOD version of DOPMA, however, will provide a firm foundation in law over the long term.

Mr. PIRIE. Euclid, the mathematician once told a kingly client of his there was no royal road to geometry; and I am afraid there is similarly no royal road to DOPMA. It is an excessively complex subject so I crave your indulgence at the outset for the length and complexity of this statement. I hope it will be helpful to you.

I appreciate this opportunity to testify on the Defense Officer Personnel Management Act, also referred to as DOPMA, a bill to amend titles 10 and 37, United States Code, relating to the appointment, promotion, separation, and retirement of members of the Armed Forces, and for other purposes.

Accompanying me today is Maj. Gen. R. Dean Tice, Deputy Assistant Secretary of Defense for Military Personnel Policy, whose broad and varied background in troop command and personnel management, plus his previous assignment as commander of the Berlin Brigade, and commander of the 3d Infantry Division ideally qualify him to comment first hand on the practicality and operability of DOPMA as well as the Senate's alternative to the bill.

The proposed legislation before us today has been extensively reviewed by the Congress on numerous occasions ever since it was submitted by the Department of Defense in January 1974. The House of Representatives, primarily through the efforts of this committee, has overwhelmingly passed essentially the same legislation on two occasions, in 1976 and again in 1978. The Senate has just completed its review of DOPMA with the passage of S. 1918 in November 1979. However, their bill is substantially different from our proposal.

In my statement today, I plan to first address the major features of DOPMA in relationship to existing laws. I will then focus on the impact of the Senate's version on our capability to achieve the mix in youth and experience in the officer inventory to man our requirements in peace or war. Subsequent testimony by the services will follow this general format and be in the context of specific impacts unique to each.

DOPMA

The specific purpose of DOPMA is to revise the laws that govern the management of commissioned officers serving on active duty in the Army, Navy, Marine Corps, and Air Force below the grade of brigadier general or rear admiral. The bill would: One, establish new statutory limitations on the number of officers who may serve in senior grades below flag rank; two, provide common law for the appointment of regular officers and for the active-duty service of Reserve officers; three, provide uniform laws for promotion procedures for officers in the separate services; four, establish common provisions governing career expectation in the various grades; and five, establish common mandatory separation and retirement points.

The need to revise our officer personnel management system has existed for a number of years and various efforts have been made toward this end. Congress specifically recognized the problem in 1972 during the hearings that resulted in the passage of the Air Force's sixth temporary grade relief bill, Public Law 92-561. This

law directed the Secretary of Defense to recommend grade limitations that would provide similar career opportunity for commissioned officers of each military service and eliminate the requirement for temporary grade relief legislation for the Air Force that had been recurring since 1959.

Although DOPMA will not revolutionize the temporary management systems in actual use today, it does represent a major change to existing officer personnel law, specifically the Officer Personnel Act of 1947 and the Officer Grade Limitation Act of 1954. While these were single acts, they, in fact, provided separate provisions for officers in each of the military departments, which have produced many differences in the management of the officer corps. These differences have resulted from the historic separate development of Army and Navy statutes and generally do not reflect actual management needs today.

In addition, certain differences in these laws have combined to produce several major problems within the current officer personnel management system. I will briefly discuss these problems.

The Air Force's 1954 OGLA grade limits were set substantially lower than those for the Army or Navy because the Air Force was a new Service with a relatively junior officer corps at the time. If the Air Force went to these lower limits now, its officers would have much lower career opportunity than officers of the other services. In fact, many officers would have to be reduced in grade. Congress has recognized this inequity and provided relief through a succession of temporary measures—suspending the Air Force's grade limits nine times since 1959. Obtaining a permanent solution for this problem is one of the compelling reasons for passage of DOPMA.

Another problem with the existing OGLA constraints is that they would permit a recall of today's organized reserve units only if some of their senior officers were not recalled to active duty with their units.

The 1947 and 1954 acts operating together create a "dual" promotion system wherein officers are promoted twice to each grade—first a temporary promotion—insignia and pay change—followed later by a permanent promotion. Army and Air Force officers must even go through the selection board process a second time to receive permanent promotion to a grade in which they are already serving.

The regular officer limits of OPA, combined with a need for consistently larger forces, has led to reserve officers serving continuously on active duty for careers of 20 years or more.

The Army/Air Force and Navy/Marine Corps systems for promotion, separation, and retirement are different and provide different career opportunity and expectation.

DOPMA is intended to correct these and other problems with a system sufficiently flexible to manage the officer force effectively over the long term under varying conditions.

SYSTEM OBJECTIVES AND VARIABLES

The officer personnel management system today operates under a complex interrelationship of variable factors that directly influence the characteristics of the force. A dramatic change to any one

of these variables can produce significantly different results in force structure with consequences that can linger on over a long period of time. To fully understand how the system works, I need to define what the objectives of force management are and then relate these objectives to the system's variables I just mentioned. The objectives are:

First, to allow the services to meet requirements for officers in the various grades at ages conducive to effective performance.

Second, to provide career opportunity that will attract and retain the number of high caliber officers needed.

Third, to provide career opportunity that is reasonably consistent among the four services.

Given these objectives, it is apparent that, in developing our programs, we must insure that the number of officers in each of the grades is adequate to meet the demands of the force structure required for national security. Additionally, in making the determination of how many officers there should be in each of the grades, management must also take into account those factors that influence supply. That is, career opportunity must be such that a sufficient number of individuals will want to join and remain with the services so that management can exercise a degree of selectivity over those who are to stay.

This matter of career opportunity is particularly important because of two characteristics that we consider to be fundamental to personnel management in the military:

First, there is limited lateral entry into the officer ranks since the services cannot directly hire senior officers from nonmilitary organizations; all but a few specialist positions must be filled by officers who have been developed within the system over extended periods of time.

Second, there is a persistent need, during war and peace, for a young and vigorous officer corps exemplifying high levels of mental and physical stamina, enthusiasm, and adaptability.

Considering these unique characteristics, it is practically impossible to achieve our objectives without a personnel system that insures a fairly uniform flow of individuals into, within, and out of the structure. This flow is optimized through the careful modulation of certain interacting variables which are key components in determining what kind of officer force we will have.

These variables are:

Annual procurement: The number of officers who are taken into the system each year to maintain a force of a given size.

Normal attrition: The number of officers who leave the system by voluntary separation, voluntary retirement, disability, or death.

Forced attrition: The number of officers who leave the system by involuntary separation or involuntary retirement.

Promotion timing: The normal year of commissioned service during which an officer can expect to be promoted to each grade.

Promotion opportunity: The cumulative opportunity for advancement to the next higher grade.

Grade distribution: The number of officers in each of the various grades.

It is important to recognize that a change in any of these variables precipitates a change in one or more of the others. For exam-

ple, the career opportunity that can be offered is determined for the most part by the promotion timing and promotion opportunity to each of the grades. The promotion timing and opportunity in turn are determined by the numbers of officers that can be promoted to each grade over a given period of time. The numbers that can be promoted depend on the grade distribution that is authorized.

Assuming that grade distribution is fixed, a decrease in attrition—either normal or force—will retard the promotion point and/or reduce promotion opportunity. Similarly, a reduction in grade distribution without an increase in attrition will also retard the promotion point or reduce promotion opportunity. At the extreme, if attrition is significantly decreased it could even impact on our ability to procure sufficient new officers each year in order to sustain the force.

What is not readily apparent, but is of vital concern, is that even slight changes in any of these interacting variables affect the retention behavior of our officers, which in turn disturbs the delicate balance in the management system. We were mindful of this concern in developing DOPMA and are confident that it preserves and builds on those features of the current system that have been proven over time to produce a ready force.

MAJOR PROVISIONS

With this background, I would like to now review the major provisions of the bill. Specifically, officer appointments, to include constructive credit for appointment; establishment of a single promotion system; improved reserve officer management; mandatory separation and retirement—also more commonly known as up-or-out; career expectation; the matter of general and flag officer management; equalization in treatment of female officers; separation pay; and revised permanent grade tables.

Appointments: With regard to the entry of new officers, the bill provides common general authority for the permanent appointment of officers by the President, by and with the advice and consent of the Senate. The bill standardizes, between the services, certain basic qualifications for appointment, such as citizenship and age, while maintaining the authority for each service to appoint officers into the various categories of professional groups and specialties needed to meet the unique requirements of the individual service.

Constructive credit for appointment: Present law and current administrative practice for awarding constructive service credit are inequitable and inconsistent between the services. The proposed legislation, as amended by the subcommittee in a previous review, provides equity and uniformity in the application of constructive service credit and eliminates its use where not appropriate.

Constructive service credit will be provided on a year-for-year basis for each year of education normally required beyond the baccalaureate level—in other words, beyond 4 years for specialties such as physicians and chaplains, whom the services must recruit from outside their own training and education programs. Constructive service credit would be used only for determining the entry grade, the position on the active-duty list, seniority in grade and time in grade for promotion eligibility.

Single promotion system: Although temporary original appointments to officer status will be permitted during war, the now extensive system of temporary promotion authority for officers will be abolished and the bill will provide a single-step promotion system to replace the dual—temporary/permanent—systems in effect. Promotion will be on a permanent basis as vacancies occur under a single set of statutory limits for each service.

All regular career force: The proposed legislation provides for an all regular career force by the end of 11 years of commissioned service or after 2 in-zone promotion considerations for selection to major or lieutenant commander, whichever is later. Officers who begin their active commissioned service as reserve officers can look forward to a full career only by integrating into the regular force and accepting status as a regular officer. By establishing an all-regular force and after the 11-year point, a visible career gate will exist that will motivate officers to commit themselves early to an active duty career while at the same time requiring service managers to develop and evaluate the potential of junior officers and make commitments to those individuals needed by the service in the career force.

The early integration of Reserve officers into the career force will also end the contradiction of Reserve officers serving in career active duty status and will prevent the inequities and uncertainties which the current system imposes on those officers during force reductions. Under normal conditions, it is anticipated that the integration of Reserve officers into regular status will be completed well prior to the 11th year. The interests of Reserve officers will be protected during the transition from the current system to DOPMA.

Essentially, most Reserve officers who are serving on active duty today in a career status will be integrated into the regular force. Reserve officers with extensive service who could reach retirement eligibility in reserve status will be integrated consistent with the needs of their service. In addition, all others not previously integrated but subsequently selected for promotion to the 0-4 grade can expect to be tendered a regular appointment.

Up-or-out system: In recent years, the up-or-out system has come under increasing scrutiny. Detractors claim that the system is wasteful in that qualified officers are needlessly required to exit military service when they are in fact still capable of rendering useful service. The up-or-out process, however, is a critical element in the philosophy of officer force management I previously outlined when I discussed the system's objectives and variables. Up-or-out was embodied in the 1947 Officer Personnel Act to vitalize the officer corps, replacing the traditional practice of promoting almost exclusively by seniority to a system which weighs performance and emphasizes selectivity. That is, selective promotion of the best officers.

The interrelationships between promotion and attrition were arranged in such a manner as to prevent the growth of an overage corps of senior officers who would block the advancement of promising younger officers. Experience during the period between World War I and II is indicative of the problems which occur under a seniority system where advancement is stagnated. A report written

by Gen. Douglas C. MacArthur described the situation as deplorable during the early 1930's with whole groups of comparatively older officers in the middle and lower grades who would complete their active service with little or no advancement. Morale during this period was very much affected. The Army found that the extreme promotion stagnation sapped ambition, destroyed initiative, and encouraged routine and perfunctory performance of duty.

The up-or-out system rests on two principles. First, when an officer is passed over in the selection process, he is eliminated from military service after a certain number of years depending on the grade attained. Second, when an officer reaches the limit of his potential after satisfactorily passing through the promotion system, he serves a reasonable period in his highest grade, then retires, thus insuring that an adequate balance between experience and youth can be maintained. This principle which has been more than adequately tested over the past 30 years has provided this Nation what it never had before in peacetime—a youthful, vigorous, fully combat-ready officer corps.

We are, however, sensitive to the concerns that have been expressed over the cost of the up-or-out concept. The Department has examined the long-term impacts on total system costs, including procurement, training, active pay and allowances, as well as separation and retirement costs. Our analyses indicate that this type of system does not generate excessive costs but on the contrary can be less costly than other reasonable alternatives. I firmly believe that judicious application of the up-or-out mechanism is essential to sustaining an effective, highly qualified, and motivated officer corps.

Career expectation: The operation of the up-or-out mechanism in DOPMA is an essential part of an officer's career expectation in terms of the maximum length of service allowed in each grade. In today's law, these maximum periods of service for Army and Air Force officers are different from those of Navy and Marine Corps officers. DOPMA will standardize them as follows: Officers in the grades of major or lieutenant commander (O-4) and below who twice fail selection to the next higher grade will be subject to involuntary separation; however, O-4's may be continued on active duty until they become eligible for retirement if they are qualified and are needed. Lieutenant colonels and commanders (O-5) who twice fail selection to the next higher grade will be involuntarily retired after the completion of 26 years of commissioned service. Colonels and Navy captains (O-6) would be involuntarily retired after the completion of 30 years of commissioned service if not selected for promotion by that time.

Since guaranteed length of service limits the Department's ability to manage the force either in terms of grade structure or quality, a new authority is provided in DOPMA for the selective involuntary retirement of officers in the grades of O-5 and O-6 prior to their 26th and 30th year, respectively. Under this authority, lieutenant colonels and commanders who have failed selection for promotion at least twice and colonels and captains (Navy) with more than 4 years in grade may be considered by a continuation board. At least 70 percent of the officers considered in these grades, however, would have to be continued. Those officers not recom-

mended for continuation would be retired. These selective continuation procedures are intended to be used sparingly by the service secretaries and are primarily a means of reducing the numbers in grade when absolutely necessary, such as during a sizable reduction in force levels.

General and flag officer grades: There may be some concern that general and flag officer grades were not included in the DOPMA legislation. The Department specifically excluded these grades in order to avoid further complexity in an already complex legislative proposal. I should mention, however, a significant change for the Navy contained in the bill, which was added by the House of Representatives during its action on the legislation. The Navy has not had a one-star rank in the normal grade structure since 1899 although it has had the one-star grade of commodore for use in wartime. DOPMA incorporates provisions creating a one-star rank in the Navy which parallels those in the other services. The new grade will have the title of commodore. This is the only substantive change from the current system of management brought about by DOPMA for general and flag officers.

Equalization of treatment for female officers: The bill also contains highly significant improvements in the treatment of women officers. Extensive changes are proposed to existing law to insure that the appointment, promotion, accountability, and retirement provisions will apply equally to male and female officers of all grades. This equality of treatment, similar to that now afforded women officers in the Army and Air Force, will for the first time provide a clear path of advancement to the flag- and general-officer grades for women officers in the Navy and Marine Corps.

Separation pay: Under present law, officers separated with at least 5 but less than 20 years of service receive severance pay or readjustment pay equal to 2 months of basic pay for each year of service up to a maximum of \$15,000. As originally envisioned in 1963, the \$15,000 maximum was realized by an O-4 with approximately 15 years of service. Because of inflation and pay raises that maximum is now virtually reached by an O-3 with 5 years of service.

DOPMA, as currently submitted by the Department, would not change the present separation pay formula or maximum of \$15,000 but will combine all present laws on separation pay into one. I might point out, however, that the DOPMA proposal as passed by the Senate includes a provision that permits payment up to a maximum of \$30,000.

Revised permanent grade limitations: I would like to turn now to a discussion of the most important feature of the legislation, the grade tables. New grade limitations are proposed for major and lieutenant commander, lieutenant colonel and commander, and colonel and Navy captain replacing the temporary grade ceilings of the Officer Grade Limitation Act of 1954. As was the case in the 1954 act, statutory authorizations for the lower grades are not proposed because they would restrict the latitude necessary to manage overall officer strength fluctuations.

The grade tables in the bill are designed to insure that billet requirements for each grade can be adequately satisfied, and to maintain a selective flow of officers at reasonably spaced intervals

through the grades with a credible opportunity for advancement. It is anticipated that DOPMA will normally operate within promotion timing guidelines and minimum promotion opportunities as follows:

To first lieutenant or lieutenant junior grade. All officers found qualified could be promoted.

To captain or Navy lieutenant at the completion of 4 years with a 95 percent promotion opportunity.

To major or lieutenant commander at about the 10th year of service (plus or minus 1 year) with an 80 percent promotion opportunity.

To lieutenant colonel or commander at about the 16th year of service (plus or minus 1 year) with a 70 percent promotion opportunity.

To colonel or Navy captain at about the 22d year of service (plus or minus 1 year) with a 50 percent promotion opportunity.

Translating the preceding promotion parameters into the most basic terms it means that of 100 officers who enter service as second lieutenants or Navy ensigns, and who want to stay in the service, approximately 18 will be able to advance as far as colonel or Navy captain.

The proposed limitations provide sufficient flexibility to respond to changing manpower levels and retain the sliding-scale principle enacted by Congress in the Officer Grade Limitation Act of 1954. This principle provides that the proportion of field grade officers to the total officer force is greater at lower strength levels and smaller at higher strength levels. This is appropriate since senior grade billet requirements to man the support structure, such as major United States and NATO headquarters, the R. & D. establishment and the like are about the same whether the overall force size is large or relatively small.

A significant change reflected in DOPMA is that Reserve officers ordered to active duty in time of war or a national emergency will not be included in the grade limitations. This will avoid the problems associated with attempting to integrate mobilized Reserves into a grade table and management system not designed to accommodate them. It will greatly facilitate lateral transition to and from active duty and ease the administrative burden we would experience during the turbulent days of force buildup or demobilization.

Most importantly, it should be recognized that the grade tables are considered as an umbrella, or permanent upper grade limit. They are not intended just to meet current force structure requirements but are designed to be a flexible tool that allows long-range management of the officer corps. The actual grade structure maintained will be a balance of current requirements, fiscal constraints, and personnel management considerations. Any significant reduction in the grade structure, of course, would have an interactive effect on the other elements of the officer management system and could directly affect our capability to provide the type of career progression we believe is needed to attract and retain quality officers in the current competitive all-volunteer labor market.

Cost and budget data: From the standpoint of costs, DOPMA was not designed with the primary objective of producing savings but to provide the services a more equitable, effective, and efficient system to manage the officer inventory to fill officer force structure

requirements. Nonetheless, a steady-state cost analysis of DOPMA against the current management system indicates potential long-term cost savings of about \$70 million annually in fiscal year 1980 constant dollars. Savings would accrue because of lower retirement and grade structure costs.

We have included \$1 million in contingency funds to cover first year implementation costs in the fiscal year 1981 budget. However, we project a savings of about \$55 million over the initial 5-year transition period due to reduced grade structure and separation costs.

Hence, DOPMA not only provides us with a better framework for managing our officer resources but saves money as well.

SENATE VERSION OF DOPMA (S. 1918)

I would like to now turn to the version of DOPMA (S. 1918) which was passed by the Senate last year.

The alternative to DOPMA proposed by the Senate postulates a radically different management system from that of the DOPMA legislation previously passed in the House. On examination, the alternative clearly fails to meet the important objectives we have set for DOPMA. These are to allow the services to meet requirements for officers in the various grades at ages conducive to effective performance, to provide career opportunity to attract and retain the kinds of officers needed, and to provide career opportunity which is consistent among the four services.

The Senate alternative ignores the requirement for a system in which the needs of management and those of the individual are balanced. Specifically, the alternative tilts the balance toward management and is justified on the hypothesis that the system will save money without reducing the experience level in the force necessary to fill our requirements. In support of this contention, I will review the major changes by the alternative and discuss their impact on the system.

Grade tables: The grade tables proposed in S. 1918 lead to a severe reduction in grade authorization or 30 percent in O-6's, 25 percent in O-5's, and 20 percent in O-4's over a 10-year transition period. The reductions are rationalized by the claim that the Department was unable to justify force structure requirements in these grades, and that the Department's proposal is characterized by rapid turnover leading to an officer corps richer in grade but poorer in experience.

The argument that the grade structure in the Department's bill is not justified on the basis of requirements is unfounded. It ignores a report by the General Accounting Office to the House Armed Services Committee on the development of field grade officer requirements by the military services. The report, which was printed by this committee, concluded that the military services follow uniform procedures to validate officer grade requirements and that grade structures were not unreasonable nor inconsistent with skill and experience demands within combat as well as support units. Yet, rationale in S. 1918 attempts to relate grade requirements only to command billets. This, of course, totally ignores the diversity and complexity of our modern military establishment. The grade tables in S. 1918 would face us with insuperable problems of man-

ning large numbers of noncommand positions, which nonetheless require experience, knowledge, and extensive military background.

We do not agree that the grade structure we propose will engender higher turnover nor lead to an officer force richer in grade but poorer in experience. As we have indicated, our proposal reduces the number of O-6's and O-5's while slightly increasing the number of O-4's. These adjustments will give the services the long-term basis on which they can continue to meet their requirements and at the same time provide sufficient career opportunity to attract and retain the kinds of people needed. On the other hand, the prospect of drastically reduced grade authorizations accompanied by reductions in promotion opportunity of up to 37 percent of current levels would have the very same deleterious effect the Senate ascribes to our bill. Our analysis of the system proposed by the Senate indicates that, under realistic retention assumptions, turnover will be 16 percent higher than in the system we proposed and that forced attrition will be at least 6 percent higher.

Selective continuation: To offset the leaner grade structure proposed in S. 1918, and in order to maintain the experience level the bill is supposed to produce, the Senate has had to include provisions for the voluntary continuation of O-3's and O-4's who fail promotion. The assumption is that half of those who fail under the more restrictive grade tables would continue in the grade of O-3 to 20 years of service and O-4 to 24 years of service. This logic runs counter to our experience which indicates that the career decisions of our officers hinge largely on their assessment of future opportunities for professional growth.

In various surveys over the past 10 years measuring officer attitudes toward personnel management programs, we found that over 90 percent of our officers who were serving in grade O-3 felt that the minimum acceptable career grade was O-5 or higher. In addition, at least 86 percent of those officers anticipated retiring at least in the grade of O-5. Only 4 percent indicated acceptance of retirement in grade O-3. Thus, for example, an O-3 pilot who is faced with the prospect, under the S. 1918 scheme, of 50 percent opportunity for promotion to O-4 will certainly be less likely to stay on beyond initial obligation than he would under a grade structure that would afford an 80- to 90-percent opportunity as we currently propose. Thus, the grade tables in S. 1918 rest on speculative assumptions about retention behavior that in our judgment are seriously in error. The consequences of such an error could easily backfire causing an experience drain that would take years to overcome.

Flag and general officer grade tables: Although the Department has continually expressed concern about the inclusion in DOPMA of provisions affecting changes in flag and general officer management, the Senate has introduced a substantive legislative change that will adversely affect the management of this resource. Their bill includes a new flag and general officer grade table which is based on the same ratio of total military strength to flag/general officers for the Army, Navy, and Air Force. The Marine Corps was given a different ratio which results in proportionally fewer generals in relation to total strength than the other services.

Given this grade table and current strength levels, the total authorization for the Department would fall between 170 and 180 short of the fiscal year 1980 authorized level of 1,073 flag and general officers. The Senate apparently recognized this problem by making up the difference with an authority which would permit the Secretary of Defense to annually allocate additional numbers to each service from a resource bank of 177 general and flag officers.

Use of this authority, however, would have to be very limited since substantial changes in service allocations from year to year would cause excessive turbulence in the force with attendant management difficulties. Consequently, allocations would vary little from year to year with no sizable reallocation of resources over the long term. In addition, reallocation poses other problems when considering the complex issue of competing requirements among the services.

In our 1978 review of general and flag officer requirements, we validated approximately 25 percent more requirements than authorizations. We also found that each service validated their requirements under generally acceptable procedures. It was also apparent to us that different missions, managerial priorities, organizational differences, and the use of civilian members of the senior executive service, among the services do not lend themselves to standardizing the allocation of flag and general officers by function across the services.

The modern military is a complex system requiring all types of leaders and managers ranging from the troop commander to individuals responsible for managing high technology. The traditional roles have changed over the years and our requirements process for senior officers has evolved similarly. A change to this process as drastic as proposed by the Senate appears precipitous and would upset a system that has worked adequately for many years. Consequently, I urge that the issue of flag/general officer management be studied and addressed separately.

Other provisions: There are other important changes in the Senate bill I believe need to be briefly discussed. In certain instances, these changes will directly impact on a capability to manage the officer force effectively and efficiently.

The Senate system will change promotion requirements for our officers such that even if we had the grade authorizations in law we would be unable to promote as we currently do. The net effect of the new rules will be to delay promotions by as much as 3 years over the Department's proposal. Added to this is a requirement to hold selection boards for the promotion of officers to first lieutenant (lieutenant junior grade in the Navy). This process will be extremely inefficient, cause needless administrative expenses, and most certainly will delay the promotion of our junior officers. We believe that the Department's bill will insure a reasonable promotion flow and can be effectively administered.

The Senate has apparently misunderstood our concept of the all-regular career force, a salient feature of DOPMA. S. 1918 retains the current concept of a regular and active duty reserve career force by establishing in law the numbers of regular officers each service can have. As I stated previously, it is not the intention of

the Department to cut short the careers of active duty Reserve officers, but rather to afford them the opportunity to serve as regulars for a full career. Although the Senate regular limits do not pose an overwhelming management dilemma, we believe that the size of the career force can be more flexibly controlled through the grade authorizations in the grade tables of DOPMA and strength levels as determined during the annual authorization/appropriation process.

Another major policy change advocated in S. 1918 was a modification of the up-or-out concept. As previously mentioned, the bill permits the selective continuation of passed-over captains and majors, lieutenants and lieutenant commanders in the Navy, to 20 and 24 years of service respectively. This modification was supposed to afford the services increased flexibility in continuing critical-skill officers on a voluntary basis. Again, we are concerned that this flexibility is intended primarily as a means to offset the substantial reduction the Senate would make in our field grade authorizations. Certainly, continuation of O-3's and O-4's is manageable and even useful whenever we are experiencing unforeseen problems in procuring and retaining officers with skills that are very marketable in the civilian economy. But a continuation program that is intended to replace a reasonable promotion program designed to fill valid O-4 requirements will be counterproductive for reasons I have already given.

S. 1918 also changes tenure and retirement provisions. In this case officers in grades O-5 and O-8 may be selectively retained for 5 years beyond mandatory retirement. Mandatory retirement is standardized at age 62 for all officers. Additionally, the minimum time to be served in a grade in order to permit voluntary retirement is changed from 6 months to 3 years. These changes have apparently been made due to the belief that we lose qualified people to retirement when they still have productive years left. We are not convinced, however, that our officers are retiring excessively early or that the Senate's proposal will result in people staying longer. For example, our O-6's currently average over 5 years in grade with about 26 years of service. This means they are serving close to their maximum legal tenure, either 28 or 30 years depending on individual circumstances.

The tenure/retirement system proposed in S. 1918, where promotion stagnation is a distinct possibility, may result in even worse retention with officers leaving far short of the retirement point. If we continue large numbers of senior officers past retirement, coupled with reduced grade tables, the senior grade authorizations will fill up and our young O-3's could be faced with 16 years of service in that grade, in which the last pay step increase occurs at 14 years of commissioned service. Finally, we are concerned about the flexibility of the provision relating to the requirement to serve 3 years in grade before retiring in that grade.

There is a need to recoup our investment when we promote an officer. However, 3 years may be too much. In any event, the authority needs to be tempered to recognize hardship cases in which an officer would have to retire before he had served the 3 years. Under proposed Senate rules, it is possible for an officer to be demoted more than one grade if he has not served the minimum

3 years in his prior grades. A waiver authority or a provision limiting the demotion to one grade would make the provisions more manageable.

More preferable, however, is the current DOPMA proposal of 6 months in grade coupled with a suitable policy requirement, such as 2 to 3 years. This is the most reasonable way to avoid a legislative constraint which will likely prove burdensome and eventually necessitate relief.

There are numerous other anomalies and problems in the Senate's bill, such as in the rules for constructive service credit, transition provisions, appointments, and force accountability, which will cause problems for the services in the day-to-day management of their officer forces. These will be discussed in greater detail by each of the services when they appear before this committee.

Cost and budget data: One of the principal claims of S. 1918 is that it has the potential to produce considerable savings over either the current or DOD DOPMA management systems. A cost analysis conducted by the Congressional Budget Office (CBO) with assistance by the department, confirms that savings would accrue provided there are no changes in retention behavior. Specifically, it is estimated that a savings, adjusted for future price increases, of about \$561 million in net costs could be realized over the first 5 years. These savings are attributed primarily to the lower grade structure and continuation scheme for officers who fail promotion under S. 1918. The analysis also shows that long-term annual savings of about \$488 million could be realized.

However, and this is vitally important, the CBO clearly recognized in its report that the postulated savings were based upon the unsupported assumption that retention behavior will not change despite policy changes that radically alter the profile of the officer force and severely restrict career opportunity. As indicated earlier, the services would be required to reduce promotion opportunity to the grade of O-4 by to 37 percent in order to achieve the force configuration in S. 1918.

According to a February 1977 study by the Rand Corp., that evaluates the sensitivity of retention to perceived changes in career opportunity, we have calculated that we can reasonably expect retention at the end of initial obligation point to drop by at least 33 percent under the S. 1918 scheme. As reported by the CBO, such a change would not only negate the savings under the assumption of no change in retention behavior but generate additional costs over the first 5 years of about \$537 million. These costs would result from higher procurement and training costs due to increased turnover.

Further analysis indicated that these costs continue to grow to a peak of about \$1.2 billion through the first 16 years and do not cross over into savings until after 25 years. Additionally, even if end of initial obligation retention drops by only 15 percent, or a factor of 2 from our calculated estimate, our analysis indicates that near-term costs would still persist for at least 20 years.

IS S. 1918 A BETTER ALTERNATIVE?

At this point, I believe we must ask ourselves if the system proposed in S. 1918 is a more attractive alternative—if, in fact, the

system proposed will be capable of sustaining the type officer force we have always been able to field up to now. Our analyses clearly indicate that S. 1918 is not a viable alternative and that it incurs serious potential risks to our readiness.

We cannot afford to impose on our officers a bill that signals that a military career is now less attractive and that they are overgraded and therefore overpaid at the very time we are experiencing difficulties in attracting and retaining the kinds of people we need to sustain our military capability in a highly competitive market. The point is that military service already requires a sacrifice from those who choose it as a career. It would not be prudent to now make those sacrifices so compelling that there is no alternative for many of the best, who should be our future leaders, but to choose civilian employment.

We are not alone in our concern about the effects of S. 1918. While the bill was being debated on the floor of the Senate, various Members chose to express their belief that the proposed action would lower the quality and effectiveness of the officer force. Testimony from these distinguished Members supports our contention that the risks incurred are not worth the speculative savings that are claimed. In arriving at this conclusion, they have independently recognized that the management changes proposed by the Senate could seriously degrade military readiness in these uncertain times.

The Department's objective in DOPMA is to provide a firm foundation in law for officer personnel management in the long term. We are convinced that the present proposal, which incorporates many useful improvements developed by this committee, will provide that foundation.

The Senate has indicated that compromises to their version and subsequent changes to the bill can be made if things don't work out. I would caution against the easy acceptance of this caveat. While it may be tempting to make incremental adjustments both ways, the resultant effect of such adjustments could produce a system that would fall far short of that needed to adequately man the force.

As I have already noted, the passage of a bill which will reduce career opportunities even slightly can do immediate damage from which we cannot easily recover. Also, the history of officer management legislation is that major changes are few and far between. This underscores the need for a bill that addresses long-range management needs and provides an effective framework to meet short-term requirements. We believe that the DOD/House version of DOPMA is such a bill.

CONCLUSION

I wish to conclude by recommending that the committee support the Department's proposal on the basis that it achieves our overall objective of improving and better rationalizing the officer personnel management system for the military services. The system we are proposing preserves the best features of the current system—while correcting deficiencies. It allows sufficient flexibility to adjust to warranted service differences, and it helps us meet the chal-

lenges of the Department's long-range leadership needs in providing for an effective and efficient officer corps for our Nation.

Mr. Chairman, that concludes my prepared statement. I will be pleased to answer any questions.

Mr. NICHOLS. General Tice, do you have any additional comments or statements?

General TICE. Not at this time. But I would suggest that any system that radically upsets the kind of balance and reduces the promotion opportunity and experience that we have provided for in DOPMA would be something that we would have to view very carefully.

I don't think we can take the chance of losing the kind of experience, the kind of opportunity for our young officers who enter the services today, that the Senate version could cause.

Mr. NICHOLS. I am going to yield at this point to Mr. Mitchell, and ask Mrs. Byron if she will take the chair while I go to respond to a quorum call. I will ask my questions when I come back, Mr. Secretary.

Mr. PIRIE. Thank you, Mr. Chairman.

Mrs. BRYON. Mr. Mitchell.

Mr. MITCHELL. Thank you, Madam Chairman.

I wonder, if there is a choice of taking the Senate's version or of doing nothing, which would you prefer?

Mr. PIRIE. I don't really think doing nothing is a viable choice since we are presently faced with problems with respect to the Officer Personnel Act and Officer Grade Limitation Act of 1954. But, given that, if the choice were limping along as we have been year to year, especially in the case of the Air Force, or accepting the Senate's version of DOPMA, I would prefer to limp along further.

Mr. MITCHELL. Continue to patch and paste rather than go into a new program that may not work at all?

Mr. PIRIE. Yes, sir. But as I pointed out, that is also highly undesirable. It would be the lesser of two evils.

Mr. MITCHELL. I would like to talk about the subject of up or out, which is an integral part of that proposed system. The private sector doesn't use the up-or-out principle explicitly. Can you tell the committee members why it is important to the military?

Mr. PIRIE. Of course, the private sector's problem is considerably different from that of our military forces. They can tolerate having people who function effectively in jobs remain in those jobs for long periods of time.

Our military forces have to be prepared for combat. And that means that we must, as my statement points out, insure an appropriate flow through the force, a rejuvenation, the kind of promotion opportunity to the upper grades that will lead people to join the force at the bottom, and make their way to the top and remain in the middle grades with some reasonable expectation of promotion.

As I said in the statement, we have no lateral entry to the Armed Forces, which is quite different from private industry. That, I think, accounts for quite a bit of the acceptability to private industry of not having this up-or-out system.

Mr. MITCHELL. We do have lateral entry in several professional fields, don't we—physicians, dentists, and other health professionals. Sometimes, I think we gear all our forces to a trench warfare capability that they are not going to need in the future. Sometimes I feel we waste our professionals terribly when we throw out people who are just reaching their prime in civilian life, we get rid of them in the military. I am thinking now about health practitioners especially and attorneys whose years of experience and gradual building of expertise make them even more valuable in civilian life. Airplane pilots who can fly until they are maybe 60 years old for the private sector and are paid more each year until they reach the 60th year.

I received a letter from a physician this morning and wondered why we couldn't keep them longer. There are some who might opt for a service career if they thought there was a retirement benefit. There would not be much of a benefit under the present system until they were way too old to accept it. In other words, he wanted to have a cap at age 70, rather than, what is it now—60, or even less than that—55, depending on the years of service.

Mr. PIRIE. There is a cap at the 30 years of service point at 75 percent of base pay; thus, serving longer than 30 years of active duty essentially doesn't accrue one any additional retirement benefit.

Mr. MITCHELL. How long could a physician serve that wanted to if he passed—

Mr. PIRIE. Assuming he passes successfully through the promotion ranks, he can serve until age 62. That assumes that he doesn't stop at the grade of colonel or captain and then run into the maximum years of service retirement provisions.

Mr. MITCHELL. He wanted to be sure he makes his promotion points, so at 62 we would get rid of him. We could lose him earlier, couldn't we?

Mr. PIRIE. Yes; we could lose him at 26 or 30 years depending. I think it is worth noting that we do not lose a great number of individuals in that way, and that really the problem of involuntary attrition of people in the middle grades is far worse for us.

Mr. MITCHELL. Could the Department use some limited flexibility or authority in this area? Could this committee give you some authority to grant extensions in age for perfectly healthy, competent professionals in these various areas?

Mr. PIRIE. I don't think we would resist having such authority at all vigorously, Mr. Mitchell, so long as it was not accompanied by a concomitant limitation in the grade tables. That is our concern—that this year's authority will become next year's restriction.

Mr. MITCHELL. In your statement you mention that "our analyses indicates this type of system does not generate excessive costs but on the contrary, can be less costly than other reasonable alternatives."

Would you rather substitute "will be" for "can be"? Could we be a little more definite?

Mr. PIRIE. I would have to know what the reasonable alternatives were. But there are a number of alternatives, and S. 1918 is just one of them, which in our view, would generate more costs, at least for the first 25 years of its operation, than what we propose.

Mr. MITCHELL. But in your statement, you use the word "can." I just want to get an answer to my question if I may, Madam Chairman.

Mrs. BYRON. Go ahead.

Mr. PIRIE. I am hedging against a system I have not yet heard about that might be otherwise. I wouldn't be willing to stake my reputation on "will."

Mr. MITCHELL. Thank you, ma'am.

Mrs. BYRON. I have a couple of questions brought to mind during your statement. You state that the current system, "over the past 30 years has provided this Nation what it never had before in peacetime—a youthful, vigorous, fully combat-ready officer corps."

I think many of us on this committee and colleagues on the floor probably did not question that statement too much in the past. But I think in the last 6 months we have been much more aware of the seriousness of our retention problems. I think a lot of the debate we have had on the All-Volunteer Force versus reinstating the draft versus registration has brought to the attention of a good many people, not only those in this Congress, but those throughout this Nation, the severe shortfalls we have.

We have a Senate bill that has passed with some debate, but not enough debate that it really made any impact on the fact that they passed that legislation overwhelmingly.

The Senate proposal claims to hold that we are going to have more experienced forces. Throughout your discussion, you feel that that is not correct. You feel that the system that you have been operating under and wish to continue operating under will give us a much more experienced, viable force. and I think many members of this committee are extremely concerned about the midcareer retention problem.

Could you give us a little more of an indepth discussion on that area?

Mr. PIRIE. Yes, ma'am.

As my statement points out, the problem with the Senate's proposed bill is that in their analysis of its savings and its effect on the profile of experience in the force that would arise, the assumption was made by the Senate that retention behavior would not be affected by its provisions. And yet it is very hard for us to believe that officers would be retained under that system in anything like the way that they would be retained under ours, since their promotion opportunities would be sharply curtailed. They would be facing a 50-percent opportunity for promotion to the O-4 level, the commander or lieutenant commander or major level. The idea that we would be able to retain on active duty for 20 years, people in the grade of captain or Navy lieutenant who had been passed over for promotion strikes me as simply not right. What kind of people do you suppose would stay in a force of that kind?

Mrs. BYRON. My next question was regarding the morale aspect of that situation, which I think would be extremely critical.

Mr. PIRIE. Yes, ma'am, you are absolutely right. The kind of people who would stay are the people who didn't have any other alternatives. What we are anxious to have in this force are people who do have other alternatives and yet will stay. Our experience in the past is that the very best of our people stay for other reasons

and not because they can't make more on the outside, because they almost all can. But given a decent living, a decent compensation system and challenging work, these people will stay with us; and part of that is the expectation, reasonable expectation, of promotion and opportunity to rise to the highest grades.

Mrs. BYRON. It is my feeling if we are ever going to move in this area of retention and increased capabilities of our military, now is the time to move. I have grave questions on the Senate bill.

Do you have any indication of what the average years of service would be under the Senate version versus the DOD version?

Mr. PIRIE. The average years of service?

Mrs. BYRON. As a measure of experience; in their version they feel that the experience level will increase.

Mr. PIRIE. Our analysis indicates that the average years of service for the whole officer corps in the case of S. 1918, the Senate bill, is 8½ years; whereas for our proposal it would be on the order of 9 years.

We believe that the Senate version——

Mrs. BYRON. In other words, it is just a 6 months' differential.

Mr. PIRIE. A 6 months' differential but less experience for the Senate bill, not more.

Mrs. BYRON. Mr. Evans.

Mr. EVANS. Thank you, Madam Chairman.

I want to pursue this up-or-out concept a little further. I am quite sympathetic to the concept, and it is used in many institutions of higher learning. I just wonder, however, about the flexibility of the rule as it is now proposed.

I can foresee, and I think you will agree, that every class of officers, just like every class of students, is not the same. Under the present proposed plan you would be forced to get rid of somebody who has been passed over twice for promotion. I can foresee a situation where you have some very good people you would like to retain but who happen to be up in competition with a particularly good class, so to speak. Don't you think that some degree of flexibility to take care of situations like that would be helpful—provided it is not abused, of course, and you could set the restriction so it wouldn't be abused?

Mr. PIRIE. As I indicated earlier, Dr. Evans, our concern is that this year's authorization will be next year's requirement. The flexibility this year to retain passed over officers can become next year's requirement to retain coupled with a reduction in the numbers of field grade officers that we can have. So that if that concern were allayed, I could not argue about the desirability for some flexibility in management of these things.

The proposal that we have does provide, of course, flexibility with respect to the upper grades, the O-5's and O-6's, the lieutenant colonels and the colonels. It does provide some flexibility with respect to the O-4's, lieutenant colonels, and majors, that is they can be retained for 20 years if the needs of certain services dictate.

But with respect to the lower grades, O-1 through O-3, the feeling is that, in spite of the danger that we may lose late bloomers, and we may lose people out of a particularly good group who would function very competitively in other year groups, in spite of

that, justice to the individual is best served at an early stage in his career, making it clear that this is not the business for him.

I think it is fairer in the long run to let people know they are not going to go the course. On balance, I think, while some flexibility could certainly be used and work well in various cases, the system in all probability, by and large, is not going to see very many cases of the kind that concern you.

Mr. EVANS. I certainly understand what you say, and I see some merit to it.

I am not sure I can share your feeling that what you call late bloomers, I think experience shows many of the valuable people in service or business or institutions turn out to be those that are recognized fairly late. I would prefer some revision to the strict restriction.

One other point, this proposal does not increase separation pay, despite inflation and everything. It still remains \$15,000. How can you justify that?

Mr. PIRIE. The main concern, I think, with respect to the separation pay, when this proposal was formulated was that it would best be addressed in the context in an overall retirement impact.

I think that the matter of leaving it at \$15,000 was not intended to be an indication that that is what we would finally settle on. But that this perhaps was not a forum in which to make that decision, to make that determination.

I think that looking in at the characteristics of our version versus the version providing it with the upper limit of \$30,000, that it is correct. The \$30,000 upper limit has some merit. I pointed out in my statement, \$15,000 is now equivalent to what an O-3 would get after separation after 5 years; whereas when it was originally put in, it was what an O-4 could expect after 15 years, which is a more reasonable kind of separation payment.

The \$30,000 upper limit would now affect and O-4 at 14 years, which seems to me to be quite reasonable. But the administration has not come to a conclusion as to any changes to the \$15,000.

Mr. EVANS. Thank you, Mr. Chairman.

Mr. NICHOLS. Mr. Secretary, as I understand it, the proposed that you submit to the subcommittee in the form of legislation is virtually the same bill that was passed by this committee last session of Congress, is that right?

Mr. PIRIE. Yes, sir, that is true.

Mr. NICHOLS. Does your personal contain that \$30,000 separation pay?

Mr. PIRIE. No; it does not, Mr. Chairman.

Mr. NICHOLS. Am I correct in saying the proposal we passed did include this?

Mr. PIRIE. Yes; that is right.

Mr. NICHOLS. And the Senate proposal, S. 1918, includes that, also. How did we get poles apart in our views of DOPMA, and what the Senate has passed?

Mr. Secretary, I presume hearings were held over on the Senate side. Did you give them the same dose that you gave us over here, and why didn't you convert anybody over there?

Mr. PIRIE. The listeners over there, Mr. Chairman, I think, already had a fair idea of what their bill was going to be. And I must say I encountered a warm reception with my testimony.

Mr. NICHOLS. By warm reception, that can be taken two ways.

Mr. PIRIE. Yes, sir.

Mr. NICHOLS. Do you mean you were warmly received?

Mr. MITCHELL. I think he is talking about tarring and feathering.

Mr. PIRIE. Yes. It was not a cordial reception.

Mr. NICHOLS. Oh.

Mr. PIRIE. It was not, I think, improved by a digression into discussions about selective service and the All-Volunteer Force.

Mr. NICHOLS. How did that get into the ball park?

Mr. PIRIE. In these things, I am generally at the mercy of the questioner. And that was what Senator Nunn talked about that day.

Last year when I appeared before the Senate Armed Services subcommittee, I took the Deputy Chiefs of Staff for Personal from all three services—four services, the Marines came as well. And they were all very tolerably supportive of the administration's position, on DOPMA.

I simply think that the Senate had already decided after having seen DOPMA for a number of years and not acted on it—had already decided that they wanted a different kind of bill.

Mr. NICHOLS. I must say as one that has been a party to the DOPMA provisions that have come out of this committee they certainly came up with a different type of bill. It is about 180 degrees different from the view we have. And that gives me some concern, because somewhere along the line, Mr. Secretary, whatever comes out of this committee has to go to conference with the Senate version of the bill.

The reason we have not taken up DOPMA legislation, as you well know, up until this time, since we have passed it on two occasions, is that I felt it was the Senate's time to speak out on this thing. They have done so.

Perhaps getting a little ahead of the game, how would you see a conference report coming together, what comprises would appear viable, vis-a-vis a bill that has been passed by the House?

Mr. PIRIE. I am afraid, Mr. Chairman, you have a most difficult task.

Mr. NICHOLS. That is why I am asking.

Mr. PIRIE. The bills are so different and proceed from such a contrary fundamental philosophy that I see very little prospect for real compromise. That is, to split the difference, for example, would probably result in all of the difficulties that I have ascribed to the Senate's bill with none of the advantages in our present bill.

They are as unlike as gasoline and diesel engines. I don't think the parts are interchangeable. They might perhaps sputter along for some time, but would not provide adequate transportation of the kind we need in this dangerous world.

Mr. NICHOLS. Why do you think the Senate put a general-admiral provision in their legislation? We have never provided that in either of the DOPMA versions that passed this committee.

Mr. PIRIE. As you know, the Senate has been concerned about insuring that the Department operates with as lean an officer

grade mix as they think is appropriate, and have challenged over the course of a number of years our requirements determination process, in spite of third-party validation of the way we do it in the form of the GAO report.

I believe that the inclusion of these provisions in DOPMA constitutes one more step in that campaign. I must say that whatever happens I am really very concerned about the current absolute statutory upper limit of 1,073 flag and general officers. As you know, the Officer Grade Limitation Act of 1954 allows the number of flag and general officers to expand as the force expands. The Senate apparently does not want that. We currently have a fixed upper limit.

So if you doubled the size of the Armed Forces tomorrow, you would have to manage it with the same number of admirals and generals.

Mr. NICHOLS. But there is a cushion. You mentioned in your testimony the bank of 177, that I would presume would be given to the Secretary of Defense to toy around with or to play with as he sees fit, to hand to the Navy or hand to the Army, as the need occurs. Is that generally correct?

Mr. PIRIE. Well, that cushion of 177, if added to the current authorization for the services in their bill, will bring you up to 1,073. It is not exactly some "largesse" that the Secretary has to distribute. What it really means is that the Senate expects the Secretary to get in and change things around within that 177, in the present limits that he has to work with now.

Our view is that we are already short, and that we face problems in allocating flag officers to jobs in allied staffs, on joint staffs, and other areas that didn't exist years ago. The 177 authorization simply is not the device that would give us adequate flexibility. It would certainly not give us adequate flexibility if the force expanded a great deal.

During the Vietnam war the total force expanded by 22 percent, and we were able to manage that with an addition of only 3 percent of flag officers. Since the termination of the Vietnam war, the force has shrunk back on the order of 40 percent and the number of flag officers has shrunk by 20 percent. We are, relatively speaking, a great deal worse in the area of senior management than we were before the Vietnam war started.

Mr. NICHOLS. Do you come before this committee seeking additional general-admiral officer slots, perhaps? You made no provision for this in your version of DOPMA that you bring to this committee have you?

Mr. PIRIE. No, sir.

Mr. NICHOLS. You don't address that issue?

Mr. PIRIE. That is right.

In our version of DOPMA, the flag and general officer tables are not addressed. In our view it is best done in a separate forum. If that forum asks whether we could use more flag and general officers, yes, sir, we could.

We have testified against the reduction in the number of flag and general officers and pointed out that the ratio of senior managers to workers in the Defense Department compared to the ratio of senior managers in the rest of the Federal Government is about 1

to 6. That is, our senior executives manage six times the number of workers; and with respect to industry, such as A.T. & T., our executives manage over 2½ times as many workers.

Mr. NICHOLS. General, and Mr. Secretary, I don't have to remind the two of you that this is the issue that has come before the Congress on numerous occasions. Nobody particularly gets out the crying towel when the military comes before the Congress asking for more generals and more admirals.

You can remember Mr. Pike, a former member of this committee, when he raised this issue on the floor. Of course, I don't know what the subcommittee will do, but I would hope that this issue could be addressed separately.

Let me go to one other thing before I yield to Mr. Mollohan. I suppose the most controversial issue is the up-or-out system. I have considered that for a number of years, and I wondered if there is not a better way to do it?

I have had cases that have crossed my desk of officers that were just the finest. I have looked at their 201's from the time they got in as a second lieutenant. I just can't see why we are getting rid of officers like this, that we need, that are capable and fine officers.

I appreciate the fact that you say they are considered with other officers of the same grade. I thought your paragraph here on the pre-1940 military and the comments by General MacArthur was well made. I happen to have been a very junior officer in the early 1940's and I can recall some of those overweight majors and over-age majors, and I don't want us to ever get back in that situation.

I can understand why they stayed in during the 1930's. There was a depression on. The Army officer's job, whether he was a captain or a major, was a good job. And he wanted to hold on to it. But I think the military, perhaps, suffered for it because of that.

I suppose with all of its frailties, I have to be supportive of the up-or-out system, for no other reason than I don't have a better answer to it. Do I understand in the Senate version you would have a selection board for first lieutenant?

Mr. PIRIE. In the Senate version you would have a selection board from second lieutenant to first lieutenant. That is, you would not have as in our version, virtually 100 percent selection of officers who are qualified.

Presumably, the selection board would select some out, and those who failed selection twice, would indeed have to leave the military service as second lieutenants.

Mr. NICHOLS. You say they would have to?

Mr. PIRIE. Yes, sir.

Mr. NICHOLS. Do you think that is a good system?

Mr. PIRIE. I think it is a terrible system, Mr. Chairman. I can't imagine that we would wind up other than selecting practically everybody who is fit and qualified as we do now, and it would be a waste of time and effort for us to convene those selection boards. And in the case of individuals, depending on those who got selected out at the grade of second lieutenant, once again, I guess that goes to letting people know when they are not going to go very far so they can try something else.

Mr. NICHOLS. Are the grade tables in the Senate bill more restrictive for your O-6's, perhaps O-5's and a little more lenient in your junior grades? Is that a proper deduction?

Mr. PIRIE. Well, the O-6's, O-5's, and O-4's are reduced in the Senate grade tables. The O-3's and below are not addressed. So presumably, you would make up the deficiencies in the senior officers with the junior officers with the O-3's who had been passed over twice for promotion yet retained on the basis of their experience and what not.

Mr. NICHOLS. I don't want to monopolize all of the time here, but the Senate version gives me a good deal of concern. I have to wonder if it is compromisable at all somewhere between their version and ours.

I would suggest, Mr. Secretary, that there ought to be some sort of way to quantify the general effectiveness of the two systems. The Senate version and the version that you bring to us.

I think it would be very helpful to this committee if the adverse effects of the system as proposed by the Senate could be quantified in terms of readiness, in terms of officer personnel quality, in terms of ability to maintain personnel strengths, and in terms of responsiveness to other environments. In making such a request, I guess this is going to present some difficulties. But if we are going to be able to expect to have to evaluate effectively each one of these decreases in the grade tables, I think we need some reliable, quantifiable measure. And I would just say to you that I hope that you get your people busy and try to give us some sort of a response in that direction.

Mr. PIRIE. Yes, sir, I will be very glad to provide that.

Mr. NICHOLS. I just have one question for the General.

Did I understand you that you commended the Third Infantry at one time?

General TICE. That is correct, sir.

Mr. NICHOLS. General, you have had a good deal of experience in your career. How many years do you have in uniform?

General TICE. Thirty-four.

Mr. NICHOLS. Thirty-four years in uniform. What would be your professional assessment in the event Senate bill S. 1918 were enacted? For instance, if grade tables were cut in half, which is about what the Senate proposal does?

General TICE. I think they would be better off seeking civilian employment. That is pretty terse, but over the last 3 months, I have been out speaking with large groups of officers. They, as well as my own personal experience, confirm that the kind of radical changes that are proposed in the Senate's version, will have an unpredictable impact on the Officer Corps.

I think, Mr. Chairman, you and I understand that the resiliency, the decisiveness, the capability to fight centers around the energy expended by the officer corps of the Armed Forces. I would hate to gamble with the chance that we would obtain less than the highest quality to serve our Nation in such a responsible role.

I would also suggest, as I know you are troubled by the up-or-out policy, that I think recent history has cluttered our minds as to the real impact of that and the large reduction in force that came about immediately following the cessation of the Vietnam war.

There were a lot of good O-3's that should have retained in the service. But we had to reduce the size of the force so those fine officers had to leave.

I think this situation still rests in the minds of many people, and as such, it is related to the current up-or-out promotion system issue. The difficulty after Vietnam really came about by not having a good management system that DOPMA provides, and by mobilizing the Reserves to fill a wartime requirement without integration. That is one exception to Mr. Pirie's statement about lateral input at all grade levels.

We cannot see an increase in the size of the Force without fully integrating the Reserves into the Active Force, and at the same time providing mechanisms to assure equity in this management. It would be a disaster for the Officer Corps otherwise.

Mr. NICHOLS. The shortcomings, the inadequacies of the up-or-out system, they didn't leave us with the Vietnam war. They are still around.

General TICE. Oh, yes, sir. I think when you asked about what the Senate version is, I think there is a residual uneasiness about the quality of the "fine officers that are being let out of the Service on promotions."

In my division I had three Reserve majors who were twice passed over and released. Of the three, one tore me up very deeply. Obviously, the individual in my view was qualified to remain; however, I think the system itself has safeguards. The human judgment of a board, made the determination as to those individuals who should not be retained in relation to all other files examined. There are no two boards that would come to exactly the same kind of conclusion looking at the files.

Mr. NICHOLS. Mr. Mollohan.

Mr. MOLLOHAN. Mr. Chairman, in listening to your opening statement I became very much concerned as you obviously were, about the differences in these versions, the kind of legislation that is indicated as being necessary to remedy things that obviously must be remedied.

Then as I listened to your questions, and responses, I became even more so. I am wondering how we are going to get any legislation at all if these are as divergent as the Secretary suggests.

You say they are substantially different both in terms of philosophy and detail, and those are pretty profound differences.

Then you say, it would also result in an officer force with significantly different characteristics, speaking of the Senate version. In what sense would the officer force have significant different characteristics if we used the Senate version?

Mr. PIRIE. Some of the things that we would foresee happening, for example, is reduction of promotion opportunity to O-4 of something like 37½ percent. This would lead to, in the Senate version, something like nearly 40 percent of the force being in the grade of O-3, as opposed to the 28.6 percent that would result in ours, and a maximum time in grade for O-3's of something like 16 years instead of 7 years, as in our version. The fact is, that of those O-3's, some 20 percent would be over age 35. That is, a company commander-type individual over the age of 35, as opposed to none in

our system. A maximum age for an O-3 is something like 43 years old.

Mr. MOLLOHAN. Actually what the Senate is saying is that we have too much brass and too many high-grade officers in our military?

Mr. PIRIE. I think that is the message. They see a very small, upper grade career force surrounded by this group of people who for some reason or other want to stay until retirement in the lower grades.

Mr. MOLLOHAN. There has to be a corresponding depreciation of incentive.

Mr. PIRIE. Yes, sir, that is our main concern.

Mr. MOLLOHAN. I want to ask one other question. I don't want to take a lot of time. But I can't help but go back and remember your comparisons here between the two bills as two energy sources.

What modifications, if any, can you visualize as being properly available to us that we could use in effecting a compromise in conference? This seems to be a horrendous difference here.

Mr. PIRIE. Yes, sir. I recognize you are faced with this.

Mr. MOLLOHAN. I don't necessarily expect you to answer that question this morning. It seems to me these are things we need suggestions on and we need counsel as the chairman has indicated. What are the areas we can reconcile our differences in, and still have the changes that are essential.

Mr. PIRIE. We will make ourselves available any time of the day or night at your discretion, Mr. Mollohan, and work with you as closely as we can to determine whether some changes that would be acceptable to you and to the Senate are indeed workable. I would be very glad to give you all the effort we possibly can. We view this bill as being of the highest importance. I think it is one of the most important things I am handling this year.

Mr. MOLLOHAN. I am not suggesting you make this available to me on an individual basis. What I am suggesting is that there are going to be further hearings on this, and we need something injected into our hearings that would give us some guidance. In the final analysis what we are after here is an officer corps that will be responsible to our needs and to our requirements.

I think when you take away incentive, you have gone a long way to destroying what you are really trying to accomplish and achieve.

Mr. PIRIE. Yes, sir. I agree strongly. I am afraid that the military services when they testify will not be a rich source of compromise suggestions. That may create some difficulties.

We, as we go along, if we see areas that may be fruitful to explore, we will be glad to be in touch with the committee and work with you.

Mr. MOLLOHAN. Mr. Chairman, that is all I have.

Mr. NICHOLS. Thank you.

Mr. Secretary, I must have misunderstood you.

Did I hear you say under the Senate provision the average age of an O-3 would be 43 years of age?

Mr. PIRIE. Oh, no, I am sorry. That is the maximum age. The average age would be around 32.

Mr. NICHOLS. The average age would be around 32?

Mr. PIRIE. Yes, sir.

Mr. NICHOLS. In your judgment, we have done without DOPMA for a good many years, obviously we need some changes—do you believe we would be better off with or without the Senate bill?

Mr. PIRIE. Well, sir—

Mr. NICHOLS. Would you rather have the status quo or the Senate bill if you had your choice?

Mr. PIRIE. You know the status quo involves patching up of the inadequacy of the Officer Personnel Act and Officer Grade Limitation Act and so forth, so it is less than desirable. But as the lesser of two evils I would prefer to stumble along in that way rather than take the Senate bill.

Mr. NICHOLS. Dr. Evans.

Mr. EVANS. Mr. Secretary, just two quick questions. Of the professional officers in a grade higher O-4, how many entered from the military academies?

Mr. PIRIE. We have to give you that for the record.

Mr. EVANS. Do you have a ball park figure in mind?

General TICE. It is about 10 percent.

Mr. EVANS. Ninety come from outside of the military academies?

General TICE. Yes, sir.

Mr. EVANS. You don't have the control of quality as from the military academy. I am not saying you don't get quality but you don't have control of it, because the qualifications of each institution varies.

Mr. PIRIE. But they have to meet the officer training corps or the officer training school qualification requirements.

Mr. EVANS. I was wondering what would be the reason for putting a person through the training to be an officer and then finding out in his first grade or two he is not really satisfactory.

The other question is: Have you noticed any distinct differences in the retention rate of officers based on the particular world situation? I am not talking about all-out war. I am talking about when lesser disturbances, does the retention rate tend to be higher or lower when things are unsettled? Have you factored this into the estimates of your retention rates?

Mr. PIRIE. The estimates we have given for the retention rates are, in fact, based on surveys run by the Rand Corp., and they are essentially—

Mr. EVANS. Peacetime?

Mr. PIRIE. Peacetime study surveys. We have certainly seen in crisis like the Korean war, for example, a substantial number of people come in as the services are augmented and many of them tend to remain. Many people who are recalled as reserves, in the Korean war after having been mobilized out after World War II, many of those people simply stayed on in the military service. So there are, in times of trouble, those who join us and remain. Whether the retention behavior as such tends to be greater in those times than other times, I don't know whether we have really objective or academic analyses.

We may be able to provide some insight on that, but I am not certain how useful it will be to you.

Mr. EVANS. Do you think the All-Volunteer Army will affect the retention rates of officers?

Mr. PIRIE. I don't think that they will affect the retention rates for officers. I think what affects retention rates for officers is their satisfaction with the conditions under which they are working.

In our view, there is no reason to think that there should be any less satisfaction under the All-Volunteer Force than there would be under the conscript force.

Mr. EVANS. Thank you.

Thank you, Mr. Chairman.

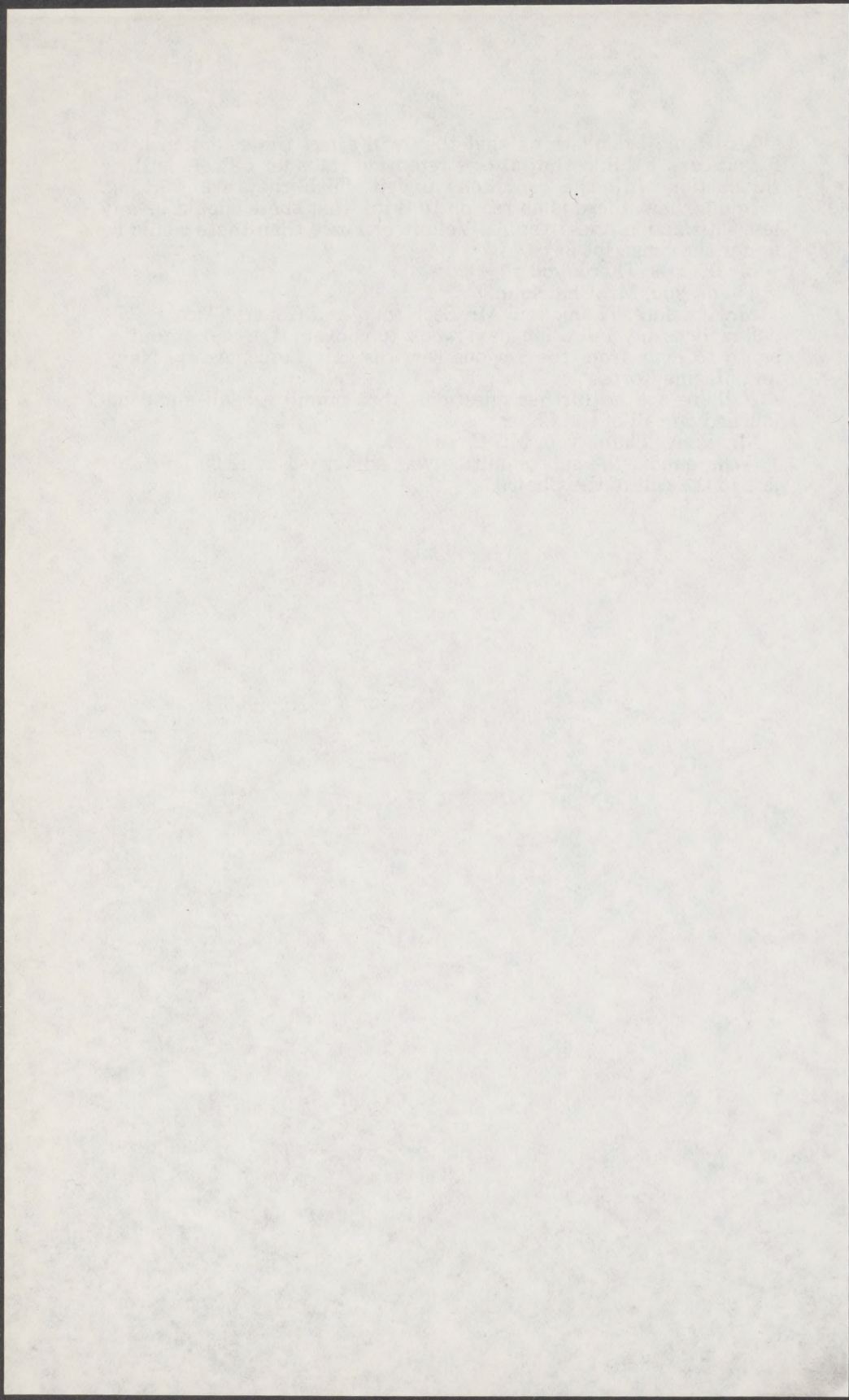
Mr. NICHOLS. Thank you, Mr. Secretary, and General Tice.

It will be my intention next week to convene the subcommittee again to hear from the various services: Air Force, Army, Navy, and Marine Corps.

If there are no further questions, the committee will stand adjourned on call of the Chair.

Mr. PIRIE. Thank you, Mr. Chairman.

[Whereupon, the subcommittee was adjourned at 12:08 p.m. subject to the call of the Chair.]



HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
MILITARY COMPENSATION SUBCOMMITTEE,
Washington, D.C., Wednesday, May 7, 1980.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2216, Rayburn House Office Building, Hon. Bill Nichols (chairman of the subcommittee) presiding.

Mr. NICHOLS. The subcommittee will come to order.

Today's hearing is the first of three during which we will delve into the service-specific problems that would be caused by S. 1918, the Senate version of the Defense Officer Personnel Management Act (DOMA). Some of the problems manifest themselves in all services and were touched upon last week; others are peculiar to an individual service. I have asked each of the services to review briefly the DOD proposal from their individual perspectives as well as to evaluate the impact of S. 1918.

Based on the discussion during the previous hearing, I am greatly concerned that, when we speak of the Department of Defense DOPMA proposal and the Senate DOPMA proposal (S. 1918) we are speaking about two entirely different systems or concepts. The source of my concern lies in the prospects—dim as I view them—of reaching a viable compromise when we go to conference.

We could split the difference between, for example, the grade tables contained in the two proposals. The grade tables are different, however, not only in the numbers contained therein, but, perhaps more importantly, in the structure and principles of the management system that forms their foundation. The question must be asked, first, whether splitting the difference results in a workable management system and, second, if it is workable, whether it is any better from the point of view of the services than simply accepting the Senate proposal in its entirety.

Just how far from the Department of Defense proposal can we move before the result is worse than the status quo?

We will have only two formal proposals before us when we go to conference, but these proposals may very well be based on completely different perspectives.

I believe it is important for us to understand not only the principles upon which our position is based, but also to understand—in depth—the principles upon which the Senate proposal is based. The proposals reflect these principles, and if the conferees can agree on principles, then I would hope that agreement on one or the other proposal would follow—almost automatically.

When we go to conference on bills that authorize tanks and aircraft, the conferees generally reflect positions that differ in degree. Compromises that split the difference make sense in this environment because each side is satisfied to a degree. A normal compromise between authorization of 100 or 200 tanks is to authorize 150 tanks. This decision may not meet the full objectives of

those who believe the threat requires authorization at the higher rate of procurement or the full objective of those who believe the most economical rate of procurement to be closer to the lower level. But 150 tanks makes sense.

Positions that differ in principle can, to some degree, also rise in authorization conferences; for example, the decision to build a new nuclear aircraft carrier either is or is not accepted. We cannot build half a carrier. However, we can build a smaller carrier or a conventional carrier, and to the extent that these alternatives make sense and are within the scope of the conference, the decision may be reduced to a difference of degree.

To the extent that intermediate alternatives do not exist, the difference becomes one of principles and the only viable solutions are those that result from the acceptance of one set of principles or the other: either one position or the other.

I am concerned that we may have, in DOPMA, a difference in principle.

On the other hand, what appears to be a difference in principle may only be a difference in assumptions. In other words, perhaps the Senate and the House accept the same principles—or generally the same principles—but view the operation of these principles under different premises. I am thinking here specifically about differences in the assumptions regarding the impact on retention of major changes in the promotion timing or promotion opportunity and in the consequent career expectations. There also appear to be different assumptions regarding the requirements for senior officers.

Differences in assumptions are similar to differences in principle—they are either accepted or not in their entirety. However, when differences in assumptions exist, they are subject to resolution based on evidence that might be available.

I lay this somewhat philosophical groundwork in the hope that our witnesses might lend some insight into the types of differences that exist as they perceive them; whether they are differences in degree, differences in principle, or differences in assumptions.

The purpose of the hearing today will be to receive testimony from the Department of the Navy. The witnesses are Joseph A. Doyle, Assistant Secretary for Manpower, Reserve Affairs and Logistics; Vice Adm. R. B. Baldwin, Chief of Naval Personnel; and Lt. Gen. Edward J. Bronars, Deputy Chief of Staff for Manpower, U.S. Marine Corps.

The Department of the Army and the Departments of the Air Force will be scheduled next week.

Mr. Secretary, you may lead off if you care to.

STATEMENT OF HON. JOSEPH A. DOYLE, ASSISTANT SECRETARY FOR MANPOWER, RESERVE AFFAIRS AND LOGISTICS, DEPARTMENT OF THE NAVY

Mr. DOYLE. Thank you, Mr. Chairman.

OUTLINE OF STATEMENT OF ASSISTANT SECRETARY OF NAVY JOSEPH A. DOYLE

DOD DOPMA

Provides Navy the flexibility needed to meet leadership and management requirements while at the same time providing equity for those officers who serve under its provisions;

- Provides equitable treatment of reserve component;
- Provides clear definition in law of the appointment, promotion, separation and retirement process;

- Provides for an all regular career force, early indication of individual's career expectations provided, and removes anomalies affecting the "career reserve";

- Provides grade ceilings for O-4's, O-5's and O-6's that reflect today's total requirements;

- Provides a distinct promotion system for regulars and reserves; and

- Provides for future expansion and contraction of the officer force, provides only a ceiling, strengths must be determined through appropriations process.

SENATE DOPMA

Not optimistic that compromise can be reached, appears to be conflict between the underlying concepts involved;

- Loses clarity and consistency regarding an officer's career expectation;

- Ameliorates up-or-out principle too much, up-or-out is found in civilian sector, up-or-out system provides ability to sustain an effective, highly qualified and motivated officer corps;

- Senate continues up-or-out but permits retention of passed over officers; and

- Major concern is the negative impact of the substantial grade reductions, career opportunity would be severely reduced, grade tables in DOD DOPMA are based on requirements, GAO has validated the requirements determination process used by services, Senate tables would not meet Navy and Marine Corps requirements needed to accomplish their missions.

Mr. DOYLE. Mr. Chairman and members of the subcommittee, I appreciate the opportunity to testify today on the Defense Officer Personnel Management Act or DOPMA. Secretary Pirie has testified on this important legislation, and I would like to add my support of the administration proposal.

Since assuming the offices of the Assistant Secretary of the Navy for Manpower, Reserve Affairs and Logistics, I have examined the DOPMA proposal and am convinced it will provide a sound and effective officer management system. It is a highly complex piece of legislation covering all aspects of officer personnel management, including appointments, promotion, separation and retirement. The Deputy Chief of Naval Operations (Manpower, Personnel and Training), Vice Adm. Robert B. Baldwin and Lt. Gen. E. J. Bronars, Marine Corps Deputy Chief of Staff for Manpower are with me today to address the details of DOPMA as they apply to the sea services.

It is a piece of extremely technical and detailed legislation, and it would be inappropriate for me to attempt to instruct this committee, which has already reviewed the matter on two other occasions, on details. Furthermore, General Bronars and Admiral Baldwin are quite familiar—more familiar certainly than I—with the details. And I will ask the committee to hear their statements and to permit them to answer questions which go to the specifics of the impact on the Navy and the Marine Corps of the proposal. I will confine my remarks to the main features with some comment on the substitute bill passed by the Senate as Senate 1918.

The Defense Department's proposal would provide a system for officer personnel management that would give the Department of the Navy adequate flexibility to meet our leadership and management requirements while providing equity for the individuals who will serve under its provisions. The provisions regarding lateral movement between the active duty and Reserve components both in peacetime and wartime are particularly important as we strive toward total force management of the officer corps.

The bill provides a clear definition in law of the parameters governing the appointment, promotion, separation, and retirement processes. It offers a stable system on which both management and the individual can rely. It has the flexibility to adjust to strength changes while still providing the advantages of a full career to those promoted to the senior grades. Officers failing promotion will be separated with financial compensation appropriate to their years of service, and junior officers who do not compete successfully will be separated at ages young enough to permit successful transition to careers in the civilian sector. The result should be an experienced, competitive, and high-quality officer corps.

The concept of an all-regular career force after 11 years will motivate individuals to make early career commitments and the services to encourage such decisions. It will bring an end to the existing anomaly of the active duty career reservist serving side by side with career Regular officers through two desirable features.

First it will eliminate the inequities and uncertainties which the current system imposes on Reserve officers during reductions in force and over which, I understand, Congress has expressed much concern. Second, it will restore the historical concept of the "citizen soldier" as one who supplements the standing force in time of war or emergency.

The DOPMA proposal reinforces the policy of maintaining two basic defense forces, and active duty component and a Reserve component. It does this by insuring that the authorized strength maximums for grades O-4 and O-6 will be sufficient to accommodate all officers, Regular and Reserve who by length of service, are in actuality part of the career force. This is pragmatic recognition of the true size of the Active Force. In fact, the Navy is virtually an all-regular force now. The totals involved in this transition to a single active duty force would involve integration of 589 Reserve officers in grades O-1 through O-6, and that total would represent only 1.08 percent of the total Navy officer strength. The adjustment is not tremendous.

In 1947 the Officer Personnel Act defined the limits of a small regular force which was envisioned sufficient for the post-World War II era. The Department's proposal of new grade limits is an attempt to redefine the standing force to match the recent past and projected future realities of larger U.S. Active Forces as compared to those of the pre-World War II era. DOPMA further reinforces the two component philosophy by recognizing that there must be a distinctive promotion and grade system for mobilized Reserves. This distinctive system will insure that Reserves compete against each other for promotion and not against active Regular officers. This not only insures equity for the Reserve but also greatly facilitates effective management of the two separate components. Excluding mobilized Reserves from the grade limitations insures that Reserve units can be mobilized without leaving their senior officers behind thereby assuring maximum utilization of this vital sector of our total force.

The DOPMA proposal contains grade limitations for the Navy and Marine Corps which permit expansion and contraction of the standing career force to meet requirements arising from emergencies or from changes in the basic force structure. I

believe there has been some misunderstanding regarding this portion of the proposal.

I want to emphasize what the proposal does not do. It does not commit the Congress to any level of officer strength. That is an authorization matter which the Congress will address each and every year. Once the Congress determines the appropriate force level, the DOPMA tables will be used to determine the maximum grade distribution at that future level. Thus the bill would certainly not take away congressional controls over the size of the career officer force. Nor would it require maintaining certain strengths in each grade. The grade limitations are maximums not minimums or goals.

I am not optimistic about resolving system differences inherent in the Senate's bill, S. 1918, particularly regarding management of the active duty Reserve officers and the mobilized Reserve components. These appear to be in conflict with the concept of the redefined career force and the purpose and design of the grade tables, as I have described them.

As the subcommittee is aware in the DOD proposal mobilized Reserves do not count against grade limits for the duration of the war or emergency plus 6 months, and do not compete for promotion with active-duty-list officers.

The up-or-out promotion concept is not entirely unique to the military. Forced attrition is also employed in the civilian sector. Companies are constantly searching for employees who can assume greater responsibilities. They are continually screening their work force to retain the more talented personnel. The military services must account for their management actions to Congress and the public. A clearly defined system of attrition, the up-or-out promotion concept, is provided in law to achieve fairness and equity in dealing with our personnel. More importantly, it provides us with the ability to sustain an effective, highly qualified, and motivated officer corps.

I personally believe that a strongly competitive process is essential to maintenance of a high-quality officer force. I am not convinced, however, that the suggested provision for retaining "passed over" personnel in lower grades for extended periods advances that objective. I do not think that such a provision will assist us in keeping skilled people. I believe a system that recognizes those we need and want to keep through the positive incentive of promotion will be far more effective.

My major concerns with S. 1918 relate to its negative impact on overall force with the very substantial reductions in the grade tables. Our ability to provide reasonable career opportunity would be severely reduced. I would, therefore, like to take a moment to discuss these reductions.

Evidently, the severity of the reductions in the Senate bill is based on the assumption that the grade tables are not directly related to mission-based requirements. As I have indicated, the Congress decides the matter of requirements annually in the authorization process. The Navy's requirements determination process, which does link grade requirements to missions, produces numbers consistent with the grade tables in the DOD proposal.

As you know, the General Accounting Office, in its 1975 report to this committee, was very complimentary about the requirements determination process used by the Navy as well as those of the other services. The grade tables in S. 1918 fail to meet the requirements of the Navy and Marine Corps necessary to achieve their missions.

Admiral Baldwin and General Bronars will address the Senate bill in detail. I would simply close my remarks by saying that our analysis indicates that it has some basic flaws and will not achieve the stated objectives of a more experienced and effective force.

Mr. Chairman, I believe the Department of Defense proposal represents a sound and rational system for officer management and urge its enactment by the Congress as submitted.

Mr. Chairman, in response to your invitation in your opening statement for some comment on the question of the distinction between assumptions and principles: I would like to emphasize something that is incorporated in my statement but is pertinent to your statement. That what we are engaged in here is a process of risk assessment. When you choose between 200 tanks and 100 tanks, you engage in such a process; but you do so in a context of alternatives that aren't a part of the choice between the 200 or 100. There are airplanes, there are other mobile forces that can be employed to shore up and support the compromise when it is made. And those are taken into consideration when the compromise is reached.

What we are dealing with in this particular piece of legislation is a commodity where there is no fallback. We are dealing with people. If you make a mistake, if the Navy makes a mistake, in the management of its personnel in 1980 that mistake is going to be with us for 10 or 20 years. It is never going to be erased.

We can try. We can work. But we can't make people. The threat to retention which you have, I think, properly characterized as an assumption in our attitude toward the Senate bill, is a threat that cannot be accepted because of the material with which it deals—that is, the human factor.

We must keep in mind in reaching our conclusions that the system we are using now does not pose such a threat. We have 30 years of experience behind us. We have the judgment of the professional managers who are making the system work now. I think it is reckless to undergo the possibility that we will lose control of the irreplaceable element of human leadership.

Thank you, Mr. Chairman.

Mr. NICHOLS. Thank you, Mr. Secretary.

The last part of your statement, of course, is what concerns me. How do you compromise? We seemingly are 180 degrees away from the position the Senate has taken. I strongly support our position, you understand, but that is the aspect of the DOPMA legislation that has the chairman very much concerned.

I have talked to other members of this committee, and they share that concern.

General, I guess we will put you on next. The Marines are always first with the mostest.

**STATEMENT OF LT. GEN. EDWARD J. BRONARS, DEPUTY CHIEF
OF STAFF FOR MANPOWER, U.S. MARINE CORPS**

General BRONARS. All right, sir.

OUTLINE OF STATEMENT OF LT. GEN. EDWARD J. BRONARS

DOD DOPMA

The Marine Corps supports DOD DOPMA but has strong reservations about the Senate bill (S. 1918).

SENATE DOPMA

The Marine Corps believes that S. 1918 takes a step in the right direction on addressing Flag and General Officer Authorizations but does so in a manner that is not equitable to the Marine Corps.

Field Grade Authorizations imposed by S. 1918 are too severe and without valid basis: S. 1918 cuts Marine Corps authorizations in these grades by up to 27 percent from DOD DOPMA; S. 1918 also ignores the fact that valid force structure and requirements exist; and S. 1918 grade tables will slow promotions by up to 3 years and consequently will degrade career-force retention.

Mobilized Reserves will be forced into promotion competition with regular officers under S. 1918: Reserves would be expected to fair poorly against more experienced regular officers; and potential exists for grade imbalances in regular force and transition problems after national emergency.

S. 1918 eliminates existing temporary appointment authority: Provision important to the Marines only; USMC appoints and controls limited duty officer program under this authority; and

Without this authority, an effective and well-managed program would be jeopardized by the creation of an artificial grade structure in excess of requirements.

Other areas of concern include eligibility and time-in-grade requirements for promotion to all grades: Will slow promotion flow points and reduce number of officers eligible and, thereby, inhibit ability to fill requirements; and also oppose first lieutenant selection board requirement as too cumbersome and costly while not necessary to quality control.

Marine Corps Position: Support DOD DOPMA.

Mr. Chairman, members of the subcommittee, thank you for the opportunity to appear before the subcommittee to testify in support of the Defense Officer Personnel Management Act, as proposed by the Department of Defense.

I have a statement that I submitted earlier and if the chairman and the members have had a chance to look for it, I will briefly summarize. If not, I will read it.

Have you had a chance?

Mr. NICHOLS. Why don't you summarize your statement. We have it for the record, General Bronars.

General BRONARS. All right, sir.

The Marine Corps does support the provisions of this act which, of course, as has been stated earlier, have been developed over the past 10 years with the full participation of the military departments and all four uniformed services.

Our views and our considerations were asked for and incorporated in that legislation, and we feel and it meets our needs and allows us the flexibility we need to manage our officer personnel.

As already passed twice before in the House in 1976 and 1977, the bill provides needed management flexibility. It insures equal treatment under the law of our women officer personnel, which we don't have at this time.

It also corrects many differences that exist today in officer management laws among the four services. And, equally important in

my estimation, it makes significant improvements in Reserve officer management.

In short, we consider that these provisions in the Department of Defense proposal, in this legislation, will allow us to more efficiently and effectively manage our officer corps.

In contrast, we have many serious reservations with the Senate version of this same legislation. We strongly support the position of the Department of Defense, as expressed recently by Dr. Pirie, before this subcommittee considering the impact that the Senate version would have on our ability to manage our officer force.

I have highlighted these concerns in the statement I have submitted for the record. However, if the issue of general and flag officer authorizations is to be addressed in DOPMA, we do feel the Senate formula, properly modified to provide for adequate numbers of general and flag officers and properly adjusted so it provides equity among the services, is an improved method of allocation of these authorizations. I am not sure that consideration of this belongs in DOPMA, but if it is addressed, we feel that the senate formula has potential.

In conclusion, the Marine Corps joins the Department of Defense, as expressed very strongly by Dr. Pirie and the other services, in supporting this bill under consideration today.

It is the first comprehensive revision of our officer personnel laws in over 20 years. It is necessary legislation in our estimation, and it is time it was enacted.

I hope that you certainly would be able to prevail in your views that the DOD version is the right version to adopt when you meet in joint committee.

I will be glad to answer any questions that you or members of the subcommittee may have.

Thank you, sir.

WRITTEN STATEMENT OF LT. GEN. EDWARD J. BRONARS, USMC

Mr. Chairman, members of the Subcommittee: Thank you for the opportunity to appear before you to testify regarding the Defense Officer Personnel Management Act (DOPMA).

This subcommittee is fully aware of the history of this bill. Twice before, in 1976 and 1978, the House has passed this legislation. We now appear close to the point where the efforts of many in the Congress and the Department of Defense (DoD) will result in the final passage of this vital officer personnel management legislation. The Marine Corps continues its strong support of the administration's version of DOPMA. The House bill provides needed management flexibility, corrects many unwarranted differences in officer management laws presently existing among the four services, and permits the equal treatment under the law of women officers in matters of accountability, promotion, and separation.

However, we have strong reservations and, in some instances, very serious concern, over the Senate's version of DOPMA. I consider it essential that you become aware of those areas of the Senate bill which are of particular concern to the Marine Corps and their impact on our ability to manage the officer corps.

FLAG GRADE TABLES

An area of serious concern is the flag officer grade tables inserted into DOPMA by the Senate. Neither of the two previous House versions of DOPMA nor the present bill before you address the flag and general officer authorizations. Those grades would continue to be restricted under the Officer Grade Limitation Act. I agree with Admiral Baldwin that the validated requirements exceed the currently authorized 1119 level of general and flag officers, and believe that the reduction to 1073, as provided for by the Senate version of DOPMA, is unjustified. And although the general approach used by the Senate in basing the total allocation of this

reduced number on relative service personnel strengths is valid, the formula used by the Senate works to the special detriment of the Marine Corps. The ratio applied to the Marine Corps is more austere, by approximately 50%, than the ratio applied to the other services. The Marine Corps joins the Navy in seeking a reallocation of flag authorizations based upon Departmental military strength.

FIELD GRADE TABLES

The next area which is of critical importance to us is the field grade tables in the Senate version of the bill. The House version reflects a carefully designed table which provides sufficient number of officers to meet validated requirements. These grade tables are viewed as ceilings—not objectives—and are intended to provide management flexibility within which the services can meet valid requirements. These tables are also designed to provide a reasonably acceptable career opportunity and one that is consistent among the services. They take into consideration the variables of grade distribution, promotion point and promotion opportunity. The Senate bill is dramatically different in this respect. Applying the two sets of tables to the Marine Corps, the Senate version reduces our authorizations for colonels by 27%, lieutenant colonels by 21% and majors by 20%. Our principal and immediate concern is the impact these cuts will have on our operational ability. In its rationale for these cuts the Senate talks to requirements in the Army, Navy and Air Force but is silent on the Marine Corps. I leave it to my colleagues in those services to speak to the Senate references. I can assure you, however, that any historical review of the Marine Corps will reflect an austerity in the senior grades unmatched in the Department of Defense and determination of needs which is closely and continuously scrutinized. I note that the Senate speaks of officer to enlisted ratios of 1 to 8.6 in 1945, 1 to 7.5 in 1968 and 1 to 6.5 now. It should be noted that the Marine Corps ratio today is 1 to 9.3 and has been very close to that ratio for many years. The Senate also talks to an upward creep in average grade. The Marine Corps average grade in 1964, just prior to Vietnam was 2.65 and is now 2.66. This is an increase of .4 of one percent. All of this is to say that the Marine Corps needs the officers in the numbers and grades which the DoD version of DOPMA permits. The Marine Corps is organized as mandated by Congress. The commitments which that organization is required to support show every potential for continued increase during the very period that the Senate bill would impose these severe reductions in our middle leadership grades. Reduction of our leadership resources to the degree required by the Senate bill would have a debilitating effect on our ability to carry out our mission as the nation's force-in-readiness.

As to the impact on career opportunity, the Senate stated in its report that advancement opportunities were not a consideration in the development of their tables. While I believe such considerations should be secondary to requirements, they are of significant concern and cannot be ignored. Our analysis of the Senate bill indicates that, at these reduced levels, the promotion flow will be slowed by almost 3 years to the grades of lieutenant colonel and major. It is reasonable to assume that future officers will expect a career pattern at least as favorable as that provided today's officers. Such a retardation of promotion flow will have a detrimental effect on officer retention and quality. Greater turnover with the consequent increases in training needs cannot be beneficial to our officer Corps.

MOBILIZED RESERVES

An area closely associated with the grade tables is the accountability of mobilized Reserves. Experience has shown us that mobilization can generate considerable problems relative to promotion and career progression. The Senate bill would place mobilized Reserves under the active duty list grade table umbrella and subject them to the same promotion laws as active duty list officers. The initial problem with this is that the grade tables were apparently not designed to accommodate the full mobilization of selected Reserves. In an emergency situation, the President undoubtedly would have to suspend the tables. Beyond, this, subjecting mobilized Reserves to the same promotion laws as active duty list officers could place the Reserves at a competitive disadvantage. Experience shows that the interests of both career active duty officers and Reservists are served best by ensuring that continued separation of the active duty and Reserve officer management systems.

ALL REGULAR FORCE

The Senate bill make another fundamental philosophical change to the intent of DOPMA—the all regular force. As passed by the House, DOPMA calls for an all regular force in the field grades. The Senate bill continues the concept of the career reservist. We believe the all regular concept is essential to the mutual benefit of

both the regular and reserve establishment. The all regular concept eliminates the unusual vulnerability to which career reservists are presently subjected during reductions in force. In recent years the Marine Corps has been pursuing the all regular concept administratively and we have established policies to accomplish what the House version of DOPMA would mandate by law. We support the philosophy of the all regular concept and believe it should be incorporated into law.

UP-OR-OUT SYSTEM

The Senate bill incorporates provisions which provide the Service Secretary with discretionary authority to continue twice failed captains and majors to 20 and 24 years of commissioned service respectively.

The House bill continues the concept in the present law of the mandatory separation of twice failed captains and allows the selective continuation to 20 years service of twice failed majors. These provisions are the heart of the up-or-out concept which, for over 30 years, has proven to be the most effective means of maintaining a youthful and vigorous officer force and ensuring acceptable career progression. We believe that the continuation features of the House bill provide adequate long-term management flexibility and should be incorporated in this legislation.

TENURE/RETIREMENT

There are several tenure provisions in the Senate bill of concern to the Marine Corps. The bill increases lieutenant colonel tenure to 28 years vice the current 26. We do not see the advantage to this and foresee at least a small but unnecessary degree of stagnation as a result. Of much greater concern is the requirement for 3 years service-in-grade for all officers serving in the grades lieutenant colonel through major general before voluntary retirement. In its present form, the Senate bill precludes Secretarial action to waive the statutory minimum for humanitarian reasons in hardship cases. Sound management policy dictates that the establishment of minimum periods of time-in-grade for retirement should remain within the jurisdiction of the Secretary of Defense. This procedure allows for the administration of a policy that protects the needs of the Service and provides the discretionary application of waivers for humanitarian reasons.

PROMOTION PROCEDURES

The Senate has also modified certain promotion procedures which will create problems for us. One item of concern is the requirement for a selection board to select officers for promotion to the grade of 1st lieutenant. We strongly oppose this aspect of the Senate's bill. Current law and the House version of DOPMA require selection boards for promotion of officers only to the grades of captain and above. Second lieutenants, as a result of their brief period of active service and their initial training which in some cases can extend up to two years, are likely to have very limited performance evaluations to serve as a basis for competitive comparison and selection. All of these officers are now promoted temporarily on the second anniversary of their commission. Quality control is assured as each officer's record is submitted to a Naval Examining Board, convened by precept by the Secretary of the Navy, on the first anniversary of the receipt of his or her temporary promotion to first lieutenant. Our experience has been that the mental, moral and professional qualifications of these young officers is acceptable in over 99 percent of the cases. Less than one percent of the 1500-1800 officer cases reviewed annually by the Naval Examining Board are found to be substandard. For these reasons the selection board requirement would create an exceptional administrative burden that is not necessary to officer quality control at this grade.

Additionally, the Senate bill requires that the time-in-grade be achieved before consideration by a selection board and changes the number of years required in grade. We feel that these requirements are too severe; in fact, had they been in effect last year, the Marine Corps would have been forced to reduce the primary zone for consideration to captain by 500 officers. Such an action would have precluded our ability to meet valid service requirements, and I submit, would have had an adverse impact upon the retention of professionally qualified and highly motivated young officers.

LIMITED DUTY OFFICERS

The last area I want to discuss is one of particular concern to the Marine Corps—Limited Duty Officers. The Senate bill repeals section 5596 of Title 10 which provides the authority for the appointment of temporary officers. The Marine Corps limited duty officer program is dependent upon 5596 because we appoint all of our

limited duty officers as temporary officers. The reason for this is that our specialist grade structure is heavy in the grades of first lieutenant and captain and very limited in major and lieutenant colonel. Under the temporary program we appoint warrant officers to LDO status and allow them to serve in the company grades for a minimum of 10 years. We allow a limited number, in certain skills, to go beyond 10 years to the field grades but our requirement in the grades of major and lieutenant colonel among the limited duty officers is too limited to allow all LDOs to flow through these grades. Elimination of 5596 would require that all our LDO's be permanent officers and that in turn would mean that the only way we could control the number of officers flowing into major and lieutenant colonel would be by assessing very heavy promotion attrition to those grades. Such action would not be cost effective and would, in fact make the prospects for an LDO career very unappealing. We must rely on the continued availability of the temporary officer appointing authority of Section 5596 to ensure the management of our 1100 limited duty officers in a manner that is efficient, economical and responsive to the needs of the Marine Corps.

CONCLUSION

In summary, the Marine Corps is enthusiastic in its support of the officer personnel management act which has been developed over the past decade and passed twice by the House. We believe it improves and beneficially standardizes officer management throughout DoD. The Senate bill, however has a number of provisions which cause us concern and we look to this subcommittee for assistance in correcting these areas as the legislative process continues in pursuit of passage of a Defense Officer Personnel Management Act.

Mr. NICHOLS. Thank you, we will hold our questions until Admiral Baldwin has had his time at bat.
Admiral?

STATEMENT OF VICE ADM. ROBERT B. BALDWIN, CHIEF OF NAVAL PERSONNEL

Admiral BALDWIN. Good morning, Mr. Chairman, members.

OUTLINE OF STATEMENT OF VICE ADM. ROBERT B. BALDWIN, USN

DOD DOPMA

Officer Personnel Management System: System of interacting variables; Requires careful balance in order to assure quality force.

Retains Up-or-Out Promotion System: Flow of new individuals needed regularly to maintain age and experience balance; Congress legislated up-or out following WW II; System works well; and Navy supports retention of up-or-out system.

Provides All-regular Career Force and Provides for Management of Reserve Officers: Reserve officers may not remain on active duty as Reserve officers beyond eleven years active commissioned service or two failures of selection to O-4, whichever is later, Navy supports the concept; The intent is to integrate reserves into regular components by the eleventh year of service; DOD intends to maintain career system within Reserve components independent of regular force; Mobilized reserve officers would not be placed immediately in promotion competition with career active duty officers.

Revises Grade Limitations: Most important variable in officer management system, Affects ability to meet requirements; and DOD DOPMA grade tables provide appropriate promotion opportunity and timing.

Results in Significant Change to Navy Officer Management: Existing grade tables apply precise grade control only to a portion of the senior officer force; DOD DOPMA places all active duty officers on single active duty list and eliminates mandated promotion opportunities for specific categories, Provides more precise control of all officer communities.

Women: Provides equalization of treatment of women officers in Navy DOPMA will not modify current legal restrictions on women serving in combatant units; There is some apprehension that women may not realize equitable promotion opportunity in competition with men, SECNAV should direct selection boards not to consider legal restrictions as detriment to women selection, Navy proposes this requirement for inclusion of DOPMA.

Flag Officer Grades: Agree with provisions for one-star grade: Navy suggests the title of "commodore" instead of "commodore admiral".

System Operation: Administration's proposal and two previous House bills adopt proven aspects of existing system; and Enjoys trust and confidence of the officer corps.

NAVY POSITION ON S. 1918

S. 1918 creates system far different in concept and technical operation from present Navy system or DOD DOPMA proposal: Grade limitations, Requirements can not be adequately met, Consistent and credible career opportunity can not be assured; Significant management problems will be created.

Grade limitations: Navy analysis finds S. 1918 defective—Adverse personnel management impacts, Impair efforts to improve retention; Force will have less experience, higher turnover and increased procurement requirements; Will not permit Navy to fill valid, programmed billets with officers in appropriate grades; Tables not well designed to accommodate changes in officer strengths under various conditions, DOD grade table was developed to provide for long term consistent management of career force over strength variations. Senate attempted to design tables to include Mobilized Reserves and other inappropriate categories. This results in a reverse sliding scale (Chart No. 1), Senate tables would work only if mobilization takes place at strength of 55,000 career officers.

Personnel Management Implications of Grade Limitations: Senate assumptions are incorrect—No evidence that increased "command opportunity" will increase retention; Most often cited reason for separation is insufficient compensation; Summary of personnel management implications; Senate reductions based on faulty premises; Will not achieve stated objectives of a more experienced and effective force, Will impede progress toward improved retention and desired force objectives; DOD DOPMA will provide management framework to achieve desired force objectives.

Force Structure Implications of Grade Limitations: Senate believes that grade distribution in DOPMA not justified by mission-based requirements; 1975 GAO review of Services' requirements determination process was favorable; Senate reductions would require downgrading billets; 23 percent captains, O-6, 27 percent commanders, O-5, 25 percent lieutenant commands, O-4; Chart No. 12 summarizes findings, S. 1918 will not permit Navy to fill valid programmed billets in the approved force structure with officers in appropriate grades, S. 1918 will weaken mission capability and reduce readiness. DOD DOPMA grade limitations are satisfactory.

OTHER PROBLEMS WITH SENATE DOPMA

Management of Active Duty Reserve Officers: S. 1918 places all mobilized reserve officers under grade limitations and under active duty promotion management system, Navy opposes inclusion of mobilized Reserves and other special category reserve officers in grade limitations and promotion system as required by S. 1918.

Tenure: DOD DOPMA specifications enable officers to develop concise career expectations; S. 1918 gives managers great flexibility but creates potential for inconsistent treatment; and Navy supports tenure provisions of DOD DOPMA and is concerned over those of S. 1918.

Promotion Management System: Two bills differ radically.

Technical problems: S. 1918 requires officer to complete minimum time-in-grade before being considered for promotion; Constructive credit computation different from House version of DOPMA; S. 1918 removes Navy's authority to commission chief warrant officers; and S. 1918 requires SECDEF to regulate virtually every aspect of the promotion system.

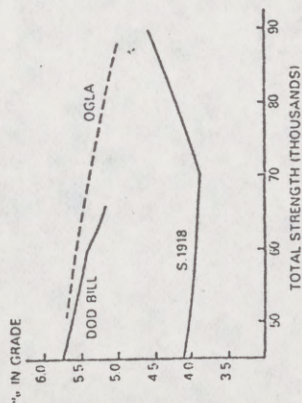
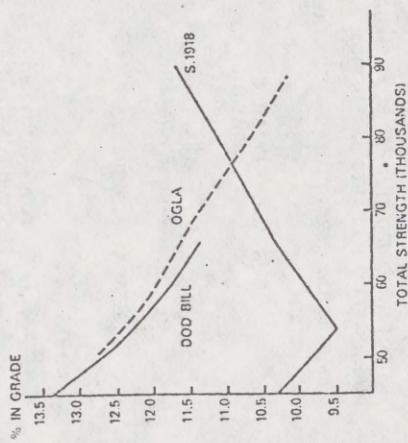
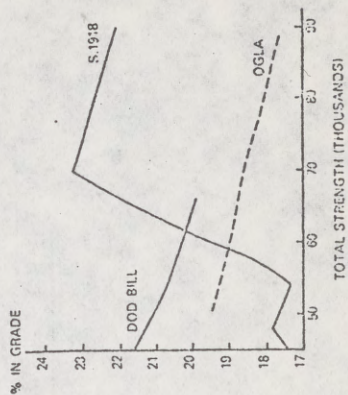
Flag Officer Management: S. 1918 would completely revise flag officer management and flag grade limitations; Standardized flag officer management features would not meet the needs of the Navy; Flag grade limitations, Navy suggests that the reduction of DOD flag/general officer spaces from 1119 to 1073 be reconsidered; Features of S. 1918 would produce inefficient management of Navy flag officers, Routine reassignment of 3 and 4 star officers would require Senate confirmation in every case, Eliminates ability to convene boards to recommend O-7's and O-8's for involuntary retirement, Officers must be promoted by seniority regardless of category in which vacancies exist.

SUMMARY

DOD DOPMA represents significant management refinements for Navy: Preserves best part of a system developed over years of experience under various conditions of defense demands; Navy officer corps will remain vigorous and combat ready.

Senate substitute: Based on incorrect assumptions; Unwarranted risk in ability to maintain the future composition and capability of the officer force.

Navy supports DOD DOPMA and urges its enactment.

CAPTAIN
GRADE TABLE DISTRIBUTIONCOMMANDER
GRADE TABLE DISTRIBUTIONLIEUTENANT COMMANDER
GRADE TABLE DISTRIBUTION

FORCE STRUCTURE IMPLICATIONS

- IMPACT - S 1918 REDUCES CURRENT NAVY BILLETS
 - O-6 = 23% O-5 = 29% O-4 = 25%
- PROTECTING OPERATIONAL AND COMMAND O-6 BILLETS RESULTS IN 38% DOWN GRADING OF O-6 BILLETS IN MISSION SUPPORT FUNCTIONS
- EXAMPLES OF IMPACT OF O-4 DOWNGRADING IF O-4 OPERATIONAL BILLETS PROTECTED

SURFACE/SUBMARINE	16%
AVIATION	20%
SUPPLY	30%
CHAPLAIN	31%
SHIP ENGINEER	33%
JAG	34%
MEDICAL SERVICE/NURSE	37%

SUMMARY

- S 1918

- WILL NOT PERMIT NAVY TO FILL VALID PROGRAMMED BILLETS IN THE APPROVED FORCE STRUCTURE WITH OFFICERS IN APPROPRIATE GRADES
- WILL WEAKEN MISSION CAPABILITY AND REDUCE READINESS
- DOD DOPMA GRADE LIMITATIONS WILL ALLOW NAVY TO SATISFACTORILY MEET ITS REQUIREMENTS

Admiral BALDWIN. I appreciate the opportunity to testify on this bill. I underline all that Mr. Doyle and General Bronars have said concerning recognition of the ample preparation that went into the construction of the DOPMA bill as submitted by the Department of Defense.

I appreciate the fact that the House has twice passed the bill essentially intact, recognizing the care and the preparation that went into it. We would appreciate that same consideration of the current bill.

I do want to add a few words to Mr. Doyle's discussion of the so-called up-or-out principle.

I think sometimes that principle is viewed as very wasteful and perhaps is misunderstood in terms of its real impact on the force. It really would be better described as up and sometime later out.

The only people really affected immediately by promotion action are those in the very junior grades, lieutenant junior grade and lieutenants in the Navy. The numbers affected there are relatively small because promotion opportunity is relatively high, recognizing the significant shortage of experience of these officers upon which to base a judgment. Essentially the promotion process is a weeding out of those that really are not capable, rather than a highly competitive best fitted situation, such as you run into in the higher grades. Consequently, they are separated after their second failure for promotion. In essence, they are dropped from the rolls because of a lack of satisfactory performance.

In the more senior grades, those controlled by the law, however, tenure is given appropriate to that grade. Although promotion failure is an input to when an officer goes, it is not on the instant of that second failure that he departs the rolls. If the is given a tenure appropriate to that grade and appropriate to the profession, I do not think it is wasteful.

The question of whether there could be more flexibility for continuation at points at the discretion of the Secretary concerned based on needs, could certainly be addressed without violating the principle that you have a continuing organization here. You have a profession that demands a higher degree of physical stamina and endurance than many other professions. So direct comparisons between the military profession and some others aren't always exact.

We do now have a Senate version of DOPMA, and I would like to discuss a few of the important differences in our eyes between the two versions. I would also like to put my own assessment of whether they are differences in principle or difference in judgment in response to your question, Mr. Chairman.

First, and most significant, I think, is the matter of the grade tables that both Secretary Doyle and General Bronars have alluded to.

The Senate version would cause reductions in the more senior grades, captain, commander, lieutenant commander, on the order of about 25 percent. I really think this difference between the Senate and the House is one of assumptions or judgments and not so much principle; although some principle is involved.

The Senate appears to make the assumption that the officer corps is overpaid and overstructured. I would quarrel with that assumption and that judgment. There are a number of comparisons

that could be made that I won't go into here. But I do think that the Senate does not take sufficient notice of true requirements of the services. The grade ceilings that they propose would not allow us to meet our requirements, and they would consequently affect our mission capability.

In addition to the requirement aspect, the authorizations in the table are not flexible enough compared with the DOD DOPMA table to avoid putting the services in a position of having to come back to the Congress year in and year out for relief from particular situations. There is enough flexibility in the DOD DOPMA tables, and they are ceilings, not mandatory must-fill numbers, that would allow us to manage the force for the foreseeable future with the strength to which we anticipate being structured.

Also, they provide the prospect of a reasonable career opportunity. This is essential so that young officers in the junior years of service can look forward to the challenge and the opportunity that military service would present. The Senate version structures that too finely. While they hang their hat on keeping enough people in by virtue of continuing at plateaus of achievement, if you will, I question the soundness of that assumption.

I really feel what would happen is that the heavy promotion attrition that would take place at promotion to lieutenant commander, for instance, would cause those lieutenants not promoted not to want to stay, because their prospects of additional pay are very limited, and there does not appear to be significant incentive for them to stay with no prospect for upward mobility.

Very possibly, the impact of that very strict narrowing of the pyramid, at that significant time in a person's life, is going to be evident to a young officer when he finishes initial service. He will say, "I will go some place that has a little more prospect to it and offers me some career opportunity at a time I reach a point of significant family responsibility." He is probably going to leave even before he comes up for that promotion. Rather than a more experienced stable force, we will have a relatively inexperienced force with high turnover in the junior grades and high costs associated with procurement of officers initially entering the service.

The second point I would like to comment on is the management of Reserves. Here I think the difference is one of principle. I think the DOD version of DOPMA is wise and thoughtfully in the provision to keep the Reserve management separate from the active duty force management even in the event of mobilization.

We have learned some lessons in the past in this regard.

When we have allowed the mobilized population to compete for promotion with the Regular active duty force, the predictable happens. In all probability the bulk of promotions will go to the active duty, more militarily experienced force, and you will have two results from that.

First, is a matter of equity. The mobilized Reserves taken out of their normal occupation and called to duty, would feel that they have been deprived of a rightful opportunity for promotion just because of the fact they are citizen soldiers. I think it would be wiser and fairer to consider the mobilized Reserves, in a promotion sense, in competition with themselves under regulations that pro-

vide for Reserve officer ceilings separate from the limitations on the active duty force.

Second, if that expectable movement of selections from the Reserve force to the regular force did take place, upon demobilization you would then have an active duty force that is out of proportion in terms of senior officer positions, and you would face either the prospect of a long stagnation of promotions, or increasing authorizations, or taking ex post facto actions such as we had to do after World War II to cut down the numbers. I think we can avoid that by the management provisions in the DoD version of DOPMA.

I would like to comment briefly on flag and general officer provisions. The only significant change in the DoD version from DOPMA in the flag area is for the Navy to go to a one-star grade with promotion to two stars as opposed to the current situation where we have one-, two-star grade with an arithmetical progression from lower half to upper half.

This is a matter of comparability with the other services, and the Navy accepts this change in its flag officer management, recognizing some detailing flexibility will be lost with it. The name "commodore-admiral" is attached to the bill.

I would ask for the Navy that we scratch the admiral and retain the commodore, and keep the traditional nautical rank of commodore which the Navy uses in wartime for the one-star rank.

DOD DOPMA otherwise leaves the flag and general officer situation as it is currently constituted in the statute. The Senate version however, introduces some aspects to flag and general officer management in DOPMA that are matters of principle. One aspect is a matter of degree. And that is the yield of the table in the Senate bill.

If you enter that table with the current strength of the services you find it yields a total Department of Defense authorization of 1,073. Our current operating ceiling is 1,119. We in the services feel that we have amply justified that we have requirements greater than the 1,119 and we would solicit your consideration of at least holding our status quo, and not reducing further. That is the matter of degree.

The matter of principle is the method of allocation of flag and general officer spaces among the various services. Here, I agree with General Bronars, I think the Senate has made a step in the right direction. This has been a matter of contention among the services for some years. I don't think it is any secret that the Navy has felt that the current allocations have, like "Topsy," sort of just "growed," and they haven't just "growed" relative to one another. Yet when you take cuts, inevitably they come pro rata. We do think it is time that a thoughtful approach be given to the allocation of the limited number of total spaces that are authorized to DoD.

We also think that the basis of structuring allocations on total military strength for the department concerned has some rational judgment to it. However, the Senate table is not perfect because it does allocate different numbers for the same strengths depending on what service you are talking about.

I would also like to suggest that in dealing with the Department of the Navy for flag officer allocations it would be useful to deal

with it as a department, as you deal with the Department of the Army and the Department of the Air Force. That is, put the Marine and Navy allocations for flag and general officers together because we are a single department, and some of the functions are shared between us, with the Secretary of the Navy having the authority to allocate between the Marines and the Navy from the numbers yielded by the table

There is a second element of principle in the Senate's proposed flag officer table. And that is the matter of reserving a pool of spaces, comes out to 177 in the Senate bill, to the Secretary of Defense. This is something new in statute. A rational can certainly be generated for it that says the Secretary of Defense puts demands on the services for flag and general officer assignments outside of the service organization and therefore, he should provide the resource that goes with that assignment.

I am not sure that was the rational that was in the Senate's mind when they put that provision in their bill. I think that it needs some expression in statute if, in fact, you decide that is a worthwhile principle to embody in the law. That is the statute should address why that pool is given to the Secretary of Defense, and what sort of use the Congress wants him to make of it.

I think if I were constructing the table I would be inclined against a SECDEF pool in favor of the total allocations being divided up among the departments.

But if there is to be a pool for the Secretary of Defense to administer, it seems it would be wise to specify the intent of Congress on how that pool is to be used.

There are a number of technical questions with the Senate version that give us some concern. We are afraid we would run into some unintended administrative problems by the language in that version because it was generated without the total resource of a lot of time and study. We would want to be very careful about the legislative language that is in sections of that bill that might be adopted and certainly would volunteer to work very closely with the staff to get specific about things that we are not sure we understand and aren't clear to us from the legislative language of the proposal.

I would like to talk briefly about the provisions with respect to women. General Bronars pointed out that DOPMA essentially de-sexes the current law, and that is true, and we need that. However, it does not remove the statutory restriction from the assignment of women to combatant vessels and to combatant aircraft. I think we need to take note of that in the statute so that inadvertently, by attempting to remove discriminatory features from the law, we don't produce inequitable promotion action.

By virtue of their exclusion from service in these combatant vessels and aircraft, women officers in the line of the Navy, for instance, are going to follow a different career pattern from men, and that is proscribed by statute.

I think it would be helpful to have in the law or in the record of the hearings that the Congress recognizes this, and that it authorizes the Secretary of the Navy to instruct promotion boards that the difference in assignment patterns of women is not be construed

as an impediment to their promotion, but is merely in accordance with the laws that are dictated by the Congress.

That is a very thumbnail sketch of the principal differences we see between the DOPMA bill as proposed by the Department of Defense and the modifications that have been made by the passage of the Senate bill.

I would be glad to answer any questions that you might have and appreciate the opportunity to come before you. I emphasize that I think it is important that we move ahead and get thoughtful legislation enacted so that we will not be in the mode of having to come to the Congress each year for temporary relief for problems that the inflexibility of the current laws visits upon us.

Thank you very much.

WRITTEN STATEMENT OF VICE ADM. ROBERT B. BALDWIN

Mr. Chairman, I appreciate the opportunity to appear before your subcommittee today and testify on the Administration's proposed Defense Officer Personnel Management Act (DOPMA).

As you know, the major impetus for the DOPMA proposal was the Congressional mandate in 1973 for the Department of Defense to submit recommendations to Congress for revised limitations on the number of commissioned officers who could serve in the various grades as well as other changes needed in the officer management system. After careful study by a top level military and civilian study group in which Navy had full and active participation, the DoD submitted the original DOPMA Proposal to Congress in 1974. The Navy has continued to support this legislation throughout the nearly six years of its consideration by Congress.

Mr. Chairman, for fifteen years the Services and Congress have sought to update and modernize the 1947 Officer Personnel Act. In 1965 another legislative effort in which Navy participated was developed by the Department and submitted to Congress twice, but was not acted upon. The Navy is conscious of the time and effort spent by both the legislature and the military departments in these endeavors and it is hoped that our present effort will finally produce enacted legislation acceptable to all concerned.

I will address first the major features of DOPMA and following that will then explain the Navy's position on the Senate's version contained in S.1918 and what we believe would be the effects of that proposal on the officer corps.

In his testimony to this subcommittee, Mr. Pirie covered the basic purpose of the legislation and the historical background leading to its development as well as the principles of officer personnel management, to which Navy subscribes. Therefore, I will not go into detail on these subjects except to emphasize the importance of viewing the officer personnel system as a system of interacting variables over which we must exercise careful balance if the kind of quality force which is the objective of both the Congress and the Navy is to be maintained.

UP-OR-OUT PROMOTION SYSTEM

DOPMA would continue the up-or-out promotion system instituted by Congress for all the Services in the Officer Personnel Act of 1947. The Navy has had some systematic form of forced attrition authority since 1916. The up-or-out system is based on the principle that a flow of new individuals into the system is needed on a regular basis to maintain an effective age and experience balance. To attract and retain sufficient numbers of high caliber individuals, reasonable, consistent and visible career progression must be provided. An authority to force separations and retirements is necessary to ensure the required balances can be maintained.

Experiences of the 19th and early 20th century prompted the development of the up-or-out system. As each Service's career officer forces grew it became evident that voluntary attrition and losses due to death or disability were inadequate to avoid superannuation. The nation entered both world wars with large numbers of senior officers unready and unable to meet the demands of combat. Responding to this inadequacy, Congress legislated the up-or-out system for all the Services immediately following World War II. Over its 30 year history, the present system has worked well to provide a corps of combat-ready officers, and the Navy supports its retention in DOPMA. The attritive mechanisms of the system is one area where a clear and precise mandate of Congress is required so that officers will be treated consistently over time with the career expectations and equity intended by Congress.

Under today's laws the maximum lengths of service for Army and Air Force officers are different from those for Navy and Marine Corps officers. DOPMA would standardize them as follows:

Officers in the grades of lieutenant commander (O-4) and below who twice fail selection to the next higher grade would be subject to involuntary separation; however, lieutenant commanders may be continued on active duty until they become eligible for retirement if they are qualified and are needed. Commanders (O-5) who twice fail selection to the next higher grade would be involuntarily retired after the completion of 26 years of commissioned service and captains (O-6) would be involuntarily retired after the completion of 30 years of commissioned service if not selected for

promotion by that time. These maximum periods of service are similar to current Navy and Marine Corps law contained in the 1947 Officer Personnel Act (OPA). They represent Navy experience since 1916 with other criteria that did not produce the desired results. Over thirty years of Navy experience since 1947 has demonstrated that the 26 and 30 years of commissioned service for commanders and captains, respectively, provide the required balance between the need for experience and the maintenance of an operationally capable officer corps. The new authority provided in DOPMA for the selective involuntary retirement of officers in the grades of O-5 and O-6 prior to their 26th and 30th year, respectively, allows needed flexibility to manage force reductions. Under this authority, commanders who have failed selection for promotion at least twice and captains with more than four years in grade may be considered by a continuation board. At least 70% of the officers considered in these grades would have to be continued on active duty. Those officers not recommended for continuation would be retired. These selective continuation procedures would be used sparingly, as a means of reducing the numbers in grade when absolutely necessary.

ALL-REGULAR CAREER FORCE AND MANAGEMENT OF RESERVE OFFICERS

The DOPMA proposal provides that a reserve officer who has eleven years of active commissioned service and who has twice failed of selection for promotion to the grade of O-4 may not remain on active duty as a Reserve. He must be augmented to regular status or be released. The effects within the Navy of this provision would be minimal, since there are comparatively few officers with over eleven years of service on active duty at the present time who are not regular officers. Although not greatly affected by the all-regular career force provisions, the Navy fully supports the concept as well as the other provisions in DOPMA for managing reserve officers on active duty.

Briefly stated, the Department's intent with regard to reserve officer management was to remove the career reserve dichotomy, allow a career system to be maintained in the reserve components independent of the regular force, and ensure that

reserve units could be called up without the disruptive effects of having them placed temporarily in a system designed for the active force. In recognition of the size of the standing force that has been required since 1947, and to permit the former "career reservist" to have regular status, the limits on the number of regular officers were removed.

The approach taken is not inconsistent with the historical concept of the "citizen soldier" as one who supplements the standing force in time of war or emergency. Major problems have arisen in the past when it has been necessary to integrate a large number of mobilized reserve officers into the active duty officer management system. The Department's proposal will permit ease of lateral movement between the active duty and reserve components during peacetime and wartime. Specific provision is made to exclude reserve officers ordered to active duty during wars or emergencies from the grade tables for the duration, and they will continue to be considered only by reserve selection boards if they become eligible for promotion during the mobilization period. The exclusion of mobilized Reserve officers from the grade tables ensures that reserve units can be recalled intact without leaving some of their senior leaders behind or disrupting management of the active duty force because the reserve grade structure can not be accommodated in the incremental changes of the grade tables. Not integrating recalled Reserves into the active duty system has other advantages as well. It provides more equity for the mobilized reserve officer in that he is not placed immediately into promotion competition with career active duty officers. In addition, more consistent and stable management of the career force is possible if mobilized Reserve officers are managed as a separate group and not integrated temporarily into the active duty promotion system.

REVISED PERMANENT GRADE LIMITATIONS

While the DOPMA proposal addresses nearly all the factors which affect Officer personnel management, that is, appointment, promotion, separation and retirement, the most important element of the system is the grade distribution. This is the variable

which directly affects the ability of the Navy to meet its requirements for officers in the various grades and which forms the basis for offering a reasonable and consistent career opportunity for our officers. New grade distribution limitations are proposed for lieutenant commander, commander, and captain replacing both the permanent regular limits of the Officer Personnel Act of 1947 and the temporary grade ceilings of the Officer Grade Limitation Act of 1954. As was the case in the 1954 Act, statutory authorizations for the lower grades are not proposed because they would not allow the latitude necessary to manage significant officer strength changes. The grade tables in the proposed legislation were designed to provide a pyramidal officer structure with a balanced distribution by experience, age, and grade. This approach allows managers to make long-range plans and develop consistent officer career patterns that are clear to the officer corps. In my view such a structure is a prerequisite to attracting and retaining high quality personnel and producing an officer force that has sufficient resiliency to meet large changes in quantitative and qualitative requirements. Mr. Chairman, throughout the deliberations on this legislation questions have frequently been raised about whether the grade distribution limitations recommended provide more officers in each grade than are required to man the billets in the force structure to meet our mission objectives. Let me assure this subcommittee that Navy force structure requirements for officers in the grades controlled by the DOPMA tables are greater than the numbers that would be authorized by the recommended limitations. In fact, statutory grade limits can not always be expected to match the exact billet requirements of the force structure. Requirements are constantly changing and the precise size and composition of the force structure billet requirements can not be predicted for 20-30 years into the future, which is the time it takes to build a career officer force. For this reason statutory grade limitations must be designed to permit long term personnel management considerations to be employed so that the service can develop an officer force with the capability to adequately meet constantly changing billet requirements. At the time of their design in 1973 the DOPMA

limitations were slightly below requirements and that relationship exists today. So it can be said that the grade limitations will not allow more senior officers than are required by the billets authorized. In any event, as Secretary Doyle indicated in his statement, managing the inventory to meet billet requirements is a function of the annual programming and planning process, not statutory grade limitations. The important point is that the statutory grade tables are upper limits only. The actual grade structure maintained will be a balance of current requirements, fiscal constraints, and personnel management considerations.

Under the DOPMA grade limitations it is anticipated that Navy will normally be able to operate within promotion timing guidelines and minimum promotion opportunities as follows:

- To lieutenant junior grade upon completion of two years of commissioned service. All qualified officers could be promoted.
- To lieutenant at the completion of four years service with a 95% opportunity for selection.
- To lieutenant commander at about the 10th year of commissioned service with a minimum selection opportunity of 80%.
- To commander at about the 16th year of service with a minimum selection opportunity of 70%.
- To captain by about the 22nd year of service with a 50-60% promotion opportunity.

These promotion parameters are not included in the bill because these variables should not be precisely legislated due to the difficulty in accurately predicting the variable of future retention and loss rates.

SIGNIFICANT CHANGE TO NAVY OFFICER MANAGEMENT

DOPMA represents a significant change to Navy in its method of control over the number of senior officers. As a result of the OPA of 1947 and the later 1954 OGLA, precise grade control can be applied today only to unrestricted line officers - the officers who man the ships and planes of the Navy and are eligible

for command at sea. They comprise only about 57% of the total Navy officer corps. The restricted line communities and the staff corps, which provide technical and professional specialties, are indirectly controlled by linkages to the unrestricted line. These linkages are the running mate principle and certain specified promotion opportunities. The operation of these legal mechanisms prevents accurate grade control of the restricted line and staff corps officers. Previous administrative and fiscally imposed constraints have highlighted these linkages as a shortcoming in current Navy officer personnel law because when blanket administrative grade controls have been applied, the support forces, by law, have grown, while the unrestricted line has absorbed the reduction required to meet the constraints. The effect is that Navy is forced to operate under fiscally imposed grade constraints without the authority to efficiently manage the entire officer force within these limitations.

By placing all active duty officers on a single active-duty list and eliminating the statutorily mandated promotion opportunities, DOPMA will permit more precise control of grade strengths in all officer communities. The Secretary of the Navy would be able to prescribe community sizes and grade strengths which more nearly meet the needs of the Navy.

WOMEN

A significant feature of DOPMA, particularly for the Navy, is the equalization of treatment of women officers. Currently, the law treats women as a separate category of officers and contains management provisions for women that are different from those provided for their male counterparts. For example, generally women may not compete for promotion to flag grade in the Navy; they now achieve flag status only by special appointment. Also, women now compete for promotion to other grades only among themselves, not against men. DOPMA would eliminate these, and other, anachronistic features of law and provide uniform procedures for the appointment, promotion, separation and retirement of men and women officers. DOPMA would not, however, modify the current legal

restrictions on women serving in combatant units. Because of these restrictions, there is some apprehension that women might not realize an equitable promotion opportunity in competition with men who have acquired a more complete career experience. Navy recognizes previous direction from the House of Representatives that women officers may not be treated as a separate competitive category after passage of DOPMA. However, in order to prevent inequitable consideration of women by future selection boards, we feel that the boards should be advised of the statutory restrictions on the assignment of women. We have proposed revisions to DOPMA that would require such advice to be given. Our proposals would not guarantee the promotion of any woman officer -- merely require the Secretary of the Navy to admonish the selection boards not to consider the legal restrictions on assignment of women as a detriment to their selection.

FLAG OFFICER GRADES

The flag and general officer grades were specifically excluded from DOPMA in order to avoid further complexity in an already complex legislative proposal. However, the Navy agrees with provisions for a permanent one-star flag grade which were added to the Department of Defense proposal by this committee in 1975. The Navy has not had a one-star rank in the normal grade structure since 1899 although it has had the one-star grade of commodore for use in wartime. Adoption of this grade in peacetime and the selection of officers in the grade of commodore to rear admiral by a board instead of attainment of rear admiral (upper half) through a seniority process will provide inter-service uniformity in the promotion to flag grades.

When the permanent establishment of the Navy one-star grade was inserted in DOPMA, Navy proposed that the grade title be "commodore admiral." However, further investigation has persuaded us that "commodore" has a more traditional nautical usage, wider acceptance and general understanding. Therefore, in the Department's submission of DOPMA to this Congress, we recommended using the title "commodore."

SYSTEM OPERATION

The personnel management system provided in the Administration's proposal and the previous two House bills adopts several proven aspects of the present system provided the Navy in the OPA of 1947. In the thirty plus years the Navy has operated under this system we have found that it enjoys the trust and confidence of the officer corps. The DOPMA proposal is needed to ensure consistent, effective and efficient administration of the selection and promotion process. It clearly delineates the legislative intent with respect to officer management precepts and provides a visible management system for the officer corps.

NAVY POSITION ON S. 1918

I would like to turn now to a discussion of the Senate's substitute bill S.1918. In this part of the presentation I will refer to visual aids occasionally to help demonstrate some of the points. The Senate has made major changes to DOPMA in passing its bill. The total effect of these changes could create a system far different in both concept and technical operation from the present Navy system and from that in the DoD DOPMA proposal. The grade limitations are reduced to the point where requirements can not be adequately met and reasonably consistent and credible career opportunity can not be assured. The up-or-out system has been modified to the extent that Congressional intent on how the Services are expected to manage the officer force is not clear. Further, the bill contains many technical changes that will create new management procedures, some of which could lead to significant administrative and management problems and will make consistency more difficult to achieve.

GRADE LIMITATIONS

S. 1918 makes a substantial reduction in O-4 to O-6 grade ceilings based on the belief that there are too many senior officers and that the DoD proposed grade limitations in DOPMA could not be justified on force structure requirements. The Senate expects such reductions to slow promotions and lead to a more experienced and effective officer corps. They also believe the grade limitations should apply to Reserves mobilized in war or national

emergency and have designed their tables accordingly. Our analyses show the S. 1918 grade tables to be defective in three respects:

First, they will cause adverse personnel management impacts which could impair current efforts to improve officer retention. In the long term they could produce a force with less overall experience, higher turnover, and increased procurement requirements compared to the force today.

Second, they will not permit the Navy to fill valid, programmed billets in the approved force structure with officers in the appropriate grades.

And, third, the expansion rates of the tables are not well designed to accommodate changes in officer strengths under various conditions. For example, a mobilization of Reserves would adversely affect grade management or require suspension of the grade table statute by the President, while an expansion of the force in peacetime would produce inadequate grade control.

It might be helpful to the subcommittee if I briefly explained this matter of grade table design before covering the personnel management and force structure implications. The Department's governing philosophy was that the grade tables are one of the interacting variables of the system for managing the career active duty officer force and that the tables should provide expansion and contraction rates for the field grades conducive to long term consistent management of the career force within a reasonable range of total officer strength variation. This philosophy led to the decision not to attempt to include within the umbrella of the grade tables those officer groups not continuously managed as part of the career active duty force or, as in the case of physicians and dentists, groups whose pyramidal structure was incongruous to the officer force as a whole. Nonetheless, except under mobilization, almost all commissioned officers on active duty would be under control of the grade limitations.

Control of the other groups was felt to be more appropriately an authorization and appropriations matter rather than one to which permanent statutory grade limitations should apply.

The Senate has not followed the same philosophy with their grade limitations, and has attempted to design them to include reserve officers who might be mobilized (as well as certain other inappropriate categories) within the control of the grade limitations. Using this approach, then, the S. 1918 grade tables produce far different results than the DOPMA tables. For example, as shown by the graph in Chart # 1, the grade tables in S. 1918 are designed generally with a "reverse sliding scale". That is, as the total number of officers increases (above current strength levels of about 55,000 officers) the proportion of officers in the field grades increases. For example, at 54,000 officers S. 1918 allows 17% (9373) O-4's while at 70,000 total officers it allows 23% (16,282) O-4's.

Such design results in grade tables with very limited application. In fact, the system would probably work only under a scenario that assumes the addition of no more than 15,000 Reserves to a starting strength of 55,000 career officers. A mobilization occurring when strengths were at any other level would cause problems. For example, if 14,000 Navy Selected Reserve officers were mobilized from the strength level planned for end FY-85 (approximately 58,000), the by-grade limits of the table for O-4 and O-5 would be exceeded immediately. During the first year following mobilization, promotions to O-4 would retard at least nine months and persist into the second year. Alternately, the President could suspend operation of the grade limitations. But, this argues against having statutory grade tables at all.

The grade expansion rate built into the Senate's tables could also cause management problems if the force expands by input at the entry level. In this case the tables would allow excessive promotions, leading to grade "humps" and future problems, possibly requiring RIF's and causing promotion stagnation problems when the force is reduced in size. Statutory grade limitations should not be designed with such "traps" for the officer force or for personnel managers.

Because of this table design the impact of transitioning

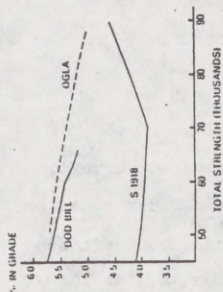
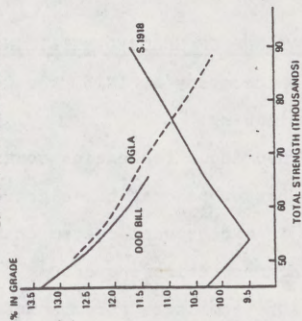
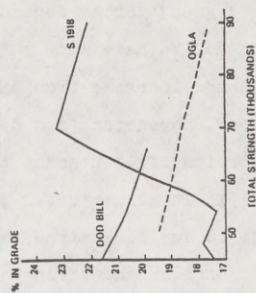
CAPTAIN
GRADE TABLE DISTRIBUTIONCOMMANDER
GRADE TABLE DISTRIBUTIONLIEUTENANT COMMANDER
GRADE TABLE DISTRIBUTION

Chart No. 1

to the Senate's grade tables depends a great deal on the total officer strength. We have made our projections on the basis of the Navy's planned increase from 55,600 to 58,200 (exclusive of warrant officers, physicians and dentists). Because of the increasing proportion of lieutenant commanders and commanders authorized in S. 1918 at higher total strength levels, this planned increase tends to ameliorate the impact compared to that which would occur if officer end-strengths were held constant at the FY 80 level of 55,600.

PERSONNEL MANAGEMENT IMPLICATIONS OF GRADE LIMITATIONS

In the Senate report to accompany S. 1918, the Committee on Armed Services stated the following:

The committee is concerned about tendencies toward an officer corps richer in grade, better paid at those grades, but poorer in military experience in a personnel system characterized by rapid turnover and higher retirement costs.

The report goes on to say, "the committee recommendation will provide a more effective and efficient officer corps of more experienced senior officers with more opportunity for command".

These statements contain two assumptions that are incorrect and apparently led to the actions taken in S.1918. First, there is no evidence, based on Navy officer personnel surveys, that increased command opportunity will improve officer retention. Based on questionnaires returned by the more than 1200 officers voluntarily leaving the Navy over the past 10 months, the lack of command opportunity ranked 28 of 30 possible reasons for the officers' decision to request discharge. On the other hand, the reason most often cited was insufficient pay followed by too much family separation. Second, it is essential that assumptions regarding grade structure and pay be related to some appropriate comparative basis. Such a basis is available in a study conducted by the Conference Board, Inc. of New York at the time DOPMA was developed. The study compared staffing patterns of the officer corps to management groups in seven large corporations using compensation levels as the basis of comparison. These management groups were the exempt employees, those white collar employees

not subject to hourly wages or overtime compensation. The results of this study are well summarized in these extracts from the Conference Board's 1974 report:

...The armed services have proportionately fewer high level personnel and pay them a proportionately smaller share of the payroll dollars than is true in the large, complex business organizations studied. ...also...the active duty officer force of the armed services makes up a smaller share of the total force and receives a smaller share of the total payroll dollars than is true for the exempt work forces in business in relation to their total work forces.

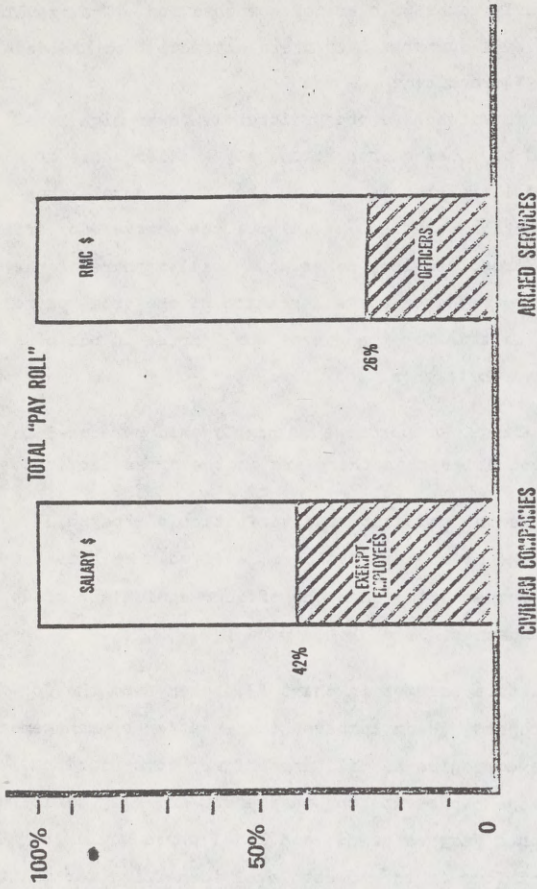
...There are larger proportions of highly paid personnel in all of the companies than there are in the armed services.

Chart #2 shows the comparative distribution of "payroll" and demonstrates the point that officers received a relatively smaller share of compensation than the officer-equivalent group of the private companies.

A similar picture emerges in chart #3, taken from the Conference Board's report, which compares compensation by management levels within the companies to military officer compensation. Management level one represents top management and flag officers; level two represents Navy captains; and level three would be commanders. Level four is the lowest level identified for military officers by the Conference Board and includes all officer grades below commander because of the overlaps inherent in the pay tables. Some companies also had only four management levels while others had six. On any basis of comparison, though, officers were compensated at lower levels than the equivalent or in some cases even lower management levels in the companies. We do not know what has happened to compensation levels in the seven corporations studied by the Conference Board, but we do know that military pay has been kept below the increase in cost of living for several years, and, as a result, buying power for officers has declined from 16-25% depending on grade since 1972, as shown in chart #4.

It is not our position that all officers should be paid at .

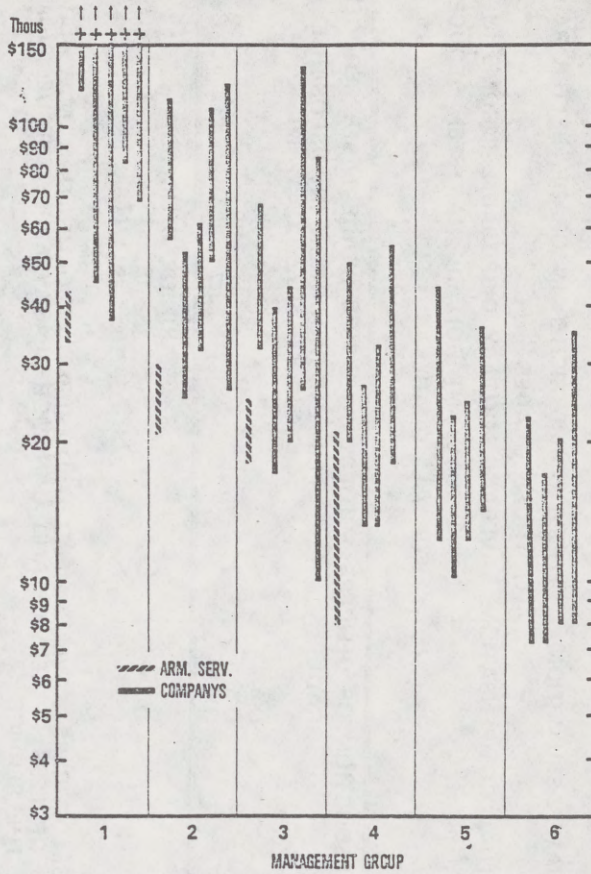
DISTRIBUTION OF SALARY/RMC 1/



1/ 1974 STUDY OF COMPARATIVE STAFFING PATTERNS BY THE CONFERENCE BOARD INC, NEW YORK

Chart No. 2

RANGES OF 1973 SALARIES/RANGES 1/ PAID TO PERSONNEL IN MANAGEMENT GROUPS



1/ 1974 STUDY OF COMPARATIVE STAFFING PATTERNS BY THE CONFERENCE BOARD, INC. NEW YORK

Chart No. 3

OFFICER PAY (1972 - 1979)

SENATE ASSUMPTION: OFFICER CORPS RICHER IN GRADE, BETTER PAID
AT THOSE GRADES

ACTUAL COMPENSATION: AVERAGE MILITARY DISPOSABLE INCOME IN
1972 CONSTANT DOLLARS HAS BEEN REDUCED
FOR ALL GRADES

PAY REDUCTION OF OFFICERS SUBJECT TO S.1918 GRADE TABLE REDUCTIONS	
GRADE	PERCENT REDUCTION IN DISPOSABLE INCOME 1972 CONSTANT \$
O-6	18 - 19
O-5	17 - 19
O-4 *	17 - 19

JUNIOR OFFICERS

O-3 *	15 - 18
O-2	16 - 17
O-1	16

* THESE OFFICERS HAVE COMPLETED THEIR INITIAL OBLIGATION, MAY HAVE TEN YEARS OR LESS OF SERVICE AND CAN MORE EASILY MAKE THE DECISION TO LEAVE THE SERVICE.

the same level as executives in private industry-- but these companies are our competition for the experience and talent of our officers. It is not coincidental that officer retention rates have dropped substantially during the same period that military compensation has eroded and become less competitive.

Chart #5 shows how much earlier officers are leaving in their careers today than they did in 1972. In 1972 only 44% of voluntary losses had occurred by the 15th year of service, whereas today 56% of these losses have occurred by the 15th year of service.

This situation regarding officer pay and retention I have described contrasts sharply with the sentiment expressed in the Senate's report that the officer corps is overgraded and too highly paid.

Acting in this belief the Senate has proposed grade reductions in the S. 1918 grade tables of 30% for O-6, 25% for O-5 and 20% for O-4. These very substantial reductions will have two detrimental effects:

1. They would aggravate current retention problems since slower promotions, in effect, mean an even less competitive pay posture, and
2. Should a more competitive pay level be restored, the reduced grade structure would not allow career progression adequate to accommodate the improved retention. Officers who had been retained would become discouraged and retention would again drop.

In other words the officer corps needs both fair pay and a reasonable opportunity for advancement.

Although S. 1918 allows a 5-10 year transition period to accomplish the grade reductions, we estimate there would be an immediate retardation of promotion timing the first year of several months to all grades. A reduction in promotion opportunity might also be employed, but in either case we could expect some adverse impact on officer retention from these changes in their career expectations. We are not opposed to the idea of somewhat later promotions than are now required to meet our requirements for officers in the control grades. However, this should be the

DISTRIBUTION OF OFFICER LOSSES

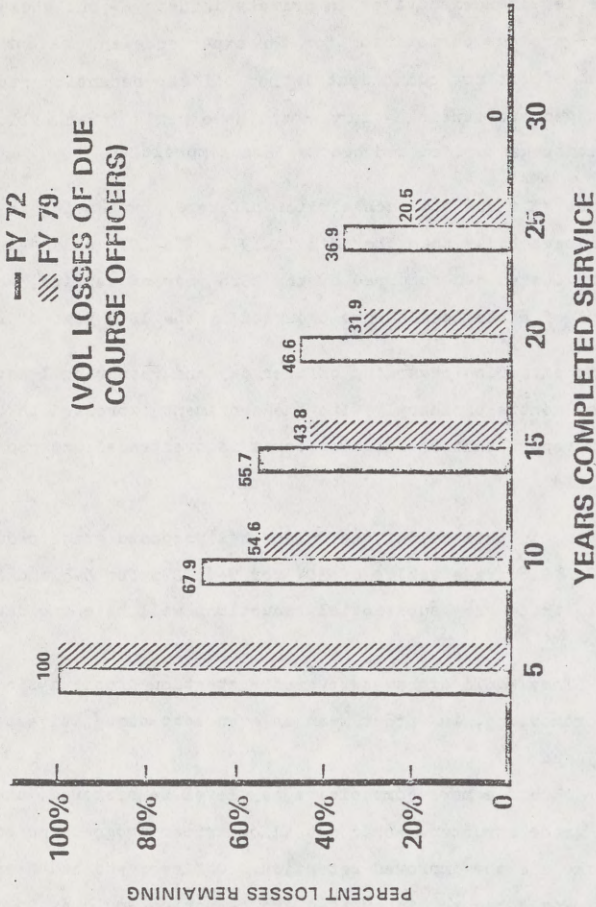


Chart No. 5

natural result of increased retention as we improve that variable through more competitive pay levels and other actions the Navy is pursuing rather than the forced slowdown due to arbitrary grade reductions. Improved retention will produce beneficial changes in the experience and efficiency of the force whereas grade reductions will permanently inhibit the improvement desired due to imposition of permanently lowered career expectations.

While the officer corps that would eventually emerge under the provisions of S. 1918 may have senior officers in it who are older, there would be a real loss in the overall experience level within the force, demonstrated by Chart #6, which compares three force structures projected to steady state conditions. On the left of the chart are the force characteristic measurements of three forces of the same total size as we are now planning. The three columns represent, (1) the current system, (2) S. 1918 with our assumptions on retention, and (3) the DOPMA objective using improved retention assumptions. Promotion opportunity was held constant in each projection and promotion timing has been varied to stay within the different grade limitations. This comparison indicates there would be about 17,900 career officers with over 11 years of service in the S. 1918 alternative. This is approximately 2200, or 13%, fewer career officers than we would have under the current system and 20% less than under DOPMA. If passed-over officers are continued, as provided for in S. 1918, some increase in career content would occur but not enough to off-set the grade reduction loss.

A good measure of senior officer experience is average career length within the career force. This would be slightly less under S. 1918 than in the other cases and, more significantly, the average career length of the total force is a year less than in the current system and two years less than our objective under DOPMA. Costs have not been estimated but the S. 1918 case has higher procurement requirements and therefore more turnover and less experience in the year groups representing our junior officers in combat and operational positions, including Department heads and second tour pilot billets.

OFFICER FORCE COMPARISONS

ASSUMPTIONS	CURRENT SYSTEM	S.1918 PROVISIONS	DOPMA OBJECTIVE
TOTAL STRENGTH	58,000	58,000	58,000
RETENTION/LOSS RATES	CURRENT	CURRENT/DECREMENTED	OBJECTIVE
PROMOTION TIMING	- - -	VARIABLE	- - -
PROMOTION OPPORTUNITY	FIXED AT 60% TO 0-6, 75% TO 0-5, 85% TO 0-4		
<u>FORCE CHARACTERISTICS</u>			
CAREER FORCE SIZE (11-30 YRS SERVICE)	20,216	17,628	21,916
AVERAGE CAREER LENGTHS CAREER FORCE	19.9	19.6	21.0
TOTAL FORCE	11.4	10.3	12.3
CAREER FORCE BASE (0-10)	7.5	7.2	7.7
PROCUREMENT REQUIRED	5,078	5,679	4,217

Chart No. 6

To test the effect of our assumption regarding retention rates under the S. 1918 alternative, we also examined a case where no decrement from current retention would be experienced. Significantly, even under the assumption that officer retention behavior would not change, S. 1918 provides only a slight .6 of a year increase in average career length within the career force and no improvement in overall average career lengths. Additionally, it would still have slightly higher officer procurement requirements than under the present system because of the higher attrition occurring at the promotion point into the career force. Most significantly, it would not achieve the improvement in officer force experience levels and lower turnover that could be attained under DOPMA.

These projections of course are sensitive to the assumptions used and can not be considered absolutes. They are nonetheless indicative of what we expect will happen and place into serious question the advantages claimed by the Senate for their proposal.

Chart #7 summarizes our findings on S. 1918 personnel management implications. We believe the Senate's grade reductions are based on faulty premises and will not achieve the stated objectives of a more experienced and effective force. Moreover they will impede progress toward the improvements desired. The Navy views DOPMA as the proper management framework that, in conjunction with adequate pay levels, will allow us to achieve desired force objectives.

FORCE STRUCTURE IMPLICATIONS OF GRADE LIMITATIONS

To this point I have described what we believe will be the effects of S. 1918 on the officer corps, which is the resource we have for meeting Navy mission requirements. I would like now to discuss the impact the S. 1918 grade limits will have on the Navy's ability to fill valid force structure billet requirements with officers in the requisite grades.

As I stated earlier, the Senate's action in reducing the grade limitations was based at least in part on their belief that the grade distribution recommended in DOPMA was not justified in terms of force structure or mission-based requirements. I have also explained that statutory grade limitations can not be expected

GRADE LIMITATIONS

SUMMARY OF S.1918 PERSONNEL MANAGEMENT IMPLICATIONS

- GRADE REDUCTIONS BASED ON FAULTY PREMISES
 - OFFICER CORPS IS NOT OVER GRADED AND OVERPAID
 - NO EVIDENCE THAT INCREASED COMMAND OPPORTUNITY WILL IMPROVE RETENTION
- WILL NOT ACHIEVE STATED OBJECTIVES OF A MORE EXPERIENCED AND EFFECTIVE FORCE
 - 13% TO 20% FEWER CAREER OFFICERS
 - SHORTER AVERAGE CAREER LENGTHS
 - REQUIRES HIGHER OFFICER ACCESSIONS AND MORE TURNOVER
 - RUNS RISK OF REDUCING EXPERIENCE LEVELS AND COMBAT EFFECTIVENESS IN OPERATIONAL POSITIONS
- WILL IMPEDE PROGRESS, TOWARD IMPROVED RETENTION AND DESIRED FORCE OBJECTIVES
- DOD DOPMA PROPOSAL WILL PROVIDE MANAGEMENT FRAMEWORK TO ACHIEVE, DESIRED FORCE OBJECTIVES.

to always match the billet requirements of a specific force structure and that Navy's actual requirements today exceed the numbers that would be allowed by the DOPMA table. Thus the S. 1918 table would further widen the gap between requirements and the officer resources needed to fill those requirements.

The Senate Committee Report on S.1918 did not specify the shortcomings they found in the Navy's requirements determination process, although the Report offered three items to substantiate their position. First, they stated that since the S.1918 grade limitations would provide the Navy three times as many captains as there were command positions, these limits would clearly meet requirements. This is an incorrect premise because the number of command positions obviously is not the sole requirements determinant. But, more importantly, when the number of unrestricted line officer captains is compared to the number of command billets for those officers, S.1918 grade limits would provide less than 2.4 officers for each command position. Additionally, if important executive and deputy positions are also considered, the ratio becomes less than 2 officers available for each position, which is an inadequate number to provide for rotation or proper selectivity. Second, the report states that the average officer grade in the Navy was 10% higher in 1976 than it was in 1958. Presumably, this condition would support the contention that there are now more officers in each grade than are required. The fact is, however, that the average officer grade is about 5.6% higher today than in 1958, and this growth conforms to the sliding scale of the currently effective grade tables contained in the 1954 Officer Grade Limitation Act. Congress based the 1954 OGLA tables on a sliding scale philosophy, thereby ensuring that as the total number of officers increased the proportion of senior officers would decrease and, conversely, as the total number of officers decreased the proportion of senior officers would increase. The officer force is smaller today than in 1958, so the average grade level has increased to some extent. The operation of the sliding scale principle recognizes that there are fixed management overhead requirements that do not decrease at the same rate that total strength decreases. The third item offered in the Senate

Committee Report as an indication that billet requirements for officers could not be justified was the assertion that the number of officers in relation to the number of enlisted personnel is higher today than at any time in peace or war. This is an incorrect assessment of the actual history of Navy officer to enlisted ratio. Chart #8 shows some variation in the officer/enlisted ratio over the past 35 years but today's ratio is no higher than during other peacetime periods. The gradual change in wartime peaks is easily explained by the increasing technology of warfare -- today there are no battleships with their large turret crews. There is more automation of weapons systems which reduces enlisted manning requirements, and there are two officers in each fighter aircraft today compared to one during WW II and Korea.

More germane to the subject of validating requirements for officers is the 1975 GAO review of the Services' requirements determination processes which this Committee requested be made. The GAO report to Congress indicated the Services had and followed consistent and formal procedures, and that the resulting grade distribution, was, in combat units logical, in support units not unreasonable or inconsistent with skill and experience demands, and in headquarters appeared justified by the level of responsibility.

The GAO and this committee suggested that reductions might be possible through reductions in headquarters staffs and in out-of-service positions. In fact, since that Report was made the Navy has reduced the number of captains in management headquarters by 30%. Chart #9 shows the officer reductions made. Similarly, the percentage of senior officers serving outside the Navy has been reduced significantly as shown in chart #10.

As can be seen, Navy, through the cooperation of other DoD agencies, has been complying with the spirit of the guidance of Congress through a program of thorough assessment and consolidation. The additional reductions or downgrading actions which would be required by the S.1918 grade limits would unacceptably degrade essential mission support areas.

NAVY
OFFICER/ENLISTED RATIO HISTORY 1/
(NUMBER OF ENLISTED PER OFFICER)

<u>PEACETIME AVERAGES</u>	<u>YEARS</u>	<u>WARTIME PEAKS</u>
1:7.6 - - - - -	1945 - - - - -	-1:9.0
	1946 - 1950	
	1952 - - - - -	-1:8.9
1:7.8 - - - - -	1955 - 1964	
	1969 - - - - -	-1:8.0
1:7.7 - - - - -	1976 - 1980*	

1/ EXCLUDES WARRANT OFFICERS FROM BOTH OFFICER AND ENLISTED STRENGTHS

* PLANNED

Chart No. 8

DOD MANAGEMENT HEADQUARTERS
NAVY
ESTIMATED OFFICER BILLET REDUCTIONS 1974 - 1980

<u>GRADE</u>	<u>FY 1974</u>	<u>FY 1980</u>	<u>REDUCTION</u>	
			<u>NUMBER</u>	<u>%</u>
FLAG	264	195	69	26
CAPTAIN	1629	1137	492	30
COMMANDER/LIEUTENANT COMMANDER	4166	3232	934	22
LIEUTENANT AND BELOW	<u>1385</u>	<u>867</u>	<u>518</u>	<u>37</u>
TOTAL COMMISSIONED OFFICERS	7444	5431	2013	27

Chart No. 9

PERCENT NAVY OFFICERS IN EXTERNAL BILLET

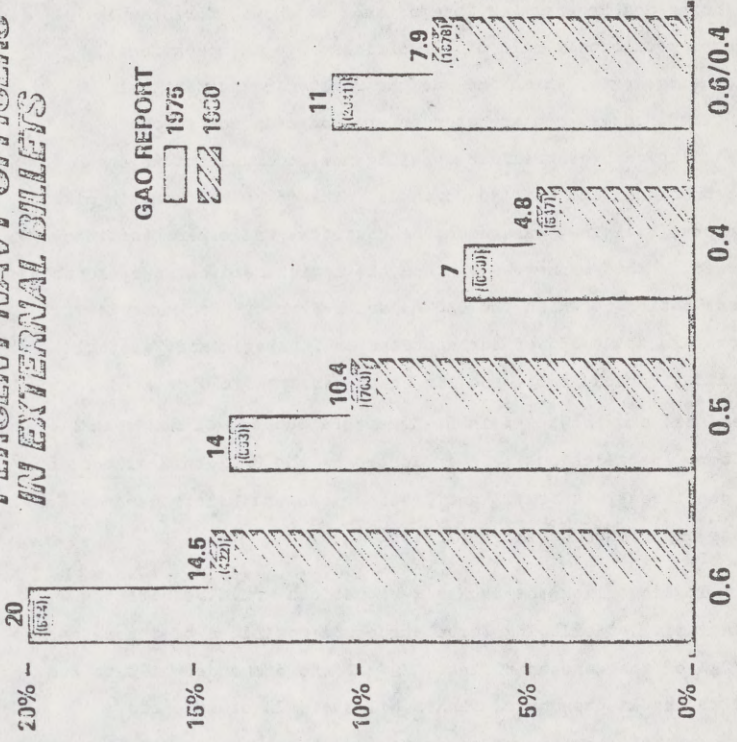


Chart No. 10

To help the subcommittee visualize the significance of sizeable force structure reductions, chart #11 displays the distribution of Navy officers within the broad mission areas of the Defense Planning and Programming Categories. It shows, for example, that approximately half of our officers are in operationally intensive areas, which include the strategic and tactical mobility forces, combat headquarters commands and support installations, centralized intelligence, communications and International and Unified Commands. The other half are in mission support, training, management headquarters and other functions. Viewed in this manner we can see the logical and not unreasonable distribution to which the GAO Report referred. For example, there are about 15% of our captains in Strategic and Tactical Mobility Forces (ships and air craft squadrons and related elements) and about 24% in Headquarters Support Commands and Support Installations. As indicated by the GAO, this allocation is consistent with skill and level or responsibility demands for these experienced senior officers.

To accomplish the Senate's reductions would require the downgrading of existing force structure positions to the extent of 23% of the captain billets, 29% of the commander billets and 25% of the lieutenant commander billets. In other words, approximately one out of every four of these existing positions would have to be eliminated or downgraded.

To further assess the impact of the S.1918 grade reductions it is necessary to look closely at the categories of positions upon which the reductions would fall. For example, 957 captain billets are command and executive positions and another 124 are in the strategic and tactical mobility forces. If we are to retain these 1081 positions at the captain level, which mission requirements would dictate, then 704 of the remaining 1840 captain positions, or 38%, would have to be eliminated or downgraded. We have examined the kinds of positions that would be affected and believe this would be serious degradation of important mission support functions.

OFFICER FORCE STRUCTURE BILLETS

Defense Planning and
Programming Categories

Programming Categories	GRADE DISTRIBUTION						TOTAL 01/6		TOTAL OFFICERS	
	04		05		06		NUMBER		%	
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%
Strategic	424	3.7	203	3.0	57	2.0	684	3.2	1688	3.2
Tactical/Mobility	3168	27.8	1550	22.7	371	12.7	5089	24.0	18118	34.7
BOS-Combat Installation	942	8.3	453	6.6	184	6.3	1579	7.5	2958	5.7
HQ-Combat Commands	491	4.3	365	5.3	194	6.6	1050	5.0	1336	2.6
Intelligence/Communications	391	3.4	234	3.4	132	4.5	757	3.6	1442	2.8
International/Unified Commands	199	1.7	275	4.0	127	4.3	601	2.8	744	1.4
SUBTOTALS	5615	49.2	3080	45.1	1065	36.5	9760	46.1	26286	50.4
R&D/Geophysical	514	4.5	249	3.6	95	3.3	858	4.1	1475	2.8
HQ Support Command & BOS Installations	982	8.6	1038	15.2	697	23.9	2717	12.8	3557	6.8
Personnel	156	1.4	91	1.3	38	1.3	285	1.3	766	1.5
Individual/Force Training	1767	15.5	780	11.4	204	7.0	2751	13.0	11064	21.2
Supply/Maintenance/Logistics Operations	971	8.5	762	11.2	413	14.1	2146	10.1	3024	5.8
Centralized Support	701	6.1	541	7.9	309	10.6	1551	7.3	2562	4.9
Activities										
Medical Support (less MC/DC)	707	6.2	289	4.2	100	3.4	1096	5.2	3470	6.6
SUBTOTALS	5798	50.8	3750	54.9	1856	63.5	11404	53.9	25918	49.6
TOTAL	11413	100.0	6830	100.0	2921	100.0	21164	100.0	52204	100.0
										Chart No. 11

Chart No. 11

Another example of serious impact is in lieutenant commander positions. If operational positions in this grade were not subject to downgrading, 39% of the positions in support functions would be affected. Such large reductions in support functions would impact heaviest on such staff corps positions as judge advocates, chaplains and medical service and nurse corps. Lieutenant commander billets in these corps would be reduced from 31% to 37%.

Chart #12 summarizes our findings regarding the force structure implications and effect on mission capability of the S.1918 grade limitations. S.1918 will not permit Navy to fill valid programmed billets in the approved force structure with officers in appropriate grades. It will weaken the Navy's mission capability and reduce readiness.

Although the revised field grade limitations constitute the major problem we see in S.1918, there are many other features of the bill that we consider inadequate or insufficient to meet our needs. The remainder of my statement will discuss some of the more important of those features.

MANAGEMENT OF ACTIVE DUTY RESERVE OFFICERS

The Senate bill does two things which are in direct conflict with the concepts proposed by the Department for the improvement of reserve officer management. First, the bill eliminates the requirement either to integrate to regular status or release to inactive duty reserve officers serving in their initial periods of active duty. The last point in service at which sizing of the career force would occur would, as today, be left to the administrative determination of the military Services.

S.1918 also retains fixed limits on the number of regular officers, which could act as a constraint to maintaining an all-regular configuration in that portion of the force which by length of service actually is career committed.

DOPMA envisioned that if additional officers were needed in

FORCE STRUCTURE IMPLICATIONS

- IMPACT - S1918 REDUCES CURRENT NAVY BILLETS
- O-6 = 23% O-5 = 29% O-4 = 25%
- PROTECTING OPERATIONAL AND COMMAND O-6 BILLETS RESULTS IN 38% DOWN GRADING OF O-6 BILLETS IN MISSION SUPPORT FUNCTIONS
- EXAMPLES OF IMPACT OF O-4 DOWNGRADING IF O-4 OPERATIONAL BILLETS PROTECTED

SURFACE/SUBMARINE	16%
AVIATION	20%
SUPPLY	30%
CHAPLAIN	31%
SHIP ENGINEER	33%
JAG	34%
MEDICAL SERVICE/NURSE	37%

SUMMARY

S 1918

- WILL NOT PERMIT NAVY TO FILL VALID PROGRAMMED BILLETS IN THE APPROVED FORCE STRUCTURE WITH OFFICERS IN APPROPRIATE GRADES
- WILL WEAKEN MISSION CAPABILITY AND REDUCE READINESS
- DOD DOPMA GRADE LIMITATIONS WILL ALLOW NAVY TO SATISFACTORILY MEET ITS REQUIREMENTS

6094

Chart No. 12

the regular active duty career force Reserves could be given regular commissions and called to active duty in that status.

By eliminating the all-regular career force concept, the Senate's bill will tend to perpetuate the use of reserve officers to meet standing force requirements.

The second major conceptual problem concerning reserve management in S.1918 is that the bill would place mobilized reserve officers under grade limitations and the active duty promotion management system during war or emergency. The Senate's report on their bill indicated they wanted a system that would work in both "...peace and war...." Under S.1918 reserve officers would compete with Regulars for promotion during mobilization because the Senate believed that command positions should be filled from among the best qualified officers on active duty. The original 1974 DOPMA proposal excluded mobilized Reserves from the grade tables and promotion system for two years after mobilization. Recognizing the importance of excluding mobilized Reserves from the active duty grade tables and separately managing their promotions during an emergency, the House of Representatives in passing DOPMA the first time made the exclusion for the duration of a war or emergency and six months thereafter.

Attempting to combine the active and reserve components temporarily into a single system creates a system which will work well in neither peacetime nor wartime. It disregards the administrative difficulty associated with placing a large number of reserve officers on the active-duty list for a relatively short period of time and the resultant effect on management of both active and reserve components during rapid force expansion and contraction.

The Navy agrees with the Senate's feeling that only the best qualified officers should hold command positions. However, the implication is that the promotion selection process and command selection are synonymous. In fact, there is a separate screening process for command assignments. The Senate may not be aware of

the command screening process and probably felt that a common management system was needed to ensure the required degree of command selectivity. Making reserve officers compete with their active duty contemporaries for promotion to the same vacancies has other management consequences. Over time the initially more competitive active duty officers will be promoted in proportionately greater numbers than the recalled Reserves and occupy vacancies disproportionate to their normal grade structure. Therefore, when demobilization occurs, a grade "hump" will exist in the force remaining on active duty. Additionally, the recalled reserve population will incur a disproportionate number of failures-of-selection, affecting long range management of that component. Equity in the promotion system and grade structure balance can best be achieved by maintaining a separation between the career active duty officer management system and the reserve officer management system. Separate management of other reserve categories, such as TAR officers and Reserves on active duty prosecuting special work, as provided by DOPMA, is also highly desired in recognition of the different career duty assignments of these officers.

For the foregoing reasons the Navy opposes the inclusion of mobilized Reserves and other special category reserve officers within the grade limitations and the active duty promotion system which would be required under S.1918.

TENURE AND PROMOTION MANAGEMENT SYSTEM

There are two other areas of conceptual difference between DOPMA and S.1918 significant enough to discuss here: officer tenure and the promotion management system in general.

TENURE

In establishing the parameters for tenure, or maximum length of service, DOPMA's specifications enable officers to develop concise career expectations. Additionally, DOPMA provisions would create a force well balanced between officer experience and youth within the grade limitations.

The Senate bill provides means to retain officers longer

in the expectation of increasing the experience within the force. However, in giving personnel managers such great flexibility, S.1918 creates the potential for inconsistent treatment.

As I discussed in the first part of my statement, because of promotion stagnation and age, the military Services did not have officer corps ready to meet the demands of World War II. The Congress recognized these problems, then designed and passed legislation that became the Officer Personnel Act of 1947 which extended the up-or-out concept of officer management to all the Services. The maintenance of vigor and combat readiness, along with mature experience, have become imbued in our military through the up-or-out system.

DOFMA has sought to continue reasonable up-or-out management. S.1918 has introduced numerous continuation variables that could create definite inequities. Under provisions of the Senate's bill, O-6's continued for five years beyond the 30 year point could serve longer than flag officers not similarly continued. Also, it is possible that a commander, continued beyond the Senate's proposed 28 year retirement point, would be entitled to longer service than a captain or a commodore.

We anticipate little benefit from the portion of S.1918 which permits retention of O-3's, or Navy lieutenants, who have twice failed of selection to O-4 to a maximum of 20 years of commissioned service. The ability to utilize any significant number of those officers is very questionable. Furthermore, because of the construction of military payscales, those officers will be financially capped at their maximum military earning potential at 14 years' service. We have learned in trying to continue a limited number of reserve officers with special skills to fill current requirements that most of those officers choose not to remain in the Service.

There is a technical difference in the wording of S.1918 with regard to computation of years of service for retirement which would create an undesirable situation. It permits an officer who has broken service to remain in the Service longer

than an officer who has served continuously on active duty since commissioning. The difference arises because the years for retirement in S.1918 are based upon active commissioned service while DOPMA continues the present basis of computation based upon total commissioned service.

To summarize the tenure aspects, Navy fully supports the provisions of DOPMA and is concerned that under S.1918 excessive use of continuation, possibly due to external pressures, could cause an aging force, promotion retardation, utilization problems and resultant decay of morale.

PROMOTION MANAGEMENT SYSTEM

The officer promotion management system is an area in which the two bills differ radically in concept.

DOPMA was designed to provide a rational system of promotion management that would be applied on a standard basis among the Services. Several key features would interlock to form the framework of the system:

- Grade table limitations would be observed throughout the year, providing a stable base for planning and administration.
- Numbers to be selected for promotion would be based on projected vacancies in future grade strengths within grade limitations. Those limitations would be based, first, on the maximum numbers allowed in grades by the grade tables, and second, the level within the grade table limit that the Secretary of a military department determined to be necessary to meet the needs of the department.
- Promotions would be made throughout the year as vacancies occurred within the grade limitations prescribed by the departmental Secretary.
- The effective date of promotion for pay purposes and the assignment of dates of rank for seniority would be specifically defined and tied directly to the vacancies that would enable promotion to occur.

Thus, the promotion management system embodied in DOPMA

would provide consistency both for personnel managers and the officer force.

In contrast, the promotion management features in S.1918 do not appear to be rational, consistent or systematic:

- The bill would require grade table limitations to be observed only on the last day of a fiscal year and permit exceeding the limits at any other time.
- The vacancy estimate for the numbers to be selected for promotion would be based on vacancies in billets rather than in the grade strengths. Since billets relate to requirements, and requirements frequently exceed authorizations, the numbers to be selected would almost always ensure an inventory in each grade that matched the maximum grade limitation instead of a level that might otherwise be determined to meet the needs of the Service more efficiently.
- The Senate bill would require promotions to be made as the need occurred for more officers in the next higher grade regardless of vacancies but does not specify how to determine that need. As a result, and a potentially expensive result, a Service could elect to promote an entire promotion list immediately upon confirmation.
- Finally, S.1918 does not clearly specify the determination of the effective date of promotion for pay or the assignment of dates of rank for seniority. Besides leaving these items to the arbitrary determination of each Service, the Senate bill would create the potential for disparities in pay and seniority of officers among the Services.

As should be evident from these brief comments, the promotion management features of the Senate's bill are not sufficiently specific to be considered a manageable system or to inject any degree of standardization among the Services. On the other hand, the DOPMA promotion management system is a consistently rational approach providing the ability to forecast grade strengths, promote officers according to specific rules, and assign seniority, and resultant future promotion eligibility, on a relatively stable basis.

TECHNICAL PROBLEMS

There are numerous other changes in the Senate bill that would adversely affect Navy's officer management system. I will not discuss them all but will cite four examples.

DOPMA and S.1918 differ as to when an officer is eligible for consideration for promotion. DOPMA requires that an officer will have completed a minimum time-in-grade by the end of the promotion period in order to be eligible for consideration. S.1918 requires officers to complete the minimum time-in-grade before they may even be considered by a board for promotion. Also, S.1918 has added the requirements for a statutory board to select officers to grade O-2. The Senate bill requires longer times-in-grade for promotion to the grades of O-2 and O-3 than does DOPMA. The combination of these differences, the point at which minimum time is computed, the requirement for an O-2 selection board, and the longer required time-in-grade would drive the promotion point for O-3's beyond the current 4 years to at least 5. Delaying the promotions of these officers at the point of their first career decisions is an effect of S.1918 that we believe will hurt retention.

In the area of constructive service credit for officers entering the military with special education or experience, DOPMA provides uniform calculations for all categories of officers. S.1918 differs for various categories of officers and eliminates the consistency DoD and this subcommittee sought to impart through DOPMA.

Another unsatisfactory aspect of S.1918 would remove Navy's authority to commission chief warrant officers. This has been a valuable tool in providing upward mobility to our highly skilled enlisted personnel by providing them the opportunity for commissioned service, while retaining in the Navy superb technical managers.

S.1918 would significantly change one basic feature of officer personnel management by requiring the Secretary of Defense to regulate virtually every aspect of the promotion system. Historically, those functions have been performed by the Secretaries of the individual military departments. While one purpose of

DOPMA was to provide more standardization of officer management practices among the Services, completely centralized control of officer management was not envisioned. Nor is it desirable. The Services have differing missions, requirements and managerial priorities, and the individual Secretaries are most familiar with the needs of their Services. Centralized control of all of officer management has the potential of introducing policies that would actually be detrimental to efficient management solely in the name of uniformity. Furthermore, the Secretary of Defense already has sufficient legal authority to exercise appropriate oversight and control, should it be necessary. Therefore, we recommend retaining the traditional, and effective authority of the Service Secretaries to manage their officer corps to meet the requirements of their Services.

Many other potential problem areas, that I will not discuss here, have been passed to your staff.

FLAG OFFICER MANAGEMENT

A major difference between DOPMA and S.1918 is that the Senate's bill would completely revise flag officer management and grade limitations. As I mentioned earlier, these areas were not addressed in DOPMA because it was felt that they would add unnecessary complexity to a bill that was already lengthy and complicated. The intention was to treat flag officer management in later legislation designed to satisfy the specific strength and management needs of each Service. One result of the Senate's efforts to impose uniformity in these areas is that some of the standardized management-features would not meet the needs of the Navy. I will address some of those features in a moment, but first I will speak briefly about the revised flag officer grade limitations in S.1918.

First, I would suggest that the reduction of overall DoD flag/general officer spaces from the current 1119 to 1073 be reconsidered. There are countless studies that justify requirements well in excess of even the 1119, so I would hope we could at least hold the status quo with respect to overall numbers allowed.

However, notwithstanding my disagreement with the total number

of spaces allowed DoD by S.1918, I think the method of allocation among the Services of the spaces allowed is a positive step toward more equitable and rational distribution. The current methods for determining flag and general authorizations are seriously flawed and inequitable among the Services. If one accepts the reasonable premise that large, complex organizations like the various military departments have comparable needs for top leadership and management positions, total military strength offers the best index against which to measure flag and general officer allocations. This is the basic approach taken in S.1918. S.1918 does not provide the ideal allocation of flag and general officers within the constraints, but it does offer a table that is potentially more equitable than the present authorizations.

Returning to the flag officer management features noted earlier, there are several that would be introduced by S.1918 that would not permit the most efficient management of Navy's flag officer force. I will discuss a few examples.

The routine reassignment of 3 and 4-star officers to new positions, without a promotion, would require Senate confirmation in every case. Currently, the law requires reconfirmation only in certain cases. Imposition of the requirement for reconfirmation in all cases appears to be unnecessary and could cause unpredictable delays and turbulence in the reassignment process if reconfirmation is delayed, for example, by a recess of the Senate.

S.1918 would also eliminate the ability to convene boards to recommend rear admirals and commodores for involuntary retirement. This authority has been used routinely as a method to provide necessary vacancies for promotion and as a measure of quality control over the flag force. Without the authority to convene these boards, the flag officer tenure provisions of either DOPMA or S.1918 could produce a situation of inefficient officers serving too long in flag grades and insufficient opportunity to replenish the flag force with younger officers of greater potential.

A significant shortcoming in S.1918 is the requirement that

each competitive category being considered by a selection board be represented in the board membership. Especially in the flag grades, the requirement could preclude constituting a board to consider officers in categories that do not have officers in the appropriate grades to qualify for board membership. DOPMA and current law avoid this problem by specifying alternate selection board membership when necessary.

Another major problem in the flag management aspects of S.1918 is the actual promotion process. The bill would require that officers be promoted in order of seniority on the promotion list as the need occurs for more officers in the next higher grade. In practice, however, the need could occur for an officer in one competitive category while the next senior officer on the promotion list is of a different competitive category. Again, both DOPMA and current law avoid this problem by specifying that flag officer promotions are to be made in seniority order as vacancies occur in the next higher grade within the appropriate category. This system more nearly permits meeting flag officer requirements by promoting to needs.

These are only some examples of the flag management features of S.1918 that we believe to be inadequate to satisfy our requirements. Others have been passed to the Subcommittee staff.

SUMMARY

To summarize my remarks, DOPMA does represent some significant management refinements for Navy while preserving the best parts of a system that has been developed over years of experience under various conditions of defense demands. For the first time, almost all officers would be placed under direct grade controls, and finite management of all officer categories to meet requirements would be possible. Continuation and refinement of the up-or-out system will enable the Navy officer corps to remain vigorous and combat ready.

The Senate substitute, on the other hand, is based on incorrect assumptions and would not produce a rational officer management

system. Besides applying the career management system to officers outside the career stream, S.1918 would reduce the size of the career force to a level that is inadequate both from a personnel management and force structure requirements point of view. It would introduce procedures and criteria for managing the officer corps which are internally inconsistent, undesirable from a Navy perspective, and certainly encourage something less than standardization among the Services. S.1918, in sum, would make significant departures from our present methods of managing the officer corps and raise questions of unwarranted risk in our ability to maintain the future composition and capability of the officer force.

The Navy supports DOPMA and urges its enactment. It represents a rational approach to officer management that will ensure the continuing ability of our officer corps to respond to defense needs.

Mr. Chairman, this concludes my statement. I would be pleased to respond to any questions.

Mr. NICHOLS. Thank you, Admiral.

In going over your testimony, you indicated under the Senate version of the bill there would be about a 25-percent reduction in your more senior grades, that is lieutenant commander on up, I presume up to admiral?

Admiral BALDWIN. Up to admiral.

Mr. NICHOLS. Up to admiral. OK.

I presume what you are saying is your lieutenant commander grades would be filled by lieutenants. The commander grades would be filled by lieutenant commanders, is that right? You just push the lower ranks on into these billets now that are held by your higher grades?

Admiral BALDWIN. That is right, provided you could get the lieutenants to stay on. In fact, probably what would happen is that you would have nobody there. You would have an inability to fill legitimate requirements and a very difficult task in performing the mission as now constituted.

Mr. NICHOLS. What sort of functions particularly are we talking about downgrading? Are we talking about pilots? Are we talking about operating the ships at sea? Are we talking about all functions?

Admiral BALDWIN. I think in implementing such a thing, if it were put upon us, we would have to guard the operational assignments, our primary reason for being.

Mr. NICHOLS. In that case then the thrust of it would come to the administrative officers, in those types of billets, wouldn't it?

Admiral BALDWIN. That is right. And what would happen is you would get a disproportionate cut against your staff corps functions, the support functions, which are certainly every bit as essential to the carrying out of the mission as the line functions. You simply would not have the kind of sustainability, in my view, that you need today.

Just to give you an indication of what this would do: If we implemented it this way—you would probably see reductions on the order of 35 percent, for instance, in such categories as chaplains, supply corps, engineering specialists, and that would have a concomitant effect on the sustainability of your force.

Mr. NICHOLS. Applying that to your Reserves people: what are your shortfalls now in officer rank in the Reserves? Are you filled? Is there an appreciable shortfall?

Admiral BALDWIN. No; in our selected reserve there is not. We are up to our authorized ceilings in the selected Reserves. We do have some shortfalls in active duty that are very serious and I know you are aware of those, particularly in aviation pilots, and in nuclear-trained submariners.

Mr. NICHOLS. Yes, sir, I heard the Chief of Naval Operations speak on that very emphatically. He feels very strongly about that.

It seems to me that the Senate version would expect to intensify those shortages; I can't see anything in the Senate version that would help those shortages.

Admiral BALDWIN. We agree with that assessment.

Mr. NICHOLS. Let me go to your flag officer situation.

As you know, the one-star admiral grade, I believe, has been incorporated in our version of DOPMA in the past, and it is in the DOD version. You support that?

Admiral BALDWIN. Yes, sir.

Mr. NICHOLS. I note if there is any section of the Senate bill that you do support, both you and the Marine Corps, it is that section that deals with general officers—Admirals in your case.

I believe I am correct in saying, I believe you testified, that the Senate bill provided 1,073 general and flag officers compared with the current 1,119. That would be an overall cut of about 46 general and flag officers in the Senate bill.

Admiral, I am curious as to why you are so supportive of this. How many admirals do you have onboard now?

Admiral BALDWIN. 261, sir.

Mr. NICHOLS. How many would you have onboard under the Senate version?

Admiral BALDWIN. First, I do want to emphasize that I don't support the reduction to the 1,073. I should like to make the record clearly state that we are under a legal requirement to reduce overall DOD numbers of flag officers down to 1,073 by the end of this fiscal year because of the statute originated in the Senate some years ago. That matter is under negotiation with the Senate because, as I said, we feel strongly that we should hold to the 1,119 sum.

From the allocation method employed in the Senate bill, I would assume that the Navy would get a reasonable share of the 177 numbers that are allocated by the Secretary of Defense.

I think that is a reasonable assumption since we certainly share in those outside of Navy billets and we would therefore deserve a reasonable share of them. The Navy's total number of flag officers would actually increase. Nominally, as compared with our current total of 261, we might expect to get something on the order of 285 or 290 flag numbers, again depending on how the Secretary of Defense allocated his numbers.

Mr. NICHOLS. The point I make, Admiral, is there would be a 46 billet further reduction under the Senate bill; but from the Navy's standpoint you would increase from about 261 up to about 285. So it would appear to me that the additional admirals that you would pick up might come out of the hide of the other two services.

Admiral BALDWIN. Unquestionably, yes, sir.

Mr. NICHOLS. OK. I just wanted that for the record.

Mr. Secretary, I just have one question of you, please, sir.

Based on what you said today, I infer you believe that any movement away from the DOD proposal, particularly in terms of grade tables, would have an adverse effect on the capability of the officer force to perform its mission. I said to Secretary Pirie, and I will say to you, the subcommittee would find it very helpful if this adverse effect could be quantified, say in terms of maintaining readiness, reduced quality of officer personnel, ability to maintain personnel strengths, and responsiveness to national emergency and other measures. In asking for this I know it is somewhat of a difficult assignment, but if we are going to be able to evaluate the effect of each of these decreases in the grade table, we do need some quantifiable figures to operate with.

As I say, I know that is sort of tough to come up with, but that would be very helpful, I think, to the subcommittee.

Mr. DOYLE. Mr. Chairman, it would be helpful, and it might tend to settle the whole controversy. The trouble is that what we are dealing with here is predictions about human behavior, and if we say given the grade tables the way they are set in the Senate bill we will get human behavior of such and such, we are projecting ourselves into an area which is, well, to call it speculative, I think is the right characterization.

These are questions of judgement, and the more change toward the direction the Senate bill goes, the more risk. And at a certain point the risk is simply unacceptable. So if it is a tiny change in that direction, I suppose it is arguable. But if it is a substantial change in that direction, then we are out of the realm of predictability. That is our position.

Mr. NICHOLS. Well, again what I think the committee would want you to do is to give us some quantification of the various impacts Admiral Baldwin has outlined in terms of readiness, in terms of qualified personnel. It would have to be a judgment call. It would have to be something you couldn't put in concrete. It would be a judgement call. But we have got to go to the Senate with some sort of rebuttal on this matter. I don't know how far they have dug into this, but the Senate version is poles apart, Mr. Secretary.

Mr. DOYLE. The question of giving figures that are based on assumptions, the subject you visited already, well, surely, we can supply those. And the question as you have already said is whether the assumptions will be acceptable to those who examine them.

One man's compromise is another man's unconditional surrender, of course. And in a way it is wrong to be against compromise. I would make one comment here. There is such an enormous amount of effort going into the technical aspects of this bill, which has been needed for years, purely on a management and orderly housekeeping basis, that it seems worth examining what portions of this that are unacceptable to the Senate could be put off into whatever future time frame is appropriate in their judgment, and go forward now with the portions that are acceptable to everybody.

I think there is some material in the record that suggests there are dollar savings involved in the Senate's approach. I would be surprised if, on such an important matter, the whole force of their effort was in the direction of dollar savings.

It seems to me more that what they are getting at is in the area of need for the senior billets. We think that the GAO study, that our own expertise adequately supports the need.

If this question were to be examined as an isolated question, after adoption of the balance of the bill, after the adoption of the DOD proposal, we would certainly not object to that, any we would expect to be very convincing that the mission requirements we have justify the billets that we are proposing to incorporate.

While they might not view that as a compromise, I think for the sake of giving the Nation a more orderly and coherent management system for the military, it would be wise to go ahead and then separate out this highly controversial and sensitive area for future handling.

Mr. NICHOLS. Mr. Leach.

Mr. LEACH. No questions.

Mr. NICHOLS. Mr. Mitchell.

Mr. MITCHELL. Thank you, Mr. Chairman.

Mr. Secretary, Admiral, General, thank you for your testimony.

Have you noticed any adverse reaction in the officer ranks as a result of the airing of that Senate version? Has there been a great deal of discussion and concern? Has it affected morale adversely? Is anyone leaving the service because of it? What has been the reaction generally?

Mr. DOYLE. Mr. Mitchell, I would like to ask the two military men to comment on that.

I have spent so much time just learning what the Senate bill does I haven't had time to make those observations.

Admiral BALDWIN. It creates a sense of uneasiness. It is very difficult to get a complete understanding throughout all of the areas as to what happened. There are people who believe that it is already law and there has been a cut. We have that kind of a response. We get that response with some degree of frequency.

I wouldn't say that that is causing people to get out, but it is one of those things that adds to some other dissatisfaction, and gives you an environment you would rather not have.

Mr. MITCHELL. General?

General BRONARS. I don't think that DOPMA is very high on the skyline. DOPMA has been considered by Congress for many years now and hasn't had any substantive action. I agree with Admiral Baldwin that other personnel issues such as the levels of compensation, the adequacy of pay, perceptions held by some officers that certain of their privileges are being reduced, and certain necessary support functions are being cut back receive greater attention. They contribute to the feeling that a military career isn't as good as they thought it would be. Personnel begin to wonder whether they want to make a career out of service life.

Buy I don't think DOPMA has been that high on the skyline. In my brief discussions with officers around the Marine Corps, DOPMA does not have a big impact on their career decisions.

Mr. MITCHELL. Just one more negative influence. The DOPMA we passed 2 years in a row has almost no resemblance to the one the Senate passed. That is why I thought perhaps that would stir up emotions a little more than what we had done in the past.

In the report on DOPMA, in the previous Congress, the Department was directed to establish a system of counseling for passed over officers. I remember Mr. Lloyd was especially enthusiastic about that. What is the extent of the counseling provided at this time, and how does it measure up against the direction that was provided by the committee?

General BRONARS. In the Marine Corps, as a matter of course, whenever an officer receives a fitness report he is counseled. Additionally, the Marine Corps has long recognized the importance of counseling officers who fail of selection. Since the 1977 HASC requirement, I feel confident in saying that we have redoubled our interest and efforts in this concern.

Currently, any officer requesting an explanation of possible reasons for nonselection for promotion can receive detailed counseling. Now, this counseling process, which is provided by an officer knowledgeable of the Marine Corps promotion and assignment systems, is what I believe to be a reasonable explanation of how an

officer's recorded performance of duty compares to that of his or her peers.

This is an effective and well-utilized program. For example, in 1977 approximately 75 percent of the officers not selected to major requested and received counseling while in 1979, our most recent major's board, nearly 95 percent of those officers failing of selection were counseled.

Mr. MITCHELL. Is that a change since we took a look at the problem or is that standard procedure for several years?

General BRONARS. That is standard procedure in the Marine Corps.

Mr. MITCHELL. Admiral?

Admiral BALDWIN. We have always been, I think, quite conscious of this aspect of military life. Primarily, our effort starts at the command with the commanding officers. There is also a great deal of comparative review of an officer's record with his detailer. Because selection for promotion is a competitive process, a failure is not necessarily an absolute deficiency; it is a relative deficiency. The detailer is in the position of having seen a great deal, a great number of records of this man's peers, and can give him a good feeling of where he stands and what can be done about it. He is also in a position to help him in terms of an assignment that would fill an experience background, and that is pursued quite conscientiously.

Mr. MITCHELL. I was reading an article a year or two ago about what a catastrophic adjustment it was to go from military life as an officer into civilian life. It often resulted in alcoholism and even a high rate of suicide. If you coupled that with the up-or-out situation and if there wasn't adequate counseling, I think the blow wouldn't be cushioned. Have we made any changes since the committee urged this direction for counseling or is the Navy proceeding pretty much as it has in the past?

Admiral BALDWIN. I think we have intensified the efforts we have. I say we are very sensitive to the problem and sensitive to the feelings of the individual because it is a very public kind of a process. In that aspect it is crueler perhaps than some other systems.

Mr. MITCHELL. Thank you.

Thank you, Mr. Chairman.

Mr. NICHOLS. Mr. Mollohan.

Mr. MOLLOHAN. Admiral, in the first question the chairman addressed to you he discussed the reduction of 25 percent in your field grades. Isn't the greatest impact of that reduction on the group of lieutenants who are possibly the best of the lieutenants and who are looking forward to service and promotion and making the military a career? Will not this be the first group that will become disenchanted and leave the service, by reason of the stretchout?

Admiral BALDWIN. Unfortunately, there is something negative in this for everyone. It will mean the promotions will come slower and later, and that will be a deterrent to the brightest and the fastest moving of our officers. It is going to be a very significant lessening of opportunities, and that is going to affect our middle

range of people who don't expect to be the Chief of Naval Operations.

Mr. MOLLOHAN. Will you not be expecting this very group you very well described in the lieutenant grade to be the ones that become frustrated first and disappointed and then drop out?

Admiral BALDWIN. Yes, and I think they will be joined by some others who are very solid citizens and whom we need badly who just say there is not a fair shot for me.

Mr. MOLLOHAN. Then, in effect, it is fair to say this will create a deteriorating quality in the availables that you have for promotion in all grades as you move up?

Admiral BALDWIN. It could, because it would foster the attitude that this is a career that just doesn't look very attractive, and therefore, the people that designed it are not the kind of people one would want to work for.

Mr. MOLLOHAN. Mr. Secretary, on another question which the chairman addressed to you, I want to be sure I understand what you are saying. I think we all recognize the very great difficulty that will be a part of affecting some compromise in a conference between the two bills should this committee and the House pass a bill similar to the one which the military has presented to us, and on which there is a great deal of sympathy on this committee for. Should we pass that kind of a bill and then go to a conference, there would be great, if not almost impossible, difficulty in reconciling the differences. But did I not understand from you there were certain points in certain areas wherein we might come out with some improvements but at the same time leave the more controversial things on the bench for a while?

It seems to me you have a very pressing need in certain areas, and that there may be some compatibility in the Senate version of that bill which affect these areas of concern, and the bill which is before us this morning. Is that true?

Mr. DOYLE. What I was talking about is what I think is the bulk of the bill, maybe 90 percent, which tends to rationalize and standardize procedures among the services.

Mr. MOLLOHAN. You are talking about 90 percent of DOPMA?

Mr. DOYLE. Right, yes, sir. When I say it would seem appropriate to move forward and put those matters in place, as promptly as possible, that is what I am talking about.

When I speak about the other areas, the controversial areas, what I have in mind is that I would hope that it would be acceptable having gotten all this vast technical area under control, to then separately proceed, and it would be necessary, of course, in enacting a bill to include the tables which are in the DOD proposal. But that would not prejudice the effort of going ahead to examine carefully the mission requirements that justify those tables in the DOD proposal.

It seems that we could then take some pride of accomplishment, and yet continue the effort to test out the feeling or bias or whatever you like of the Senate side that we are richer than we ought to be. We could do it in a concentrated way without losing—if they get no bill at all, then they haven't gained anything toward the achievement of their goal. But if there is a bill that provides a good and workable management background, we then go forward to

examine these other requirements. They could still prove their point if it is provable.

Mr. MOLLOHAN. Where are those highly objectionable features of the Senate bill? Did they come out of the Senate committee or were they the result of the amendments added on the floor of the Senate? Do you remember?

Mr. DOYLE. As the saying goes, Mr. Mollohan, "that didn't happen on my watch." I would say I think it is the committee version that we are talking about. But I would ask Admiral Baldwin and General Bronars if they have a different recollection.

Mr. MOLLOHAN. Mr. Chairman, could I ask a question that is slightly off the subject of issue here, but I think is one of general interest and one would like to have clarification on. It will take only a moment.

Mr. NICHOLS. Yes, sir.

Mr. MOLLOHAN. Admiral, what percentage of your enlistment goals are you reaching currently?

Admiral BALDWIN. Are you talking about recruiting?

Mr. MOLLOHAN. Yes.

Rather, let me ask you this: At what percentage of your manpower level are you? That is more important?

Admiral BALDWIN. We are operating at the level authorized by the Congress for this fiscal year.

Mr. MOLLOHAN. You have a full complement of your authorized manpower?

Admiral BALDWIN. We have the total numbers.

Mr. NICHOLS. Would the gentlemen yield at that point?

Mr. MOLLOHAN. Sure.

Mr. NICHOLS. Is that true of the Marine Corps?

General BRONARS. We are 179 above our end strength plan. We have that many more personnel than we thought we would for this time of the year.

Mr. MOLLOHAN. Admiral, I noticed the other day you were short 20,000 petty officers. And I heard by reason of the publicity given to us, that a commanding officer refused to sign off of his ship at Norfolk, I believe it was, because he did not have the personnel that were qualified to man that ship.

Now, if we have a full complement of our manpower allocation, and we are short 20,000 petty officers, what is the percentage of your total manpower that should be classified petty officers?

Admiral BALDWIN. We would like to see approximately two-thirds of our enlisted personnel as petty officers—that is third-class petty officers or above. We are at about 61 or 62 percent.

Mr. MOLLOHAN. What is the reason for the 20,000 shortage?

Admiral BALDWIN. The reason is the distribution that we have. We have enough numbers, but what we have is 20,000 people who are relatively inexperienced in making up the shortage of petty officers with 10 to 15 years of service that we would like to have. They are gone.

Mr. MOLLOHAN. You mean because of short-term enlistments?

Admiral BALDWIN. That is right. And failure to reenlist.

Mr. MOLLOHAN. What impact does quality have on this 20,000 shortage?

Admiral BALDWIN. You mean the quality of the people that we are recruiting today?

Mr. MOLLOHAN. That is right.

Admiral BALDWIN. I can't quarrel with that. I think we are getting good people in the Navy. We have set standards, of course, and we are obtaining people to that standard. The problem is keeping them after they finish one or two enlistments. That is where our severe shortage is, and where our biggest impact on readiness is.

Mr. MOLLOHAN. What is your enlistment program, 2, 3, 4, 5 years?

Admiral BALDWIN. Four years. Four years basically but we have some 6-year enlistments.

Mr. MOLLOHAN. In 4 years can't you teach him to be a petty officer?

Admiral BALDWIN. We do. He is the beginning petty officer. The petty officer we are short of are the first- and second-class experienced people who have done things more than once. Those are the people with 8 to 10 to 12 years of experience. That is where our valley is.

Mr. MOLLOHAN. In other words, these are the second- and third-term enlistments?

Admiral BALDWIN. That is right. Second term most specifically.

Mr. NICHOLS. Mrs. Byron.

Mrs. BYRON. Let me follow that along a little bit because it seems to me the same message we are getting from all branches of the service. I think that is one of the areas we are going to have to address very seriously, and that is the midcareer individual—especially in the enlisted ranks, because that has always been the backbone of our military. We are talking quite frequently about the officers and the officer who makes the promotion list. But I think the serious problem, the serious shortfall, is in the enlisted ranks which you just touched on. And I am sure, General, you can say the same thing in the Marine Corps. Does it go along in the same line?

General BRONARS. It does.

We have paid particular attention to our retention efforts in our intermediate, or 6- to 10-year, group. Equally important to us is the 10- to 14-year group. We think that the reenlistment bonus program that we have expanded, and the new program for the 10- to 14-year group which we hope to get authorization for, will have a significant impact on our ability to retain these individuals.

We think the expanded bonus program is having a good impact, and we think it is one of the major solutions that will allow us to retain experienced personnel, both in the technical field and leadership skills.

Mrs. BYRON. But you can see a change in your program already?

General BRONARS. Yes. We have been applying more money to our midcareer personnel, the 6- to 10-year group, to try to retain individuals that have been trained in the particularly hard-skill areas where we have significant shortages. We see that the application of the reenlistment bonus is influencing a larger number of people to remain in the Marine Corps.

We are getting healthier in that regard. But we have to continue to apply bonus money to overcome what we recognize to be inadequate levels of compensation.

Mrs. BYRON. In the long run, I think when you talk about the cost of training new individuals and then losing them, bonuses represent money well spent; because once you get someone efficient in their area and then lose them to the outside industry, the only thing we are doing is using the military as a training ground for industry.

General. BRONARS. It is a very cost-effective means of retaining personnel.

Mr. MITCHELL. I just have one further question.

I realize to continue the present system we do have to make some technical changes in the law. But if you had the two options, the Senate version or just continuing the way we are continuing now, which would each of you prefer?

General BRONARS. Do you want that answer?

Mr. MITCHELL. Yes, on behalf of the chairman and myself we would like to hear it.

General BRONARS. Before I answer that, Mr. Chairman, I would like to give some insight on the question about the impact. I don't have an impact of the grade tables on readiness, necessarily, but I think an insight into the impact can be gained by looking at what would occur if the Senate grade tables were adopted.

The Marine Corps, of all the services, maintains the most austere level in its senior grades. We try to maintain a very young force. The Senate tables would require a reduction of 27 percent in colonels, from the DOD DOPMA version, 21 percent in lieutenant colonels, and 20 percent in majors from the DOD version of DOPMA.

If I applied the Senate tables to our actual inventory today, we would have to decrease the number of colonels onboard by 19 percent, the number of lieutenant colonels by 17 percent, and the number of majors by 14 percent.

We already have an austere ceiling that is self-imposed in those grades. Further reductions as suggested by the Senate would have a significant impact on our ability to manage the Marine Corps and our ability to perform our mission.

In answer to Mr. Mitchell's question, the Marine Corps, under the current law, is able to achieve most of the objectives inherent in the DOD-proposed DOPMA legislation. We would definitely prefer to stay with the present law, rather than consider adopting the Senate version of this act.

Mr. DOYLE. Once you accept the proposition that the Senate bill would impair mission achievement, you must reject it. And that is our position. We believe that our tables are required in order to do the job.

If we are deprived of those, then our doing the job is in jeopardy. Neither the Marines nor Navy are going to come up here and say we are going to fail. But we say you have introduced an element of risk which is unacceptable. It is the wrong time to introduce that element of risk.

Admiral BALDWIN. I would stay with current law.

Mr. NICHOLS. Mr. Mitchell, do you have any more questions?

Mr. MITCHELL. No, thank you, Mr. Chairman.

Admiral BALDWIN. Excuse me, Mr. Chairman. One thing I wanted to add to your question, Mrs. Byron. There is a similar retention problem for officers that you really should not overlook.

Mrs. BYRON. I am not overlooking that. I am just also concerned about the enlisted personnel.

Admiral BALDWIN. Right. It is similar for both groups, and something we really need to worry about.

Mrs. BYRON. We are hearing time and time again, where a transfer comes to an individual at the time they are to reenlist. His wife is working in a specific community. They are concerned about finding a job for the wife after the move and the cost of housing. They then make the decision to get out. This is a serious situation we are going to have to face—both members of the family working.

Mr. NICHOLS. Mr. Mollohan, do you have any further questions?

Mr. MOLLOHAN. No.

Mr. NICHOLS. Mr. Emmerichs?

Mr. EMMERICHS. No.

Mr. NICHOLS. One final question. It is apparent to me the Senate philosophy is that the military is heavy in senior grades. I think that is the thrust of their bill.

Every time we get into this cat fight with the Senate on grades—this is particularly true with flag-grade officers—we are always confronted with the argument that the military today has more admirals and generals than they had at the height of World War II.

I don't know whether that is true in the Navy. How do you answer that question?

Admiral BALDWIN. Well, you have to remember in World War II we started out with a very small military force and we grew very big very fast. It was kind of like our 20,000 petty officer shortage. We wouldn't necessarily have made a lot more senior officers at the time because of the experience level of the people that we had.

Could we have used them? Could we have used people with a lot more experience? I think anybody who was there would readily say yes. They just weren't in the inventory. That is really my answer to that question.

Mr. NICHOLS. The person on the second row is looking for those figures now. I am curious whether we have more flag officers today than we had in the height of World War II. If you will provide that?

Admiral BALDWIN. I will. I can't answer that off the top of my head.

[The following information was received for the record:]

At the height of World War II there were 470 flag officers serving in the Navy. There are only 261 flag officers in the Navy today.

Mr. MOLLOHAN. On that very particular point, what impact has the tremendous advance in technological warfare had on the requirements for a greater number of flag officers?

Admiral BALDWIN. I think it is significant and it just isn't flag officers. It is captains, commanders, and on down. We are engaged in a very big sophisticated business. We have developed in some very critical management requirements as the investment in the military in this country has increased. I think that that kind of

investment warrants the kind of management that requires more people to get into deeper detail, and closer supervision than if you were in a less sophisticated area.

Mr. MOLLOHAN. Than if you were in a Vietnam war?

Admiral BALDWIN. That is right.

Mr. MOLLOHAN. Isn't that a far more realistic answer than the one you gave to Mr. Mitchell?

Admiral BALDWIN. It probably is. That certainly is a significant aspect of our situation now as compared with 1939 and 1940.

Mr. MOLLOHAN. Thank you.

Mr. NICHOLS. Thank you, Secretary Doyle, Admiral Baldwin, and General Bronars.

The subcommittee will stand adjourned subject to the call of the Chair.

[Whereupon, the subcommittee was adjourned at 11:25 a.m., subject to the call of the Chair.]

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
MILITARY COMPENSATION SUBCOMMITTEE,
Washington, D.C., Tuesday, May 13, 1980.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2216, Rayburn House Office Building, Hon. Bill Nichols (chairman of the subcommittee) presiding.

Mr. NICHOLS. The subcommittee will come to order.

Today is the third hearing on the Defense Officer Personnel Management Act, DOPMA, hearings. The witnesses today representing the Department of the Air Force are Mr. Joseph C. Zengerle III, Assistant Secretary for Manpower, Reserve Affairs and installations, and Lt. Gen. Andrew P. Iosue, U.S. Air Force, Deputy Chief of Staff, Manpower and Personnel.

The Army is scheduled to testify tomorrow.

The Air Force, in particular, should be able to provide some critical insight into the effect of the Senate bill, S. 1918. In conjunction with any change that is as potentially far reaching as the Senate version of DOPMA, it is wise—and perhaps even essential—to conduct an experiment to evaluate its impact.

The Air Force has, I believe, in a manner of speaking, already performed such an experiment. The original grade tables under which the Air Force operated early in its organizational life were considerably lower than they are today—but not as low as under the Senate version of DOPMA.

I hope the witnesses will be able to provide an overview of the consequences of this previous experiment. The results may be sufficient to obviate the need to conduct a similar experiment again.

So, we are pleased to have the Secretary and General Iosue, and I will turn the meeting over to them at this time.

STATEMENT OF HON. JOSEPH C. ZENGERLE, III, ASSISTANT
SECRETARY FOR MANPOWER, RESERVE AFFAIRS AND IN-
STALLATIONS

Mr. ZENGERLE. Thank you, Mr. Chairman.

I appreciate this opportunity to appear before the committee to present the Air Force perspective on the proposed Defense Officer Personnel Management Act, or DOPMA, as it is called.

The Air Force fully supports the DOPMA proposal previously approved by the committee. In my statement today I will concentrate on the requirement for DOPMA and on the reasons why we do not believe the Senate version, which we shall call S. 1918, would provide, in contrast to the DOD/House version, the basis for long-term planning and management.

I will discuss our concerns with four specific aspects of S. 1918, the grade tables contained in S. 1918, the provisions for general and flag officer management, the lack of provisions for an all-regular force, and the modification of the up-or-out provision.

For clarity, I will use the terms DOPMA when referring to the DOD/House version of DOPMA and S. 1918 when referring to the Senate version.

In purpose and concept, DOPMA is not a complicated proposal. Because it deals comprehensively with a detailed body of law, however, it is of necessity technically complex. The implementation and application of officer personnel management law are also highly technical matters.

Because the consequence of technical changes on the officer force can be profound, I think it will be useful for General Iosue, the Air Force Deputy Chief of Staff for Manpower and Personnel, based on his long experience and expertise in these matters, to provide you with more specific detail to aid in your deliberation.

As you are well aware, DOPMA has been under consideration for a long time. It has been nearly 6 years since this committee first received testimony on DOPMA. Indeed, the bill has considerably benefited from the hard work of this committee and its staff. We greatly appreciate your concern and dedication to this complex legislation, Mr. Chairman.

This committee has had concerns with respect to certain aspects of DOPMA and these concerns have been incorporated in subsequent legislative proposals that have satisfied them. Similarly, Senator Nunn and other members of the Subcommittee on Manpower and Personnel of the Senate Armed Services Committee have expressed concerns with DOPMA.

We have not, however, had the opportunity to comment in hearings on the alternative version of DOPMA passed by the Senate. Indeed, specifics regarding the modifications desired by the Senate were unavailable to us prior to last October when the Senate bill was reported out of committee. For this reason, General Iosue and I will address the provisions and objectives of S. 1918 in some detail.

As an overview, let me begin with officer management legislation concepts.

The objective of officer personnel legislation is to establish a long-range plan with sufficiently broad parameters within which the services can act to meet their requirements for officers in the various grades. These parameters must allow for sufficient career opportunity so that the numbers and kinds of officers we require will want to join and remain in the services.

The legislation should provide the armed services a system which will meet requirements on a long-term basis over a wide variety of circumstances so that congressional direction is not frequently required and so that commissioned officers can be provided with a reasonably accurate picture of long-run career expectations.

The Air Force is convinced that the DOPMA proposal will accomplish these objectives and provide the foundation for effective management over the long haul. DOPMA would build upon and update the current law which, in its basic outlines, has served the Air Force and the Nation very well since just after World War II.

In contrast, the S. 1918 alternative contains a number of provisions which would adversely impact on our current structure and on present and future officers. These provisions appear to be based

in large part on current inventory distributions, force sizes and structures.

This is a problem because the current force reflects the transitory effects of the drawdown in our officer force after the Vietnam war. For example, year group sizes and numbers of junior officers are now anomalously present in the force as a result of that drawdown period rather than what is required to sustain an effective officer force over the long term. S. 1918 cannot on such a basis provide effectively for long-term planning and management, a fundamental need for DOPMA.

The committee report on S. 1918 suggests that adjustments can be made over the first 4 or 5 years of transition under that proposal if we encounter circumstances which will prove that the provisions of that bill are inadequate or unworkable.

The Air Force is acutely aware of the problems that can follow from such an approach. The Air Force grade limitations contained in the Officer Grade Limitation Act of 1954 (OGLA) reflected our then current officer corps inventory, and multiple temporary grade relief measures have been required as a result. This is the peculiar experience to which I believe you referred in your opening statement, Mr. Chairman.

Stability, not uncertainty, is conducive to effective force management over the long haul in response to continuing and changing threats. I cannot emphasize too strongly our need for legislation that will provide for effective management of this critical national resource on a systematic, long-term basis.

S. 1918 also contains proposed changes that go beyond grade table adjustments and also negatively affect general officer management, the up-or-out system, retirement rules and other aspects of officer management.

Field grade authorizations, a major subject of both provisions, will now be addressed. Permanent field grade authorizations for the Air Force represent our number one officer management concern. This concern has now stretched out over more than 20 years.

As you know, in enacting the 1954 OGLA, Congress established control over temporary promotions in the military services by setting limits on the numbers of officers who could serve on active duty in the grades of major/lieutenant commander and above.

In determining the limits for each service, the Congress specified lower limitations in the grades of colonel and lieutenant colonel for the recently established Air Force than for the Army and the Navy. That fact has resulted in the peculiar Air Force experience under the OGLA of 1954.

These lower limitations recognized that, at that time, the Air Force had a relatively young officer force in terms of those on active duty. This restrictive served to prevent too many young officers from progressing too quickly to senior grades. To illustrate this point, in 1954 only 18 percent of Air Force officers had more than 12 years' service compared to 32 percent for the Army and Navy.

Congress recognized that these limits would have to be revised upwards as the Air Force officer force matured. It subsequently passed temporary grade relief measures on nine occasions and the tenth relief measure is currently before this session of Congress in

H.R. 5168. But today, 39 percent of Air Force officers have more than 12 years service as opposed to only 18 percent some 26 years ago.

The dependence of the Air Force officer promotion system on these temporary measures is illustrated by the fact that failure to enact the current relief bill contained in H.R. 5168 prior to the end of this fiscal year would force the Air Force to demote over 7,000 officers. This would include 172 colonels, more than 3,500 lieutenant colonels, and more than 3,500 majors.

The S. 1918 alternative to DOPMA includes severe cuts in field grade authorizations for all services. We would lose over 7,000 authorizations in the grade of major and above as compared to DOPMA and over 12,000 field grade officers would be serving in a lower grade.

These reductions, which would be achieved over a 10 year transition period, would result in authorizations for the Air Force well below the restrictive 1954 OGLA grade tables from which we have been granted periodic relief, and from which we are now yet again seeking relief.

The proponents of S. 1918 claim that its provisions will cut costs while providing a more effective, combat ready force. Our experience and analysis indicates that it would have precisely the opposite effect.

First, the drastic cuts in field grade authorizations would reduce career expectations. We know from careful studies of the effects on career expectations that there is a direct relationship between reduced opportunity and lower retention. General Iosue will address this fact in more detail in his briefing.

Moreover, in the aggregate, it will be those with the most initiative, those with the best education and those who are more highly trained who will leave.

The impact of lower retention is manifold, it results in higher procurement levels and a reduction in average experience among our officer force. Increasing procurement obviously increases accession and training costs.

Further, it requires increases in requirements as a higher proportion of total resources must be devoted to training. Similarly, flying hours must be increased to experience greater numbers of rated officers. And, finally, of course, as experience levels fall, so does the readiness of the Air Force.

Our analysis indicates that our expected man-years per accession would drop from 12 years of service to about 10½ years if S. 1918 were enacted. Department of Defense analysts confirm that S. 1918 would result in a force requiring greater procurement levels and with reduced average service.

The Congressional Budget Office in its analysis of S. 1918 concluded that the estimated costs of S. 1918 are very sensitive to retention and that reduced retention under S. 1918 would cause officer costs to increase over the first 5 years.

While in the long run they suggest that costs would turn to savings, the savings result from a more junior, hence less experienced, force.

The proposed reductions in S. 1918 could not have been more poorly timed because they would severely alter the opportunities

and expectations of our young officers during a period when we are experiencing serious difficulties attracting and retaining a highly qualified officer force.

This is particularly the case for officers in critical skill areas such as engineers and pilots. General Iosue will brief you in detail on the retention impact of S. 1918 on these two particular officer specialty areas.

The impact of reduced career expectations would be seriously counterproductive to other efforts to attack these difficulties. Moreover, the effects would be most damaging among those officers with 6 to 11 years of service where our current retention problems are most severe and where the immediate readiness impact is the greatest.

General Iosue will provide you with the precise details on these impacts in his presentation.

The next subject I will address is general and flag officer management as contained in S. 1918.

Another major concern we have with S. 1918 is that it would make significant—and in our opinion inappropriate—changes in the management of general and flag officers. S. 1918, for example includes new tables of flag and general officer authorizations which would substantially alter the distribution of senior managers among the services.

Flag and general officer strength tables included in S. 1918 provide for a total authorization for the four services in the tables which would fall 170 to 180 below the fiscal year 1980 authorized level of over 1,000 flags and generals.

To provide for the full 1,073 authorized by current law, S. 1918 provides the Secretary of Defense an additional “bank” of 177 of 177 authorizations which he may allocate among the services.

Because the 177 authorizations are subject to reallocation each year, the “bank” will effectively preclude stable promotion and force management planning by the services. Further, to build the bank, the service flag authorizations are reduced disproportionately: The Air Force by 94 positions; the Army by 65 positions; the Navy by only 12 positions, and the Marine Corps by 6.

We believe these new strength allocation tables fail to consider senior civilian executives. When the senior civilian supergrades and general/flag officers of each are combined, the current ratio of authorized senior executives to each service's total strength is, in fact, quite similar.

For example, the Air Force has one such executive per each 1,344 persons assigned. The Army has one per each 1,400 assigned, and the Navy/Marine Corps, one per each 1,307.

As a result we believe the general and flag strength tables in S. 1918 upset the current balance in senior level executives and are dysfunctional in terms of properly managing this valuable resource.

As we read S. 1918 the Senate appears to believe generals and flags should be managed in the same way other officers are managed. We do not agree. Generals represent a small and unique resource. The policies and provisions we now employ to manage these 360 officers now authorized in the Air Force, must necessar-

ily be different than those governing the other 96,000 officers in the Air Force.

For example, S. 1918 limits the percentage of below-the-zone promotions allowed for all officer grades through O-8, that is to say through major general, an appropriate rule for colonels and below but not one which should be extended to brigadier generals and above.

Selections to O-7 and O-8, general officer ranks, are based exclusively upon potential and valid Air Force general officer requirements. Other provisions of S. 1918 automatically confer tenure upon promotion to O-7 or O-8 without providing the attendant authority to limit such tenure when circumstance warrants.

Under S. 1918 O-7's and O-8's would also be required to serve 3 years in grade in order to retire in the grade in which serving, despite the fact that circumstance could clearly merit waving the 3-year rule.

Thus, flexibility in managing the general officer force keyed to performance of these critical officers is limited by S. 1918.

General Iosue will elaborate on the general officer provisions of S. 1918 and provide some additional illustrative data. I hope you will agree that the provisions affecting flag and general officers should be dropped from S. 1918, or at least altered to permit a more flexible management of these critical important officer resources.

Let me discuss a few other major provisions of S. 1918.

DOPMA eliminates the complex and confusing dual temporary/permanent promotion systems and replacers it with a single system providing greater efficiency in administration. It will also be much more understandable to those affected by it.

DOPMA also provides an all-regular career force once the field grade level is achieved, thus eliminating the inequities attendant to two groups of career officers with different tenure guarantees, varying rules for permanent promotion and separate provisions with respect to retirement grade and compensation.

S. 1918 also provides for a single promotion system but it does not include the all-regular career force provision. The Senate report on S. 1918 argues that the Secretary of Defense should have the authority to recall experienced reserve officers when needed even if they have over 11 years of active service.

The report maintains that there would be sufficient numbers of regular authorizations to achieve an all-regular career force through management actions.

We believe that the all-regular concept should be firmly established in law to prevent unjustified differences in legal status and perceptions of inequity. We would not object to discretionary authority to recall reservists to meet specific needs, but we believe this should be authorized only as a specific exception to the general provision in law for an all-regular force.

An important advance in the DOPMA proposal is that reserve officers ordered to active duty in time of war or national emergency would be excluded from the ceilings on the total numbers of officers on active duty and in the various grades. This exclusion would continue until 6 months after the end of the emergency.

This will facilitate the efficient and equitable integration of mobilized reserve forces.

Under DOPMA, reserve officers would continue to compete for reserve component promotions under reserve promotion laws to avoid forcing them to compete for promotions with active duty officers who would almost certainly be more competitive for promotion.

S. 1918 rejects this advance on the grounds that DOPMA would not insure that the best qualified officers are selected for command and thus would not work effectively in war.

This argument confuses selection for promotion with selection for command. I am convinced that the DOPMA proposal will maintain equity for mobilized reserve officers while providing the most effective promotion system during mobilization.

The alternative approach of S. 1918 includes the mobilized reserves in the grade tables. This accommodation is only feasible, however, if we assume mobilization occurs at roughly current active and reserve officer end strength levels.

At higher end-strength levels the grade tables would not accommodate the number of field grade officers authorized under the grade table for the active force and those reflected in the reserve structure.

This provides a good example of what I believe to be the short range approach of S. 1918. General Iosue will provide specific detail on this aspect of S. 1918 in his statement.

DOPMA continues up-or-out as a basic element of officer force management, thus retaining the proven benefits of this system for preventing stagnation, providing incentive and insuring that the most qualified officers are selected for top leadership.

It also updates provisions for constructive service credit to recognize advanced education, training or experience.

These provisions are standardized to insure equity in their application among the services. S. 1918 alters these features of DOPMA. It would allow the continuation of deferred captains to 20 years' service—in essence substituting continued captains for the major authorizations that would be taken away.

S. 1918 also contains uniform constructive service credit provisions but it would not allow us to credit professional preparation short of the doctorate level, thus severely curtailing our ability to attract several groups of needed health professionals.

Let me conclude by a couple of observations, after having given some thought to these matters, and I would appreciate, Mr. Chairman, the inclusion as well of the written statement in my presentation.

The three major features of S. 1918 that seem to me to be of concern here are these: First, and not necessarily in the order of their importance, because they all interrelate and they all impact seriously on the officer force—first, the concern about general officers. The failure to include senior civilians as well as general officers in the calculations by which reductions were made in S. 1918 is inequitable in the sense of management requirements for the services at the top levels.

More importantly, the management of general officers as though that force were somehow no different from the rest of the officer

force, misses the point about the importance of general officers to the armed services.

I can think of no other single inducement for top quality people than the opportunity to achieve the status of general officer rank. It is a special rank; it is one recognized by both the military and civilian communities. It is a lure, more important than virtually any other in my judgment, to getting the very best people in our services brought through the ranks.

It keeps the full colonels, who are our best people, in grade and working hard for the opportunity to succeed to the rank of general officer. And in my judgment in terms of war fighting capability, there is no more important aspect of military management and leadership than the quality of our general officers.

It therefore is, in my judgment, a serious mistake to treat general officer management similar to field grade officer management. The special quality and special inducement offered in general officer status should be treated quite sensitively by the Congress.

The second aspect of S. 1918 that is of concern to me is the sufficiency of the authorizations at the field grade level. Not only has the General Accounting Office validated the requirement system under which the Air Force identifies the spaces to be filled by field grade officers, the House Armed Services Committee itself has praised the management engineering followed by the Air Force.

As a consequence any requirements established by the Air Force are due the respect that valid judgments are ordinarily due. The reduction to the level at which S. 1918 would take field grade authorizations in the Air Force ignores that requirement process and that management engineering analysis that this committee in its full forum and the investigative arm of the Congress have agreed is a good and sensible system.

But more important than—perhaps I shouldn't say more important than, but equally important, at least for current circumstance, as the setting aside of Air Force requirement determinations, is the impact that the reduction in field grade authorizations would have on the career expectation of our junior officers.

General Iosue, in his presentation to follow, will give you each an opportunity to examine for yourselves the problems that we in the Air Force are experiencing regarding our pilot force, at that 6-through 11-year period beyond the terms of initial obligation and before eligibility is lost for leaving for the airlines or whatever other alternative employment opportunities our pilots would have.

Similar to the lure of being promoted to general officer is the opportunity at a high level to be promoted in the service as part of one's career. There is no more significant aspect to stimulate excellent performance on the part of our junior people than the prospect of being promoted to a higher grade and seeking higher responsibility.

To the extent that that opportunity is substantially lessened, as it would be in S. 1918, to that same extent the stimulation and motivation of our young officers is reduced, and not only is their stimulation reduced to perform effectively currently, but as well, their desire to remain in the career is correspondingly reduced.

Finally, and perhaps more important than any other, is my sense that what is important for the Congress to do for the Defense Department and the Air Force in particular is to establish, in the exercise of its profound importance in providing for the Army and the Navy under its constitutional obligation, broad principles of management in a permanent long-term plan so that the views of Congress can be expressed and the establishment of our Army and Navy can be in accord with those views and of the representatives of all of our people.

By contrast, going beyond the establishment of broad principles, and setting forth detailed shortsighted rules that would not provide for the kind of flexible management the services should be able to exercise, can be substantially counterproductive to the performance of the military mission in both peacetime and in war.

The chairman opened this meeting by making reference to the Air Force's special position and experience with regard to having to adjust to the experiments begun in 1954 with OGLA. That is an example of shortsighted legislation. On 10 occasions over the past 26 years, the Air Force has had to come to the Congress. In addition there are restrictions in S. 1918 that narrow the discretion available to our military managers in the area, for example, of constructive credit for our professionals coming into the service.

Finally, a shortsighted, ad hoc management approach disrupts the career expectations of our officer force because they can no longer have certainty as to what they can expect in a career pattern. And in an already uncertain world, yet further uncertainty in career expectations can have a devastating effect.

So in conclusion, I would like to urge this committee to listen carefully to General Iosue's presentation and support the Air Force position which in turn is very appreciative of what this committee has done over the years in its full support of the House version of the Defense Officer Personnel Management Act.

Thank you, Mr. Chairman.

[The following was received for the record:]

WRITTEN STATEMENT OF HON. JOSEPH C. ZENGERLE III

Mr. Chairman, I appreciate this opportunity to appear before the Committee to present the Air Force perspective on the proposed Defense Officer Personnel Management Act (DOPMA). The Air Force fully supports the DOPMA proposal previously approved by the Committee. In my statement today, I will concentrate on the requirement for DOPMA and on the reasons why we do not believe the Senate version (S. 1918) would provide, in contrast to the DOD/House version, the basis for long-term planning and management. I will discuss our concerns with four specific aspects of S. 1918 -- the grade tables contained in S. 1918, the provisions for general and flag officer management, the lack of provisions for an all-regular force and the modification of the up-or-out provision. (For clarity, I will use the term DOPMA when referring to the DOD/House version of DOPMA, and S. 1918 when referring to the Senate version.)

In purpose and in concept, DOPMA is not a complicated proposal. Because it deals comprehensively with a detailed body of law, however, it is of necessity technically complex. The implementation and application of officer personnel management law are also highly technical matters. Because the consequences of technical changes on the officer force can be profound, I think it will be useful for General Iosue, the Air Force Deputy Chief of Staff for Manpower and Personnel, based on his long experience and expertise, to provide you with more specific detail to aid in your deliberation.

As you are aware, DOPMA has been under consideration for a long time. It has been nearly six years since this Committee first received testimony on DOPMA. Indeed, the bill has considerably benefited from the hard work of this Committee and its staff. We greatly appreciate your concern and dedication to this complex legislation, Mr. Chairman.

This Committee has had concerns with certain aspects of DOPMA and these concerns have been incorporated in subsequent legislative proposals. Similarly, Senator Nunn and other members of the Subcommittee on Manpower and Personnel of the Senate Armed Services Committee expressed concerns with DOPMA.

We have not, however, had the opportunity to comment in hearings

on the alternative version of DOPMA passed by the Senate. Indeed, specifics regarding the modifications desired by the Senate were unavailable to us prior to last October when the Senate Bill was reported out of committee. For this reason, General Iosue and I will address the provisions and objectives of S. 1918 in some detail.

OFFICER MANAGEMENT LEGISLATION

The objective of officer personnel management legislation is to establish a long-range plan with sufficiently broad parameters within which the Services can act to meet their requirements for officers in the various grades. These parameters must allow for sufficient career opportunity so that the numbers and kinds of officers required will want to join and remain in the Services. The legislation should provide the Armed Services a system which will meet requirements on a long-term basis over a wide variety of circumstances so that revised Congressional direction is not frequently required and so that commissioned officers can be provided with a reasonably accurate picture of long-run career expectations. The Air Force is convinced that the DOPMA proposal will accomplish these objectives and provide the foundation for effective management over the long haul. DOPMA would build on and update the current law which, in its basic outlines, has served the Air Force and the Nation very well since just after World War II.

In contrast, the S. 1918 alternative contains a number of provisions which would adversely impact on our current structure and on present and future officers. These provisions appear to be based in large part on current inventory distributions, force sizes and structures. This is a problem because the current force reflects the transitory effects of the post-Vietnam drawdown, e.g., year group sizes and numbers of junior officers, rather than what is required to sustain an effective officer force over the long-term. S. 1918 cannot on such a basis provide effectively for long-term planning and management.

The Committee report on S. 1918 suggests that adjustments can be made over the first four or five years of transition under that proposal if we encounter circumstances which prove that the provisions of that bill are inadequate or unworkable. The Air Force is acutely aware of the problems that can follow from such an

approach. The Air Force grade limitations contained in the Officer Grade Limitation Act of 1954 (OGLA) reflected our then-current officer corps inventory, and multiple temporary grade relief measures have been required as a result. Stability, not uncertainty, is conducive to effective force management over the long haul in response to continuing and changing threats. I cannot emphasize too strongly our need for legislation that will provide for effective management of this critical national resource convinced that the DOPMA proposal will accomplish these objectives and provide the foundation for effective management over the long haul. DOPMA would build on and update the current law which, in its basic outlines, has served the Air Force and the Nation very well since just after World War II.

In contrast, the S. 1918 alternative contains a number of provisions which would adversely impact on our current structure and on present and future officers. These provisions appear to be based in large part on current inventory distributions, force sizes and structures. This is a problem because the current force reflects the transitory effects of the post-Vietnam drawdown, e.g., year group sizes and numbers of junior officers, rather than what is required to sustain an effective officer force over the long-term. S. 1918 cannot on such a basis provide effectively for long-term planning and management.

The Committee report on S. 1918 suggests that adjustments can be made over the first four or five years of transition under that proposal if we encounter circumstances which prove that the provisions of that bill are inadequate or unworkable. The Air Force is acutely aware of the problems that can follow from such an approach. The Air Force grade limitations contained in the Officer Grade Limitation Act of 1954 (OGLA) reflected our then-current officer corps inventory, and multiple temporary grade relief measures have been required as a result. Stability, not uncertainty, is conducive to effective force management over the long haul in response to continuing and changing threats. I cannot emphasize too strongly our need for legislation that will provide for effective management of this critical national resource on a systematic, long-term basis.

S. 1918 also contains proposed changes that go beyond grade table adjustments and also negatively affect general officer management, the up-or-out system, retirement rules, and other aspects of officer management.

FIELD GRADE AUTHORIZATIONS

Permanent field grade authorizations for the Air Force represent our number one officer management concern. This concern has now stretched out over more than twenty years. As you know, in enacting the 1954 OGLA, Congress established control over temporary promotions in the military Services by setting limits on the numbers of officers who could serve on active duty in the grades of major/lieutenant commander and above.

In determining the limits for each Service, the Congress specified lower limitations in the grades of colonel and lieutenant colonel for the recently established Air Force than for the Army and Navy. These lower limitations recognized that, at that time, the Air Force had a relatively young officer force in terms of those on active duty. This restriction served to prevent too many young officers from progressing too quickly to senior grades. To illustrate this point, in 1954 only 18 percent of Air Force officers had more than 12 years service, compared to 32 percent for the Army and Navy.

Congress recognized that these limits would have to be revised upwards as the Air Force officer force matured. It subsequently passed temporary grade relief measures on nine occasions, and the tenth relief measure is currently before this session of Congress (H.R. 5168). Today, 39 percent of Air Force officers have more than 12 years' service.

The dependence of the Air Force officer promotion system on these temporary measures is illustrated by the fact that failure to enact the current relief bill (H.R. 5168) prior to the end of this fiscal year would force us to demote 7,236 officers. This would include 172 colonels, 3,532 lieutenant colonels and 3,532 majors.

The S. 1918 alternative to DOPMA includes severe cuts in field grade authorizations for all Services. We would lose over 7,000 authorizations in the grade of major and above as compared to DOPMA and over 12,000 field grade officers would be serving

in a lower grade. These reductions, which would be achieved over a ten-year transition period, would result in authorizations for the Air Force well below the restrictive 1954 OGLA grade tables from which we have been granted periodic relief.

The proponents of S. 1918 claim that its provisions will cut costs while providing a more effective, combat ready force. Our experience and analysis indicate that it would have precisely the opposite effect.

First, the drastic cuts in field grade authorizations would reduce career expectations. We know from careful studies of the effects of career expectations that there is a direct relation between reduced opportunity and lower retention. Moreover, in the aggregate, it will be those with the most initiative, those with the best education and those who are more highly trained who will leave.

The impact of lowered retention is higher procurement levels and a reduction in average experience. Increasing procurement obviously increases accession and training costs. It also increases aggregate requirements as a higher proportion of total resources must be devoted to training. Similarly, flying hours must be increased to experience greater number of rated officers. And finally, of course, as experience levels fall, so does readiness.

Our analysis indicates that our expected manyears per accession would drop from 12 years service to about 10.7 years if S. 1918 were enacted. Department of Defense analysts confirm that S. 1918 would result in a force requiring greater procurement levels and with reduced average service. The Congressional Budget Office in its analysis of S. 1918 concluded that the estimated costs of S. 1918 are very sensitive to retention and that reduced retention under S. 1918 would cause officer costs to increase over the first five years. While in the long run, they suggest that costs would turn to savings, the savings result from a more junior, hence less experienced, force.

The proposed reductions in S. 1918 could not have been more poorly timed because they would severely alter the opportunities and expectations of our young officers during a period when we are experiencing serious difficulties attracting and retaining a highly qualified officer force. This is particularly the case

for officers in critical skill areas such as engineers and pilots. The impact of reduced career expectations would be seriously counterproductive to other efforts to attack these difficulties. Moreover, the effects would be most damaging among those officers with 6 to 11 years of service where our current retention problems are most severe and where the immediate readiness impact is the greatest. General Iosue will provide you with the precise details on these impacts in his presentation.

GENERAL AND FLAG OFFICER MANAGEMENT

Another major concern we have with S.1918 is that it would make significant -- and in our opinion, inappropriate -- changes in the management of general and flag officers. S.1918, for example, includes new tables of flag and general officer authorizations which would substantially alter the distribution of senior managers among the Services.

Flag and general officer strength tables included in S.1918 provide for a total authorization for the four Services in the tables which would fall 170-180 short of the FY 80 authorized level of 1,073 flags and generals. To provide for the full 1,073 authorized by current law, S.1918 provides the Secretary of Defense an additional "bank" of 177 authorizations which he may allocate among the Services.

Because the 177 authorizations are subject to reallocation each year, the "bank" will effectively preclude stable promotion and force management planning by the Services. Further, to build the "bank" the Service flag authorizations are reduced disproportionately: the Air Force by 94 positions; the Army by 65 positions; the Navy by only 12 positions; and the Marine Corps by 6 positions.

We believe these new strength allocation tables fail to consider senior civilian executives. When the senior civilian supergrades and general/flag officers of each are combined, the current ratio of authorized senior executives to each Services's total strength is, in fact, analogous. For example, the Air Force has one executive per 1,344 assigned, the Army one per 1,400 and the Navy/Marine Corps one per 1,307 assigned. As a result, we

believe the general and flag strength tables in S.1918 upset the current balance in senior level executives and are dysfunctional in terms of properly managing this valuable resource.

As we read S. 1918, the Senate appears to believe generals and flags should be managed in the same way that other officers are managed. We do not agree. Generals represent a small and unique resource. The policies and provisions we now employ to manage these 360 officers must necessarily be different than those governing the other 96,000 officers. For example, S. 1918 limits the percentage of below-the-zone promotions allowed for all officer grades through O-8 -- an appropriate rule for colonels and below but not one which should be extended to O-7s and above. Selections to O-7 and O-8 are based exclusively upon potential and valid Air Force general officer requirements. Other provisions of S. 1918 automatically confer tenure upon promotion to O-7 or O-8 without providing the attendant authority to limit such tenure when circumstances warrant. Under S. 1918 O-7s and O-8s would also be required to serve three years in grade in order to retire in the grade in which serving, despite the fact that circumstances could clearly merit waiving the three-year rule.

General Iosue will elaborate on the general officer provisions of S. 1918 and provide some additional illustrative data. I hope you will agree that the provisions affecting flag and general officers should be dropped from S. 1918, or at least altered to permit more flexible management of these critically important officer resources.

OTHER MAJOR PROVISIONS

DOPMA eliminates the complex and confusing dual temporary/permanent promotion systems and replaces it with a single system, providing greater efficiency in administration. It will also be much more understandable to those affected by it. DOPMA also provides an all-Regular career force, thus eliminating the inequities attendant to two groups of career officers with different tenure guarantees, varying rules for permanent promotion, and separate provisions with respect to retirement grade and compensation.

S. 1918 also provides for a single promotion system, but it

does not include the all-Regular career force provision. The Senate Report on S. 1918 argues that the Secretary of Defense should have the authority to recall experienced Reserve officers when needed even if they have over 11 years of active service. The report maintains that there would be sufficient numbers of Regular authorizations to achieve an all-Regular career force through management actions.

We believe that the all-Regular concept should be firmly established in law to prevent unjustified differences in legal status and perceptions of inequity. We would not object to discretionary authority to recall Reservists to meet specific needs, but we believe that this should be authorized only as a specific exception to the general provision in law for an all-Regular force.

An important advance in the DOPMA proposal is that Reserve officers ordered to active duty in time of war or national emergency would be excluded from the ceilings on the total numbers of officers on active duty and in the various grades. This exclusion would continue until six months after the end of the emergency. This will facilitate the efficient and equitable integration of mobilized Reserve forces.

Under DOPMA, Reserve officers would continue to compete for Reserve component promotions under Reserve promotion laws to avoid forcing them to compete for promotion with active duty officers, who would almost certainly be more competitive for promotion. S.1918 rejects this advance on the grounds that DOPMA would not ensure that the best-qualified officers are selected for command and, thus, would not work effectively in war. This argument confuses selection for promotion with selection for command. I am convinced that the DOPMA proposal will maintain equity for mobilized Reserve officers, while providing the most effective promotion system during mobilization.

The alternative approach of S.1918 includes the mobilized Reserves in the grade tables. This accommodation is only feasible, however, if we assume mobilization occurs at roughly current active and Reserve officer end-strength levels. At higher end-strength levels the grade tables would not accommodate the number of field grade officers authorized under the grade table for the active force and those reflected in the Reserve structure. This provides a good example of what I believe

to be the short-range approach of S.1918. General Iosue will provide specific detail on this aspect of the S.1918 approach in his statement.

DOPMA continues up-or-out as a basic element of officer force management, thus retaining the proven benefits of this system for preventing stagnation, providing incentive, and ensuring that the most-qualified officers are selected for top leadership. It also updates provisions for constructive service credit to recognize advanced education, training, or experience. These provisions are standardized to insure equity in their application among the Services. S. 1918 alters these features of DOPMA. It would allow the continuation of deferred captains to 20 years' service -- in essence substituting continued captains for the major authorizations that would be taken away. S. 1918 also contains uniform constructive service credit provisions but it would not allow us to credit professional preparation short of the doctorate level, thus severely curtailing our ability to attract several groups of needed health professionals.

CONCLUSION

In summary, the Air Force supports DOPMA. It is landmark legislation which will update existing officer management legislation and provide a more efficient and easily understood career progression pattern. It meets the principal objective of officer personnel management legislation by providing the framework for long-term management of the officer force under a wide variety of circumstances. Of particular importance to the Air Force is the permanent authorization in law of adequate numbers of field grade officers for the Air Force. This will replace the long series of temporary grade relief measures the Air Force and the Congress have lived with over the past twenty years.

It is strong testimony to the essential soundness of this bill that the Services all continue to support its passage seven years after the DOPMA working group completed its task. Through the enactment of the DOPMA proposal, a sound foundation will be

established for the shared management of this Nation's commissioned officer force by the Congress, the President, and the Department of Defense over the long range.

Finally, I want to emphasize that I have carefully examined this legislation since coming to the Department of the Air Force earlier this year. I am personally convinced that it is needed and desirable. It does not depart radically from existing law, but it will definitely update statutory authorities in line with the realities of contemporary national defense requirements.

DOPMA provides an officer management system which will meet our requirements and provide the career expectations needed to attract and retain quality personnel. This is critical, for in the final analysis it is quality personnel that is largely responsible for our combat capability. And it is this combat capability which is vital to national survival and to our capacity to serve as a defender of other nations.

Mr. Chairman, I appreciate the opportunity to present these remarks concerning this important legislation. That concludes my prepared statement. With your permission, General Iosue will provide additional details on the Senate alternative and its impacts on our people and our readiness. We will then be happy to answer your questions.

Mr. NICHOLS. Thank you, Mr. Secretary, for your very excellent presentation. We will hold our questions, if it is agreeable with you, until after General Iosue makes his presentation.

I understand you have some charts.

STATEMENT OF LT. GEN. ANDREW P. IOSUE, DEPUTY CHIEF OF STAFF FOR MANPOWER AND PERSONNEL, DEPARTMENT OF THE AIR FORCE

General IOSUE. Yes, sir, I do. I have a statement. I won't read that statement. I will submit it for the record. I, too, appreciate the opportunity to be here this morning.

[The following was received for the record:]

OUTLINE OF STATEMENT OF LT. GEN. ANDREW P. IOSUE, USAF

DOPMA and S. 1918 represent completely different, irreconcilable approaches.

FIELD GRADE AUTHORIZATIONS

S. 1918 would take Air Force well below 1954 authorizations from which Congress has provided relief 9 times.

S. 1918 would cut colonels by 30 percent; 23 percent below restrictive 1954 authorizations: In 1954 only 8 percent of Air Force officers had over 12 years' service compared to 39 percent today; and it would reduce opportunity of new officer to make colonel from 18 in 100 to 11 in 100.

S. 1918 would cut over 2,500 lieutenant colonels; combined with cut in colonels, over 3,700 of these officers would fill existing positions but serve in a lower grade.

S. 1918 would cut 1 in 5 majors; combined with cuts in colonels and lieutenant colonels, approximately 7,000 offices would serve in a lower grade.

Total field grade cuts 21 percent; but due to "waterfall effect" 36 percent of all field grade officers would be reduced; 12,079 would serve in a lower grade.

Reduction in field grade authorizations would require (1) a reduction in promotion opportunity or (2) a later promotion point.

Reducing opportunity would hurt retention in most.

So Air Force would retain current opportunity and promote later.

Would make promotion to major—already later than DOPMA objective—3 years later yet.

Promotion to lieutenant colonel and colonel would also be later by 1½ to 2 years. Expect a resulting drop in retention of up to 33 percent, based on empirical study by Rand.

Air Force is concerned regarding the capabilities of those who would stay versus those who would leave or who wouldn't join.

Grade reductions also cuts pay, but savings in pay are inconsequential beside cost in loss of experience. It costs \$8 million to replace one experienced F-15 pilot.

S. 1918 authorizations would meet only 71 percent of validated requirements: Requirements validation begins with threat assessment; GAO affirmed soundness of process.

Bottomline: Air Force needs the grade authorizations in DOPMA: To meet validated requirements; to provide reasonable career expectations; S. 1918 would cut retention and consequently combat readiness.

GENERAL OFFICERS

Air Force feels this issue should be handled separately.

S. 1918 would impose inequitable cuts on Air Force:

Air Force general officer strength went up 1½ percent for Southeast Asia buildup, dropped 17½ percent after SEA.

Air Force has lost 15 percent of its billets for generals over last 20 years compared to 12 percent DOD wide.

Comparing total senior executives (generals and senior civilians) current allocation is about right: Air Force has 1 senior exec for 1,344 people; Army has 1 senior exec for 1,400 people; Navy has 1 senior exec for 1,163 people; Marine Corps has 1 senior exec for 2,690 people; total DOD has 1 senior exec for 1,352 people.

S. 1918 also provides SecDef a "bank" of 177: Precludes stable promotion management.

S. 1918 tenure rules don't provide Services necessary performance check.

S. 1918 transition provisions are inequitable and unworkable.

S. 1918 promotion rules won't work.

Bottomline: Reconsider decision to reduce generals and to include flag officer provisions in DOPMA.

OTHER DOPMA PROVISIONS

Straightforward, single promotion system a major improvement.

All regular career force provides same rules for all career officers, prevents inequity and unjustified differences between regulars and reserves.

Quality check of up-or-out is necessary to prevent stagnation, instill incentive, and insure best possible Air Force leadership; Air Force doesn't object to the continuation of captains when necessary (as proposed in S. 1918)—but S. 1918 combines this proposal with severe field grade cuts; S. 1918 continues captains so they can serve in major's billets.

OTHER PROVISIONS OF S. 1918

DOPMA is an integrated system; S. 1918 would replace or modify many of DOPMA's carefully interrelated provisions, thus creating problems—examples:

S. 1918 mandates a selection board for promotion to first lieutenant: This is impractical, inefficient and expensive since there is only a slim record for review by a central board, a decentralized system based on the local commander's recommendation—as is now the case—is much better.

S. 1918 would result in later promotion to first lieutenant and captain: 3 months to first lieutenant and 1 year later to captain, this would move the captain promotion point 1 year beyond the end of the active service obligation for nonrated officers and thus hurt retention.

DOD DOPMA excludes mobilized reserve officers from the grade tables and continues the reserve promotion system after mobilization.

S. 1918 creates administrative havoc by mandating that reserves be included in the active duty promotion system; and by changing the logic of the grade tables to accomodate mobilized reserve officers, result is that sliding scale principle is reversed in peacetime and would work during mobilization only over a relatively narrow range of beginning active duty strength—another example of the shortrange approach of S. 1918.

SUMMARY

Bottom line of S. 1918 impact would be lower retention, higher turnover, reduced experience, decreased readiness and higher costs—just the opposite of results desired by the Senate.

CONCLUSION

Air Force supports DOD DOPMA: The Nation cannot afford to gamble on S. 1918, loss of just 14 experienced F-15 pilots would offset most optimistic annual savings from S. 1918.

Mr. NICHOLS. Fine. General, let me say, I think the subcommittee would be very interested in your experience. We need some facts when we go to the Senate if we are to pass this bill.

General IOSUE. I think I can provide some of those facts for you this morning.

Mr. NICHOLS. That is the aspect I hope you will bear in on.

General IOSUE. I have provided a copy of the briefing charts so you can follow and I will be happy to answer any questions you have as we progress. As the Secretary has mentioned, I hope to provide you vivid facts as to the impact of the implementation of S. 1918. [Chart 1.] In essence, it reduces 6,900 authorizations for the U.S. Air Force in each of the categories shown here. But I don't think you realize the full effect of the impact of the bill.

REDUCES GRADE AUTHORIZATIONS

GRADE	S. 1918	AUTHORIZATIONS LOST	OFFICERS SERVING IN LOWER GRADE
COL	-30%	-1,365	-1,365
LTC	-25%	-2,392	-3,757
MAJ	-20%	-3,200	-6,957
		-6,957	-12,079

ASSERTION

- GRADE STRUCTURE UNFOUNDED

- "THE NUMBER OF COLONEL... POSITIONS PROVIDED... IS ABOUT THREE TIMES THE NUMBER OF COMMAND BILLETS"

FACT

- GRADE TABLES LESS THAN REQUIREMENTS
- GAO REPORT:
"CONSISTENT, REASONABLE, LOGICAL"
- 75% OF OUR COLONEL BILLETS ARE COMMAND OR EQUIVALENT
- ALL FIELD GRADE AUTHORIZATIONS ARE POSITIONS OF SIGNIFICANT RESPONSIBILITY

CHART 1

What it actually does is provide 12,000 less promotion opportunities for our people. The overall effect of 1,300 less colonels who now

must serve as lieutenant colonels and of the lieutenant colonels who serve as majors totals some 12,000 less promotion opportunities.

The assertion is made that the grade structure is unfounded. As the Secretary expressed, our grade tables are less than required. They are 90 percent of our requirements now and the GAO in 1975 provided a report to this committee stating that our grade tables were consistent, reasonable, and logical.

The assertion is also made that the number of colonel positions provided is about three times the number of command billets. Seventy-five percent of our colonel billets are command or command equivalents. The other positions are positions of significant responsibility.

For example, a colonel assigned to the Tactical Air Command as a division chief in supply is responsible for 4,000 people and assets of over \$1 million. Another colonel assigned to the MAC staff has 40 people working for him, 79,000 war reserve items under his control, and \$50 million in assets. A major assigned to the Warner Robins Air Logistics Center awards 2,000 contracts annually valued at over \$60 million. Surely you agree with me that they are positions of significant responsibility.

Mr. NICHOLS. General, before you move off that chart, let me say, I think the committee should ask any questions that they might wish on the charts as the general goes through.

Are you telling us that you are going to actually be forced to demote any colonels or majors back to—

General IOSUE. Sir, the transition to S. 1918 allows us to bring those grades down without demotion over that period.

Mr. NICHOLS. So you are not going to take any eagle off anybody's shoulder?

General IOSUE. That is true, sir. I am saying that when the bill is fully implemented, we will have 12,000 less field grade authorizations and those colonels would now be serving as lieutenant colonels and majors.

Mr. NICHOLS. Which means that they are going to have to serve considerably longer in grade. Promotions won't come as fast.

General IOSUE. Promotions will not come as fast.

Mr. MITCHELL. Thank you, Mr. Chairman.

General, we are going to lose 12,000 promotion possibilities. How many do we have now? Or if we have lost 6,000 authorizations, 6,000 out of how many?

General IOSUE. Field grade authorizations—

Mr. MITCHELL. Just a percentage figure.

General IOSUE. 34,000 total authorizations.

Mr. MITCHELL. About 16 percent, then?

General IOSUE. Yes. The promotion opportunity that we now operate under runs about 90 percent. The House bill gives us essentially the same promotion opportunity to major, 75 percent to lieutenant colonel, and 50 percent to colonel. Under S. 1918 you see we have a 25 percent to a 10-percent reduction, depending on the grade being considered, major, lieutenant colonel or colonel. [Chart 2.]

If you reduce career expectations, you are going to lower your retention rates. The Rand study, which I believe was completed in

1977-78, indicated that we would have a 33-percent decrease in retention in the event those authorization tables were implemented. [Chart 3.]

Mr. NICHOLS. When was that study made?

General IOSUE. 1977.

Mr. NICHOLS. Were these figures floating around 3 years ago?

General IOSUE. Yes, sir, since 1977.

Mr. NICHOLS. And the study they made was actually based on projections contained in the Senate bill?

General IOSUE. Not a specific Senate bill, but they stated, given that degree that the opportunity decreased, that we would experience a 33-percent decrease in retention.

Mr. MITCHELL. What is our present retention rate?

General IOSUE. I am going to show that, sir, for pilots and engineers.

Mr. MITCHELL. Thirty-three percent of what, it would be interesting to know.

General IOSUE. Vital resources, pilots, engineers, et cetera. We don't have time to go into all these, but I will talk specifically about pilots and engineers.

REDUCED AUTHORIZATIONS
RESULT IN
REDUCED PROMOTIONS/CAREER EXPECTATIONS

<u>GRADE</u>	<u>PROMOTION OPPORTUNITY</u>		
	<u>CURRENT</u>	<u>HOUSE</u>	<u>SENATE</u>
MAJ	90%	90%	65-70%
LTC	75%	75%	65-70%
COL	50%	50%	40-45%

CHART 2

REDUCED CAREER EXPECTATIONS
RESULT IN
LOWER RETENTION RATES

- RAND STUDY - 33% DECREASE IN RETENTION AT END OF INITIAL OBLIGATION
- VITAL RESOURCES
 - PILOTS
 - ENGINEERS/SCIENTISTS
 - AIRCRAFT MAINTENANCE
 - COMMUNICATIONS-ELECTRONICS

CHART 3

This shows our pilot requirement. As you can see, we had 27,000 requirements post-Southeast Asia as a result of transferring many of our responsibilities to the Guard and Reserve. That requirement decreased to about 23,000 or 24,000. Our inventory was greater than the requirement because of that transfer and because we were enjoying a high retention rate at that time.

In 1978-79 we began to see a decrease in retention to the point where we projected a shortage of some 2,000 pilots at the end of fiscal 1980 and upward to some 3,400 if our loss rates continue. So at the end of 1982 we will be short some 3,400 pilots. [Chart 4.]

Mr. MITCHELL. If this version passed, you would lose one-third more than you are losing now; right?

General IOSUE. I will show it on the next chart.

Mr. NICHOLS. Let's go over here to the 1980 year, that is what we are in now. You show a significant shortfall already, even before implementation of the Senate bill.

General IOSUE. Yes, sir, that is true. We are projecting a 2,000 pilot shortfall by the end of this fiscal year.

Mr. NICHOLS. That is 3 or 4 months down the pike.

General IOSUE. Yes, sir.

Let me show you the specific loss rates and then you can apply the decreased retention to that. We take each year, and this is the 6- through 11-year group, with the loss rate we project by weapons system category. The Air Force objective has been to retain 56 out of 100 pilots who enter the sixth year group. We were pretty well on target through 1975 and 1977. We were retaining 48 out of 100 pilots, with a loss of some 52 out of 100 in 1977. You can see the dramatic drop in retention in 1978-79 to the point where we are now. Given the loss rates we are experiencing, we are retaining 26 out of 100 pilots, and these are the loss rates by weapons system category. [Chart 5.]

So now you can apply the Rand study to those statistics and see what added loss in retention we would incur.

Mr. MITCHELL. So we would go—we retain 26 percent now, so we would retain one-third less?

General IOSUE. One-third less than that, so you would retain 14, 15 pilots out of 100, as they enter the 6th year and complete their service obligation after flying school, through the 11th year.

Mr. MITCHELL. What is the cost of training a fighter pilot?

General IOSUE. I will show you that.

Mr. MITCHELL. I keep asking questions at the wrong time

Mr. NICHOLS. General, your retention in the 1979 year, as I interpret it, is worse in the Strategic Airlift. You show only about 17 percent of those are staying, compared with the fighter groups where you are keeping about 36 percent.

Could I assume that the pilots of C-130's, would more apt to be attracted into the Air Force than flying a Pan Am plane?

General IOSUE. There are many reasons. The airlines hire fighter pilots also, and there are many reasons why we have a difference. It is mainly the difference in the mission, the difference in assignment, the difference in the nature of work they do.

For example, in the Strategic Air Command you have the onerous aspect of serving on alert, which means family separation. Perhaps 1 or 2 weeks out of the month they have to serve in an

alert shack. That causes them to leave. There are various aspects of their jobs that result in different retention rates.

Mr. NICHOLS. It is not necessarily promotion, policy, opportunities, in the civilian sector?

General IOSUE. No. I will show you why the pilots leave on the next chart.

To show you the numbers here, these are the losses that we experience by year. In fiscal year 1978, some 2,300; 3,000 in 1979, and an estimated 2,300 in 1980. Over this period we have lost close to 8,000 pilots. More significant are those pilot losses within the 6- to 11-year group—1,350 in fiscal year 1978; 1,850 in fiscal year 1979 and an estimated 1,500 6- to 11-year group pilot losses out of 2,300 overall in fiscal year 1980. And those are the pilots, I submit, who are looking at promotion opportunities, those are the pilots with experience, those are the pilots with Southeast Asia combat experience. [Chart 6.]

Why do they leave? There are many reasons. There is no one reason, but these are the most common reasons given why pilots leave the U.S. Air Force. And they are not necessarily in the order that they submit as reasons for leaving. [Chart 7.]

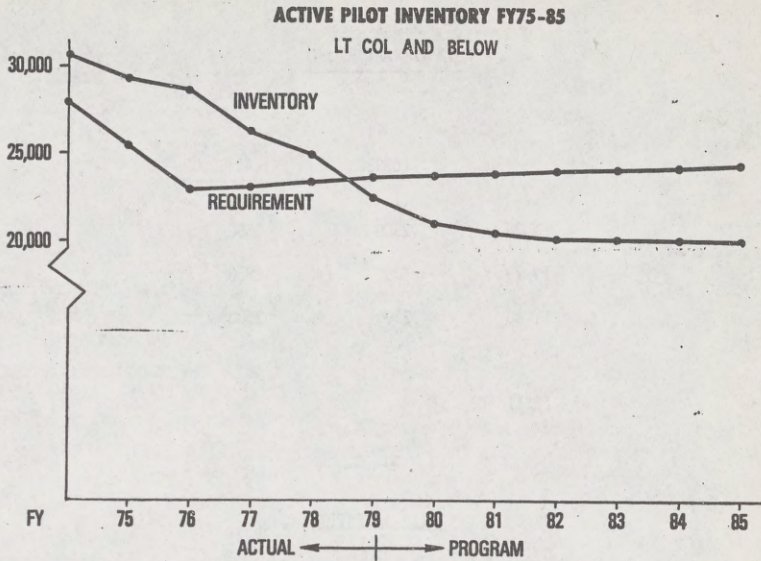


CHART 4

AIR FORCE PILOT SEPARATION RATES

6TH THROUGH 11TH YEAR

WEAPONS SYSTEM CATEGORY	1975	1977	1979
STRAT AIRLIFT	68%	71%	83%
TRAINER	44%	55%	84%
TANKER	61%	56%	79%
BOMBER	46%	38%	67%
FIGHTER	27%	35%	64%
TOTAL	48%	52%	74%

OBJECTIVE: 44%

CHART 5

PILOT LOSSES
(LT COL AND BELOW)

	<u>LOSSES</u>	<u>IN 6 - 11 YEAR GROUP</u>
FY 78	2300	1350
FY 79	3000	1850
FY 80	2300*	1500* -

*ESTIMATE

CHART 6

PILOT RETENTION

WHY PILOTS LEAVE

- PROMOTION OPPORTUNITY
- PAY AND COMPENSATION
- CIVILIAN JOB ATTRACTION

- AF ASSIGNMENTS

- LEADERSHIP

AF INITIATIVES

- INCREASED OPPORTUNITY
- PROPOSED FLIGHT PAY INCREASE
- INCREASED ATTRACTIVENESS OF AF JOBS
 - REDUCED ADDITIONAL DUTIES
 - OPPORTUNITY TO ACHIEVE
 - RECOGNITION
- INCREASED PERSONAL PARTICIPATION IN REASSIGNMENTS
 - ASSIGNMENT INFO. DIRECTORY
- DECENTRALIZED DECISION-MAKING

CHART 7

Mr. MITCHELL. Have you ever tried to quantify the reasons why most of them leave? Do you assign any sort of numerical—

General IOSUE. The reasons are mutual. There are a number of reasons. There is no one single reason, and in many cases you seem to get a different answer from every one that you ask who has a date of separation, or who has left the Air Force. We continue to do that in an effort to find out what is pushing them out of the Air Force so we can turn the loss rate around, but these are the most common:

Promotion opportunities, or lack thereof. Pay and compensation, you can see the corrective action. We have a 25-percent flight pay increase in the amendment to H.R. 5168 and another piece of legislation at OMB that calls for a 50-percent increase in flight pay. Civilian job attraction, that is the airlines, about 75 percent of airline hirings are of those who have military experience.

Assignment system. Concerns are with the fact it often means family separation or a remote tour. Also involved are the nature of the assignments and leadership, the fact they don't have enough to say in their future and in the decisionmaking process. You must note that lack of promotion opportunities is one of the main reasons given. As a result, we did increase the promotion opportunity from 80 to 90 percent for major and for lieutenant colonel, from 70 to 75 percent, and it is beginning to pay off.

The Secretary mentioned that S. 1918 could not be more ill timed for I have the sensation, and it is guarded optimism, but I feel we are beginning to turn the corner. For example, dates of separation withdrawals are up. Last year during all of 1979 we had 250. We estimate that we will get 500 dates of separation withdrawals this year. These are pilots who have established a date on which they are going to leave the Air Force and now have withdrawn their statement and are going to stay. Others have extended their date of separation. They will extend 6 months, a year, 2 years. We begin to see the rates turn around. 1979, as you recall, was the bottom rate for all weapons systems. This now has turned slightly to where we are retaining 29 out of 100, given our loss rate projections. [Chart 8.]

Mr. NICHOLS. General, have you thought that people might be staying because we are in a slight recession and that jobs are not as plentiful on the outside?

General IOSUE. There are many factors. Yes, sir, that is possible.

Mr. NICHOLS. I don't want to put a pin in your balloon.

General IOSUE. No, but there are also things we have done internally. The push factors we have tried to correct. The pull factor is diminishing with the economy and with the slowdown in airline hiring. I would not state otherwise. There is a slowdown, and it certainly has helped us out. But I would submit that the promotion opportunities, some of the things we have done internally have helped our retention efforts.

Engineer retention has dropped 5 percent since fiscal year 1977. We are now short some 1,200. We have 9,000 authorizations, we are 1,200 short of those authorizations. The Commander of Air force Systems Command, General Slay, who is responsible for 75 percent of the engineers, states that, outside of pay, promotion opportunity,

career expectation is probably the most important factor in retention. [Chart 9.]

We conducted a survey and the survey had a number of questions and it said, "What would you do as far as your career expectations go, if we implemented S. 1918?" And I think we have a pretty good cross section of the Air Force. We had 1,055 captains and majors, some 33 percent pilots, 13 percent navigators, 10 percent engineers, and 44 percent others. Most are in year groups five to 15 and are captains and majors. [Chart 10.]

We asked what were their current career expectations. Eighty-seven percent said they were definitely going to spend their career in the U.S. Air Force or were inclined toward a career in the U.S. Air Force. But if S. 1918 passes, 88 percent were inclined to go noncareer, 79 percent would not recommend the Air Force as a career, and 59 percent felt that an increase in pay or compensation would not offset the loss of promotion opportunity.

EFFECT OF PILOT RETENTION EFFORTSFY80

- DOS WITHDRAWALS UP
- EXTENSIONS UP
- LOSS RATES DOWN SLIGHTLY

<u>FY77</u>	<u>FY78</u>	<u>FY79</u>	<u>MAR 80</u>
52%	62%	74%	71%

S. 1918 COULD NOT BE MORE POORLY TIMED

CHART 8

ENGINEER RETENTION

- RETENTION DROPPING
 - DOWN 5% FROM FY 77
- SHORT 1200
 - MORE SHORTAGES IN FUTURE
- GEN SLAY (COMMANDER, SYSTEMS COMMAND)
 - "THE SINGLE MOST IMPORTANT FACTOR, OTHER THAN PAY, IN IMPROVING RETENTION OF ENGINEERS IS TO IMPROVE PROMOTION OPPORTUNITY?"

CHART 9

DOPMA SURVEY

- 1055 CAPTAINS AND MAJORS
 - 33% PILOTS
 - 13% NAVIGATORS
 - 10% ENGINEERS
 - 44% OTHER
- YEAR GROUPS 5 - 15
- CAREER INCLINED - 87%
- IF S.1918 PASSES -
 - 88% INCLINED TO NON-CAREER
 - 79% DEFINITELY/PROBABLY NOT RECOMMEND AIR FORCE AS CAREER
 - 59% FEEL THAT INCREASED PAY ALONE WOULD NOT COMPENSATE FOR LOST RESPONSIBILITY AND RECOGNITION ASSOCIATED WITH PROMOTION

CHART 10AIR FORCE OFFICERS HAVE AN ALTERNATIVE

- 87% OF ALL OFFICERS WORK IN SKILLS DIRECTLY TRANSFERABLE
- 40% OF LINE OFFICERS HAVE MASTERS DEGREE OR HIGHER
- 75% OF AIRLINE HIRING COMES FROM MILITARY PILOTS
- QUALITY:
 - OTS - AVERAGE G.P.A. = 2.9/30% GRADUATED FROM COLLEGE WITH HONORS
 - ROTC - AY 80-81 SCHOLARSHIP DESIGNEES (2350) RANK IN 96TH PERCENTILE OF HIGH SCHOOL GRADUATES (COLLEGE BOARDS)
 - ACADEMY - AVERAGE APPOINTEE GRADUATED IN TOP 7% OF H.S.
 - 10% GRADUATED NUMBER ONE
 - AVERAGE OF ALL APPOINTEES ABOUT 95TH PERCENTILE

CHART 11

I have that survey available for your review. That was done just recently with some 1,055 captains and majors.

Now, the problem we face in the U.S. Air Force is that most of our officers have an alternative to service. Eighty-seven percent of our officers, over the 250 skills in which officers serve, have comparability in the civilian economy. We are directly transferable. Forty percent have Masters degrees or above. Seventy-five percent of airline hiring comes from military pilots, and look at the quality. The grade point average of officer training school graduates is 2.9 percent. Thirty percent graduated with honors. Academic year 1980 ROTC scholarship designees (2,350) rank in the 96th percentile of high school graduates on the college boards. And at the Academy, the average appointee graduates in the top 7 percent of the high school class—10 percent graduated No. 1 in the class. We do have the quality and they do have alternatives. [Chart 11.]

The bottom line is that reduced grade authorizations mean reduced career expectations and reduced retention which is going to increase the turnover. Obviously, we would have to procure more officers, and we have seen that with the reduced retention in the last years. And, obviously, the cost would go up. We would also have decreased experience, we would lose high quality, and our readiness combat capability would be affected. [Chart 12.]

I want to show you the cost. It has been stated that assuming there is no change in retention, that the Senate proposal would save \$541 million in 5 years. I submit to you that given the reduced authorization tables and a decrease in retention, I can show that the loss of 14 F-15 pilots per year would cost us \$581 million in replacement cost. [Chart 13.]

Accessions, their initial flying school training, combat training, and 6½ years of flying experience with fuel cost and the cost per flying hour and their salaries thrown in, we would lose that if we lose 14 F-15 pilots per year.

In response to your question, what does it cost to train a pilot, it varies. For a C-5 pilot to KC-135, the average is one-half million dollars to train a pilot to combat-ready status.

Mr. MITCHELL. Do you have another number that would project the total cost of loss of experience if the Senate version were to go through? You have said by losing 14 F-15 pilots you have a wash in costs, but you are going to lose more than that, are you not?

General IOSUE. I am trying to show you are not saving money with S. 1918 because you wipe it out with a small loss in retention.

Mr. MITCHELL. Can you make a stronger case by projecting the losses and show it will cost us many hundreds of millions of dollars if S. 1918 passes?

General IOSUE. I would take the Rand study and apply the 33-percent retention decrease and apply that to what our loss figures are now and come up with the figure in replacement cost.

Mr. MITCHELL. Just pilots alone?

General IOSUE. I can provide that for the record.

[The following information was received for the record:]

COST OF S. 1918

Using our objective officer force structure as a baseline, and applying the 33 percent decrease in retention, there would be an additional loss of over 600 pilots and navigators per year. This represents an annual loss of approximately \$2 billion

in previous investments (accession costs, initial training costs, and flying time) as well as the departure of individuals who are at their peak in terms of flying experience and combat capability. To numerically replace these losses, as well as their non-rated counterparts, with new, inexperienced officers, would require the annual expenditure of over \$260 million per year, or \$1.3 billion in 5 years. There is no practical way to recover the lost experience—the Air Force would simply have to do without it. In addition, this does not include any additional expenses associated with opening new training bases which could well be required depending on the magnitude of the training increase.

Mr. MITCHELL. Thank you, General.

General IOSUE. Passage of S. 1918, in my judgment, will do irreversible damage to the United States Air Force. I support the DOD proposal or status quo.

That concludes my briefing.

THE BOTTOM LINE

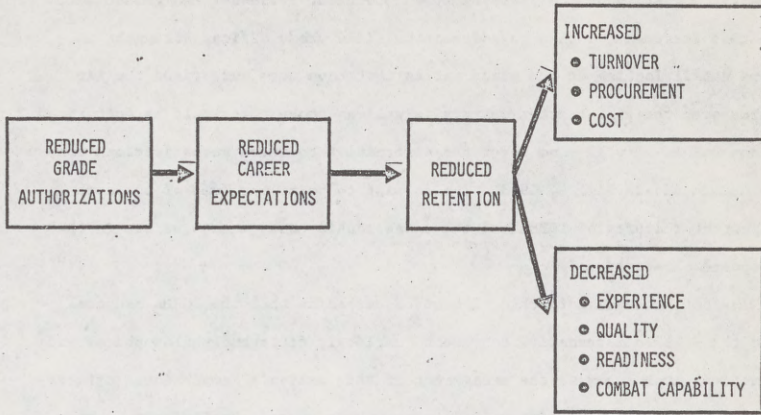


CHART 12

IS S.1918 COST EFFECTIVE?

TOTAL DOD
SAVINGS IN
FIRST 5 YEARS*
\$541 MILLION

WIPED OUT BY
SEPARATION OF
14 F-15 PILOTS/YEAR
\$581 MILLION

* ASSUMING NO CHANGE IN RETENTION

CHART 13

WRITTEN STATEMENT OF LT. GEN. ANDREW P. IOSUE

Mr Chairman and members of the Committee, I greatly appreciate the opportunity to testify on the proposed Defense Officer Personnel Management Act. In this statement, I plan to address the field grade officer strengths in some detail looking at the grade tables that have been authorized the Air Force over the past quarter century as well as those that would be authorized under DOPMA. I will also cover the alternative to these authorizations contained in Senate Bill S. 1918. I also want to point out some of the more important features of DOPMA and the catastrophic consequences we see in the proposed alternative.

Before proceeding further, I want to emphasize that the DOPMA proposal and the S. 1918 alternative represent completely different philosophical and practical approaches to the management of this nation's commissioned officer force. This basic conflict will -- as you have stated, Mr Chairman -- make any reconciliation of the two proposals difficult. In my view, they are irreconcilable.

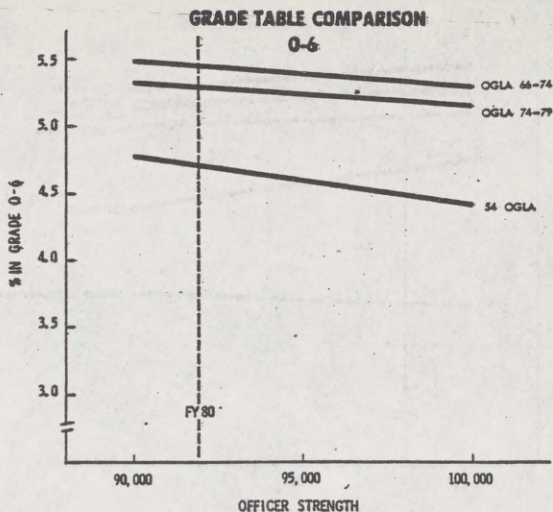
I do not mean that DOPMA can't be improved. It has been improved through the work of this Committee, the Department of Defense, and the Services. But many of the provisions of S. 1918 -- including the structure of the grade tables -- stem from fundamentally different assumptions and premises.

In S.1918, young officers perceive a lack of confidence in them and a lack of commitment by our nation's leaders. Many of our finest people -- the backbone of our combat capability -- will react adversely. The potential loss of experience and talent -- and commitment -- under the best of circumstances would not be recovered for the next decade.

FIELD GRADE AUTHORIZATIONS

As Secretary Zengerle pointed out, the field grade authorizations contained in S. 1918 are well below the restrictive 1954 Air Force grade tables from which we have needed -- and obtained -- substantial continuing relief. The following charts provide some historical perspective to our field grade authorizations and illustrate the depth of the reductions proposed in S. 1918.

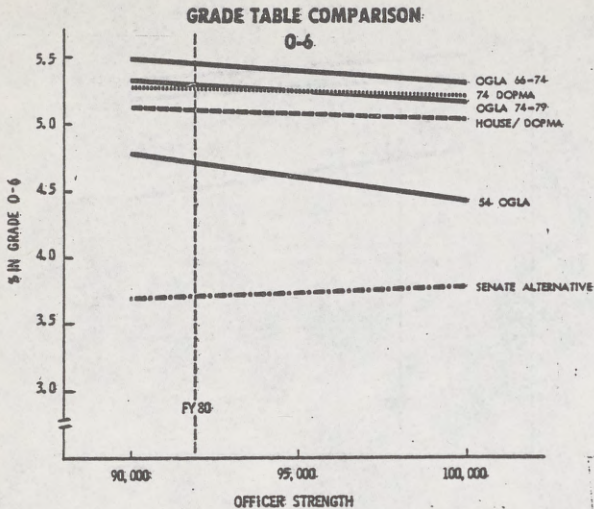
The charts depict the relationship between the OGLA and DOPMA grade tables in the 90,000 to 100,000 officer strength range -- we are in the 92,000 range today -- and show the percent of field grade officers authorized as total officer strength varies. This first chart makes these comparisons for Air Force authorizations in the grade of colonel.



The three solid lines represent the historical OGLA authorizations. The lowest is the original 1954 OGLA. This limit was intentionally placed well below the Army and Navy level because we had a young officer force. As Mr Zengerle pointed out, we had only about 18% of our officers with more than 12 years service in 1954 -- the Army and Navy had about 32% in that year.

Between 1959 and 1966, Air Force grade relief was provided with specific additive numbers of field grade authorizations. In 1966, we proposed entirely new grade table authorizations for the Air Force which would provide parity with the Army and Navy. They were approved, but still on a temporary basis. The top line of the chart shows the authorizations for colonel between 1966 and 1974. In 1974, colonel and lieutenant colonel authorizations were again temporarily extended, but were reduced -- by 3% for colonel as illustrated on the chart by the "OGLA 74-79" line, and by 2% for lieutenant colonel.

The dash lines show the proposed DOPMA authorizations for colonels. The "74 DOPMA" line is the one that was originally proposed by DOD. This was reduced by 3% with the passage of DOPMA in the House of Representatives in the 94th Congress. Subsequent DOD proposals have maintained this reduced level. The bottom line is the authorization level in S. 1918. The degree of this cut can be seen at the 90,000 strength level where the authorizations proposed in S. 1918 would take the United States Air Force 23% below the restrictive 1954 OGLA.

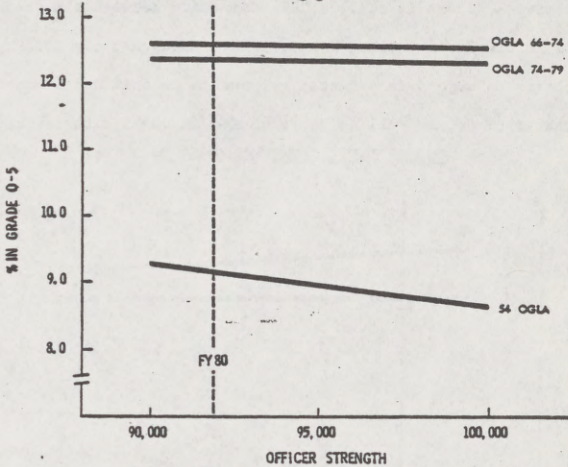


In 1954 only 18% of our officers had over 12 years' service -- now we have 39% of our officers beyond the 12th year of service. If we were to retain the DOPMA phase points and reduce promotion opportunity to reach the S. 1918 limits, the current expectancy -- in which 18 of 100 lieutenants reach the grade of colonel -- would be reduced to 11 of 100 -- about a 40% reduction. I can't help but wonder how Congress could acknowledge our need and grant grade relief nine times and then have S. 1918 recommend imposing a 23% cut to the 1954 authorization -- and at a time when we are experiencing retention problems, a time of heightening world tensions when we need above all to strengthen our military capability. At such a time, can we really afford to cut about one out of every four colonels?

There is one other feature of S. 1918 which we need to understand here. Each of the authorization lines -- except S. 1918 -- illustrates the "sliding scale" feature which provides proportionately smaller field grade authorizations as total strength increases and vice versa. The S. 1918 proposal would reverse the sliding scale principle in this 90,000 to 100,000 officer strength range so that as strength increases, the proportion of the officer force in the field grades also increases. We have been told that this feature is designed to accommodate the mobilization of Reserve forces in future emergencies. This is a specific example of the divergent philosophy of S. 1918 and what we believe to be the short-range perspective of that proposal. I will talk more about this point when I discuss the DOPMA provisions for accommodating the mobilized Reserve with the active duty forces.

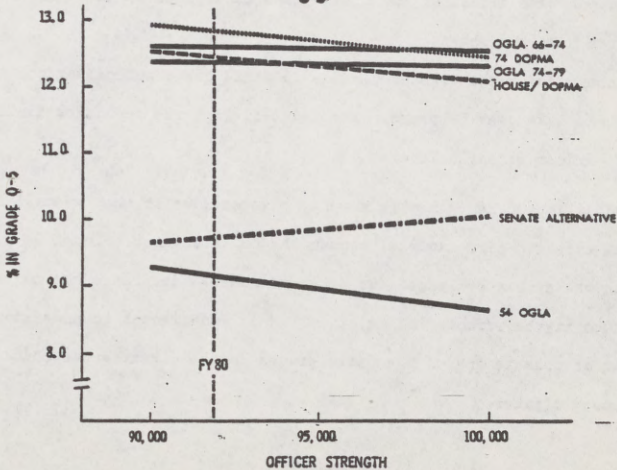
The next chart shows lieutenant colonel authorizations under OGLA. The three authorization lines are the original 1954 OGLA, the OGLA grade tables from 1966 through 1974, and — with the 2% Congressional reduction — from 1974 to the present.

**GRADE TABLE COMPARISON
O-5**



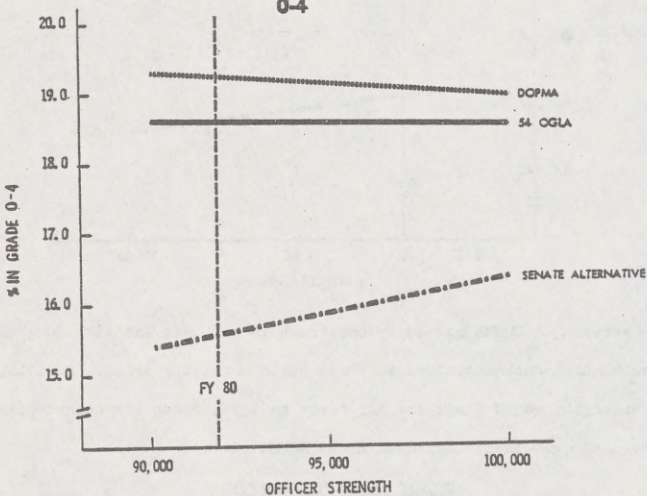
The version of DOPMA passed by the House in the 94th and 95th Congresses provides similar authorizations to those which currently exist. S. 1918, at 90,000 strength, would limit the Air Force to 2,550 fewer lieutenant colonels than would the previously approved House DOPMA bill.

**GRADE TABLE COMPARISON
O-5**



The DOD DOPMA proposal would authorize the Air Force fewer colonels but slightly more majors. The increase in majors is shown on the O-4 grade table comparison chart. Also shown is the S. 1918 alternative which would result in a loss of one out of every five major authorizations contained in DOPMA. So while S. 1918 is less restrictive for majors when compared to other field grades, there is still a 20% disparity between the validated requirements in the House version and S. 1918. Moreover, our ability to promote captains to majors is affected by cuts in colonel and lieutenant colonel authorizations, as well as by reduction in the limits for majors.

**GRADE TABLE COMPARISON
O-4**

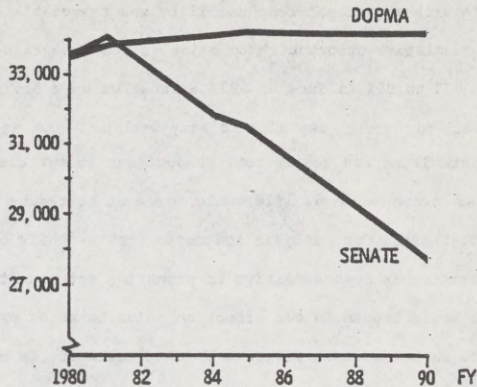


This cumulative impact of the field grade cuts proposed in S. 1918 is shown in the next two charts.

This chart shows the drastic decline in field grade authorizations which S. 1918 would take over 10 years. The total field grade reduction is 21% at projected officer strength levels.

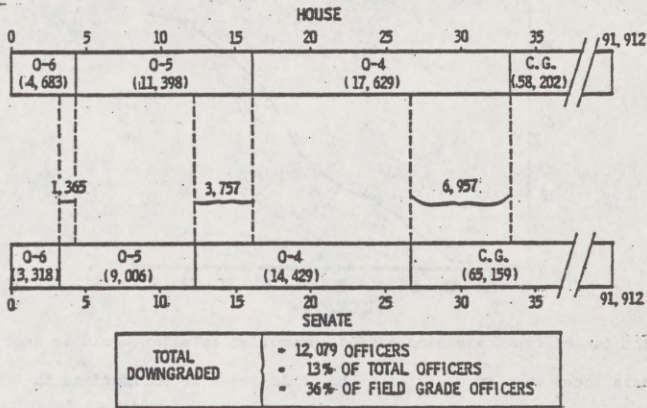
The practical impact is even more severe, however, due to what we call the "waterfall effect." For example, promotions to lieutenant colonel — combined with the number of losses for other reasons — determine the number of captains who may be promoted to major. This is fundamental to understanding the impact of cuts in any of the field grades on the career expectations of today's young officer.

MAJOR & LT COLONEL & COLONEL



The following chart shows this impact -- 12,079 officers, 36% of our field grade force -- would be serving in a lower grade.

COMPARISON OF HOUSE VERSUS SENATE LIMITS

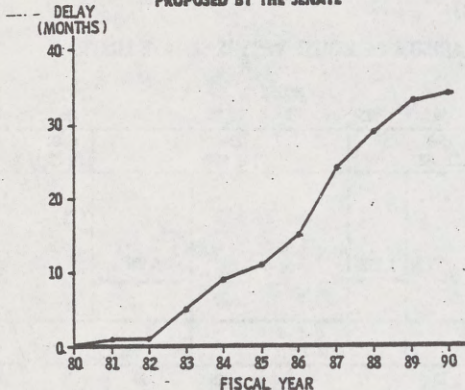


Promotion -- the driver, the motivator -- is the cumulative result of authorizations in all field grades. They have a real and direct impact on the opportunity and timing of promotion to major in the Services. There is no doubt that these reduced career expectations will have a significant adverse impact on young officers' decisions to stay in the Service or leave for more attractive career opportunities elsewhere. We know that we will never compete with the private sector on a dollar basis -- and our people understand and

accept this as well -- but we must provide a reasonable opportunity to advance in career stature with additional responsibility and reasonable compensation.

Our current cumulative opportunity to major is 90%. We raised promotion opportunity from 80% to 90% in June of 1979 because we were having retention problems -- to tell our young captains to stay with us -- we need you -- your career opportunities are better now. Reductions in our field grade authorizations as proposed in S. 1918 would force us to reduce this opportunity or promote later. Our analysis indicates that -- while both impact on retention -- retention is most sensitive to promotion opportunity. This chart illustrates what would happen to our promotion point to major over the 10-year transition to the authorizations proposed by the Senate if, as most likely, we elected to maintain current promotion opportunity.

**ADDITIONAL ACTIVE SERVICE REQUIRED FOR PROMOTION TO MAJOR
OVER 10 YEAR TRANSITION TO FIELD GRADE AUTHORIZATIONS
PROPOSED BY THE SENATE**



At the end of the transition period, promotion to major would be nearly three years later than it would with the field grade authorizations in DOPMA as passed by the House. The impact on our officers in the critical 6-to-11 year window is easy to predict. Promotion points to lieutenant colonel and colonel would also be one and one-half to two years later at the end of the 10-year transition.

It is not surprising that our analysts have estimated that officer retention would drop by as much as 33% with these reduced opportunities -- a 33% cut -- 33 out of 100, 333 out of 1,000. I can't help but worry about the kinds of people we would retain under these conditions. I can't help but believe that they would not represent the kind of exceptional quality this country needs to ensure that the future leadership of the Air Force can

meet whatever challenges our country may face -- in peace or war.

A later promotion phase point directly translates to a reduction in pay. The basic impact of the grade tables can be demonstrated by examining the later promotion points necessary to achieve the S. 1918 levels by 1990. It would result in the "due course officer" (one promoted neither early nor late) receiving about \$18,000 less salary between his 10th and 22nd year of service. This is about \$125.00 a month -- not enough to make a car payment today. If I lose one experienced F-15 pilot, it will cost over 8 million dollars to replace him with a new officer of equal experience -- and take eight years to do it. If we are to fight -- and win -- a war, we must have experienced pilots, navigators and nonrated officers. I believe we have them, but doubt we can keep them under the officer personnel management system mandated in S. 1918.

The number of field grade officers authorized the Air Force would also be far short of our requirements. Our analysis of requirements begins with a threat assessment and a determination of the forces and missions required to meet this threat in the interest of national security. Our combat forces -- including aircraft and missile units, along with their supporting command, maintenance, supply, communications, and intelligence activities -- generate workloads. Workloads are translated into manpower requirements through the formal development and application of manning standards. Identification of field grade officer requirements is a fundamental part of this process.

As you know, the Comptroller General reported to this Committee that our system for validating our field grade officer requirements was reasonable and consistently applied. When we apply these standards to the authorization levels proposed in S. 1918, we find that they would satisfy only 71% of our validated requirements for field grade officers at today's strength levels compared to about 90% under DOPMA.

We need the authorizations in DOPMA to meet our requirements and to provide reasonable career expectations that will attract and retain quality officers. A reduction in the authorizations contained in DOPMA would signal our young officers that future opportunities are bleak. We can't afford to send this signal, particularly at this time when our difficulties with retaining our most highly skilled and trained officers are well known.

We are working difficult issues now -- retention, particularly in combat skills -- the all-volunteer force -- combat capability, etc. -- but if S. 1918 were enacted its impact would be devastating. We must have adequate authori-

zations if we are to adequately serve this nation's worldwide national security objectives. In the simplest terms, authorizations determine career opportunities, career opportunities determine the degree of retention of quality personnel -- and quality personnel determine to a large extent the combat capability which insures our ability to survive as a nation -- and to serve as a defender of other nations through our participation in NATO and other alliances.

GENERAL AND FLAG OFFICER MANAGEMENT

Although the Services have repeatedly expressed concern about incorporating flag and general officers in DOPMA, S. 1918 contains provisions which will have a significant negative impact on the management of this critical resource.

S. 1918 reaffirms the overall reduction of DOD flag and general officers from 1119 to 1073 by end FY 80. The Department of Defense continues to oppose this reduction as inconsistent with requirements. DOD's last review of flag and general officer requirements validated 25% more positions than are currently authorized. The number of Air Force generals increased less than 2% during the Vietnam buildup. Following the buildup the number was reduced more than 18%. The following table illustrates this point and shows similar data for the other Services. Over the past 20 years (FY 59-79), the Department of Defense has taken a 12% reduction in flag and general officers. You will note that this reduction was not simply pro-rated among the Services.

	FLAG/GENERAL OFFICER STRENGTH HISTORICAL-BY SERVICE									
	FY 54	58	72	73	74	75	76	77	78	79
AIR FORCE	436	443*	422	411	399	386	380	374	360	360
ARMY	507	521*	514	499	481	458	457	450	432	432
NAVY**	292	312	317	311	297	286	278	273	261	261
MARINES	60	76*	73	71	72	69	69	68	66	66

	SOUTHEAST ASIA BUILDUP FY 54	SOUTHEAST ASIA TO PRESENT HIGH YEAR	PRE-VIETNAM TO PRESENT FY 54	20-YEAR CHANGE FY 59 - FY 79
AIR FORCE	+ 1.6%	-18.7%	-17.4%	-15%
ARMY	+ 2.8%	-17.1%	-14.8%	-11%
NAVY	+ 9.9%	-18.7%	-10.6%	-11%
MARINES	+26.7%	-13.2%	+10.0%	+4.5%
DOD	+ 4.5%	-17.2%	-13.5%	-12%

* FY 68 high year for Air Force, Army, Marine Corps.

** FY 68 high year for Navy, 221

The major argument supporting the allegation that we have too many senior leaders appears to rest on comparisons between the ratio of troops to general

officers in World War II versus today. As Mr. Pirie has indicated, a return to World War II ratios would force a 65% reduction in flag and general officers. Such a force size could not begin to accommodate current needs. Today, almost one in five Air Force general officers serves outside the Air Force, many of them in high-level positions in the international arena. One third of our generals are engaged in procurement, logistics, and in the management of high technology programs. The simple fact is that comparisons between World War II and today are inappropriate. The military has become increasingly complex over the years and military leadership requirements have had to change accordingly.

We believe the only legitimate comparisons that can or should be made are those between the military and other organizations. All of the data we have seen indicates that the DOD's management structure compares favorably with organizations in both the public and private sector. I would be willing to compare Air Force senior executive strength levels to those found in any other organization.

Beyond the overall reduction in flag and general officers a new officer strength table in S. 1918 would reallocate flags and general officers among the Services. This table shows a severe imbalance in comparison to current strength levels. For example, as Secretary Zengerle indicates, the Air Force loses about 30% of its authorizations versus 9% for the Navy. It seems apparent to us that differing missions, managerial priorities and the use of civilian supergrades among the Services do not lend themselves to an allocation based on troops to leaders. As the following table shows, when civilian supergrades and general/flag officers are combined, the current distribution of senior executives among the Services is consistent with the total strength of each department. From this we conclude that a reallocation of senior military leaders is unwarranted.

	MILITARY AND CIVILIAN STRENGTH*			FLAGS/GENERALS/SES AUTHORIZED			PRO RATA SHARE OF SENIOR EXEC'S BASED ON TOT STRENGTH	CURRENT RATIO OF SENIOR EXEC'S TO TOTAL STRENGTH
	MILITARY	CIVILIAN	TOTAL	FLAGS +	SES**	SENIOR EXEC'S		
ARMY	766,819	344,948	1,111,767	432	362	794	823	1:1400
NAVY	525,787	292,630	818,417	261	443	704	605	1:1163
MC	182,328	16,762	199,090	66	8	74	147	1:2690
AIR FORCE	597,883	233,771	791,654	360	229	589	586	1:1344
TOTAL	2,032,817	888,111	2,920,928	1119	1042	2161	2161	1:1352

* STRENGTH IS AS OF 29 FEB 1980

** SENIOR EXECUTIVE SERVICE (SES) AND EQUIVALENT POSITION AUTHORIZATIONS

In addition to these problems with the allocation schedule, S. 1918 also provides the Secretary of Defense a "bank" of 177 authorizations which he may allocate among the Services. Because the 177 authorizations are subject to distribution each year, the Services will be unable to accurately project flag and general officer strength levels with any certainty from year to year. Therefore, as Secretary Zengerle indicated, "banking" flag officers will preclude stable promotion and force management planning by the Services.

Another important change in S. 1918 which directly impacts on the Services' capability to manage their flag and general officers involves the awarding of tenure. Under current law, Air Force and Army brigadier and major generals are considered twice for promotion; first by a temporary promotion board for pay and insignia, and later by a permanent promotion board for tenure. The Navy system, although not the same, accomplishes the same quality review of its rear admirals by convening continuation boards. For reasons of performance, quality, and potential for promotion to 3- and 4-stars, tenure can be withheld or awarded by permanent promotion as appropriate.

S. 1918 would automatically confer tenure upon appointment as a brigadier or major general without providing an opportunity to evaluate the officer's performance in the higher grade. To maintain the vitality of the general officer force, the Service Secretaries must have authority to convene selection boards to control tenure. Without such authority, the Services will not be able to manage officers who fail to demonstrate, over a reasonable period of time, the potential for advancement and increased responsibility.

Under the proposed transition provisions in S. 1918, officers serving in a higher temporary grade who were not selected for promotion to permanent brigadier general or permanent major general would receive tenure which would exceed that of their contemporaries selected and appointed previously under the current competitive permanent selection process. If new general officer grade provisions are established, transition provisions other than those contained in S. 1918 would be necessary to clear up such inequities by preserving current status without granting unearned tenure.

S. 1918 also requires that an officer must have served at least three years in that grade to be granted voluntary retirement in grade O-7 or O-8. No exceptions are allowed by the Service Secretaries in meritorious or deserving cases. Voluntary retirement would have to be in a lower grade held for three years or more. The current six-months-in-grade requirement of law,

coupled with the DOD policy of two years in grade, is working well and we see no requirement for new restrictions.

S. 1918 also would require each assignment to a 3- or 4-star position be confirmed by the Senate. The current practice of the Secretary of Defense announcing 3-star and the White House 4-star reassignments has worked well. There is no reason to make the process more cumbersome by requiring each assignment to be confirmed where promotion is not involved.

The provisions for the management of flag officers in S. 1918 would create these and other technical and administrative difficulties to include extending field grade selection board requirements to general officers. Specifically, S. 1918 requires at least two Reserve members when a Reserve officer is considered and board members in each of the competitive promotion categories. These requirements are not feasible at the general officer level and would effectively preclude convening most of the general officer boards we are now required to conduct.

I believe the decision to reduce flag leadership should be reconsidered. These positions provide essential upward mobility for our best and most competitive colonels. More importantly, they are crucial to the leadership and managerial requirements of the Armed Forces. Any revision to existing procedures for controlling the utilization of this small resource of senior officers must be based on careful study and full discussion.

OTHER MAJOR PROVISIONS OF DOPMA

The potential impacts of the Senate alternative to DOPMA on field grade authorizations and on effective general officer management are of such concern to the Air Force that they tend to overshadow other aspects of DOPMA and the S. 1918 alternative. As the Air Force has repeatedly testified, however, we support DOPMA and believe that it will provide a sound basis in law for officer personnel management for the indefinite future. I would like to briefly mention some of these features and discuss some of the alternative provisions of S. 1918.

Single Promotion System

DOPMA will replace the existing dual temporary and permanent promotion system with a single promotion system for active duty officers. Present law provides for a two-step system of promotions in which a consideration for temporary active duty promotion is followed by consideration for permanent promotion to the same grade. The straightforward promotion system of DOPMA

will result in more efficient and effective procedures and a much more visible and less confusing system for our officers. No one debates the need for this revision; it is included in S. 1918 as well, and the Air Force strongly supports a single system of active duty promotions.

All-Regular Career Force

Another DOPMA feature of major importance to the Air Force is the all-Regular career force provision. This provision will eliminate what this Committee has previously referred to as the "anomaly of career active-duty Reservists." It is simply incongruous for a portion of the career active duty officer force to have a separate set of rules regarding tenure, permanent promotion, compensation at retirement, etc., from the rest of that force.

We believe that the all-Regular concept is needed and that it should be firmly established in law to prevent inequity and unjustified differences in legal status. We would not object to discretionary authority to recall Reservists to meet specific needs, but such action should be authorized only as a specific exception to the general provision in law for an all-Regular force.

Up-or-Out

Current law requires that Air Force officers twice deferred to permanent captain or major be separated. This system -- the so-called up-or-out -- helps to prevent stagnation, instills the incentive to perform well, and most important, ensures that the Air Force leadership is comprised of the best qualified officers. The forced separation of an officer who fails promotion is sometimes a traumatic experience for the individual, the family and contemporaries. It is also seemingly a waste of our training investment. However, we firmly believe some quality screening is required for a viable, vigorous force. The military experience in World War II provided ample evidence that a system based on seniority alone won't work.

In all of 1979, only 307 Line officers, about three-tenths of 1% of the Line force, were identified for mandatory separation prior to retirement eligibility because they were not selected for promotion. Of this total, 70 were aviators and of the 70, only 5 were to be separated by policy -- the other 65 were to be separated by law for failing permanent promotion.

The S. 1918 alternative would provide the Services with discretionary authority to continue twice failed captains to 20 years' service, as well as authority for twice failed majors to serve to 24 vice 20 years.

The Air Force would not object to the added discretionary authority; however, I want to emphasize that part of the logic of the S. 1918 alternative is to couple continuation authority with severe reductions in field grade authorizations. Under that concept, billets now filled by majors would be filled by "continued" captains. In this context, up-or-out flexibility really means significantly lower career opportunity. To reiterate my earlier statement, the outcome of reduced opportunity -- particularly at the critical mid-career point -- would be reduced retention and reduced combat readiness.

OTHER PROVISIONS OF THE S. 1918 ALTERNATIVE

DOPMA is an integrated personnel management system. Its provisions have been carefully constructed -- by the Department of Defense and by this Committee -- to be mutually supportive. The S. 1918 alternative would modify many of these provisions, replace others, and add a number of new ones. I won't take your time to treat these voluminous systemic changes in detail. I would mention just two other examples of our concerns with the proposed S. 1918.

Promotion Management Provisions

S. 1918 would require a selection board for promotions to all grades. In DOPMA -- as in the long standing practice of the Air Force -- promotion from second lieutenant to first lieutenant is made at the completion of 24 months active commissioned service unless the officer's commander determines the officer not qualified for promotion. This is a much more practical, efficient, and less expensive system than convening a central selection board.

Secondly, S. 1918 sets minimum periods of service before an officer may be considered for promotion. The DOD proposal also has minimum periods of service for an officer to be considered by a board -- if the required service will be met by the time the officer is actually promoted. The practical impact of this apparently minor change would be that promotion to first lieutenant would be at least three months later and to captain a full year later.

This example illustrates the significant impact which apparently minor administrative provisions can have. These promotion delays for our young officers would not only reduce their career compensation, but would also move the critical promotion point to captain a year beyond the point at which most of our nonrated officers complete their active duty obligation and are eligible to separate. Mr. Chairman, as you are well aware, much work has gone into the creation of a comprehensive proposal. Significant modification to DOPMA

risks disturbing the integrative characteristic, the delicate balance necessary to sustain a first rate, professional officer corps.

Mobilized Reserve Officers

An important advance in the DOPMA proposal is that Reserve officers ordered to active duty in time of war or national emergency would be excluded from the ceilings on the total numbers of officers on active duty and in the various grades. This exclusion would continue until six months after the end of the emergency. This will facilitate the efficient and equitable integration of mobilized Reserve forces, upon whom the Air Force depends for a major portion of our primary mission capability.

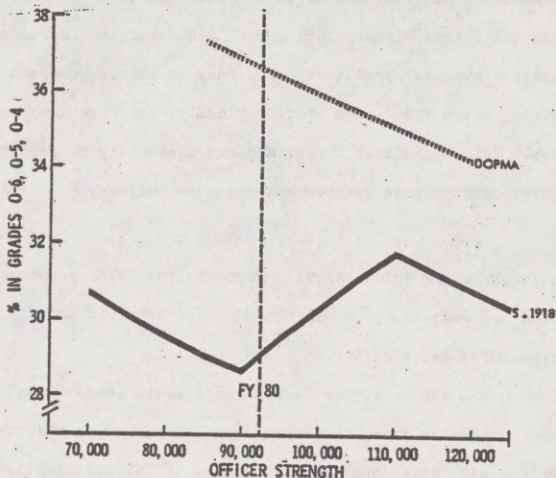
Mobilized Reserve officers are excluded from the active duty promotion system in order to avoid forcing them to compete for promotion with active duty officers who, because of continuous active service, would almost certainly be more competitive for promotion. Mobilized Reserve officers would continue to compete for Reserve component promotions under Reserve promotion laws. Neither the current OGLA grade tables nor the DOPMA grade tables will accommodate a recall of today's organized Reserve. Complex administrative actions to ensure the equity for mobilized Reserve officers would clearly be out of place in such a period of emergency.

S. 1918 would mandate just such actions -- and the grade tables in S. 1918 have, as I mentioned earlier, apparently been designed for this purpose.

This chart shows the percent of the total officer force authorized to serve in the field grades over the full range of the DOPMA and S. 1918 grade tables. Apparently, the increase in the percent of field grade officers authorized in S. 1918 at force levels from 90,000 through 110,000 is meant to accommodate the inclusion of officers mobilized with Reserve forces during an emergency. It should be noted that the percentage of field grade officers authorized decreases at any force level except for the 90,000 through 110,000 range -- a clearly intolerable situation if the size of the active officer force happened to be outside this range at the commencement of an emergency.

This is another example of the short-term perspective which is embodied in S. 1918. The proposed alternative would create unnecessary burdens during the turbulence of Reserve force activation or demobilization -- and could produce periods during mobilization and periods of national crisis when there would be no promotions to the field grades. S. 1918 would create a grade table

GRADE TABLE COMPARISONS 0-6, 0-5, 0-4



structure inadequate for effective field grade authorization management in either the long run or the short run.

SUMMARY

This chart summarizes our conclusions as stated earlier by Secretary Zengerle.

IMPACTS OF S. 1913

- | | |
|--------------------------|-------------------------|
| • GRADE AUTHORIZATIONS ▼ | • CAREER EXPECTATIONS ▼ |
| • CAREER EXPECTATIONS ▼ | • RETENTION ▼ |
| | • QUALITY ▼ |
| • RETENTION ▼ | • PROCUREMENT ▲ |
| | • EXPERIENCE ▼ |
| • PROCUREMENT ▲ | • REQUIREMENTS ▲ |
| | • FLYING HOURS ▲ |
| | • COSTS ▲ |
| • EXPERIENCE ▼ | • READINESS ▼ |

BOTTOM LINE

LOWER RETENTION

HIGHER TURNOVER

REDUCED EXPERIENCE

DECREASED READINESS

HIGHER COSTS

Drastically reduced field grade authorizations would be below validated requirements by 30% and would reduce career expectations to an unacceptable

level. This reduces retention, and the ones we need the most will leave -- or simply not choose a military career in the first place.

Lower retention forces higher procurement levels and the increase of new lieutenants reduces average experience. Not only do accession costs rise, but so do training costs and flying hours. Finally, and most importantly, as experience levels fall, readiness drops, and our capability to perform our mission -- the primary purpose for our existence -- suffers.

CONCLUSION

In conclusion, the Air Force strongly supports the DOPMA proposal. It is an integrated and reasoned proposal which builds upon our experience to modify and standardize existing law.

We have been asked why we support a bill that would standardize authorities and procedures among the Services. The answer is that we live in a time when the Air Force does not work alone. Joint and combined operations with our sister Services and our allies are the rule. Thus, it is in the best interests of our people, the DOD, and the Congress to establish uniform laws that will help to ensure that all Services will attract and retain quality officers with the necessary capabilities, skills and experience.

In contrast, S. 1918 is based on some very different assumptions about officer force management. Its proponents claim that it will cut costs while providing a more effective, combat ready force. The most optimistic average annual savings over the first 5 years for all DOD would be neutralized by the loss of just 14 experienced F-15 pilots who would otherwise have stayed in the Air Force. In my judgment, we cannot afford to gamble with such an experiment.

DOPMA provides needed improvements to update existing law in the interest of equity and effectiveness. S. 1918 would not only fail to achieve the intended objectives, it would have the opposite effect -- while introducing great uncertainty in our capability to attract and retain the numbers and kinds of officers we need. Mr. Chairman, this concludes my statement. I appreciate the opportunity to present our views on this vital legislation and welcome the opportunity to answer your questions.

Mr. NICHOLS. General, we have asked each of the witnesses they have come before this subcommittee, if you had the choice of Senate bill or status quo, what would you select?

General IOSUE. If I had to choose between the two, I would choose status quo. I would prefer to come hat in hand each year and ask for OGLA relief rather than be forced to accept the Senate proposal for our field grade authorizations.

Mr. NICHOLS. I believe the Secretary pointed out that we are now in our 10th attempt of having to patch this up on a year-to-year basis. And the fact that this committee has twice passed the DOPMA legislation, in Mr. Stratton's committee and now ours, I think it is indicative of the fact that this committee recognizes the need for some permanency and some stability, I would say, in the present way of doing things.

How do we answer the time-old argument that comes on the floor every time that we talk about these general officers, and that we have more generals in the Air Force now, considerably more than we had in World War II?

Mr. ZENGERLE. One answer you could give, Mr. Chairman, it seems to me, I believe has been already expressed before this subcommittee and that is the nature of the armed services is a substantially more complex business than it was in World War II. In World War II we didn't even have an Air Force.

Mr. NICHOLS. We had a U.S. Army Air Force. And let's take the year 1954. We had an Air Force that year. I believe it is true that we have a great many more general officers in the Air Force now than we had then. That is 26 years ago.

Mr. ZENGERLE. I submit that the weapons system and computer technology and research and development effort of the Air Force demands that high level leadership-management attention that justifies the general officer.

Mr. NICHOLS. You are saying it is a great deal more sophisticated than it was then, requiring more expertise?

General IOSUE. Let me give you the 1947 ratio of general officers in the Air Corps alone. The Army Air Corps was the air arm and at that time the ratio was 1 to 1,800, 1 flag officer per 1,800. The ratio today is not that much away from that ratio. It runs something like 1 to 1,500 for the Air Force.

Mr. NICHOLS. General, I thought your written statement provided us with some very interesting insight into the viability of the Senate proposal. You compared the present grade tables with the original Officer Grade Limitations Act, with the Senate grade table.

As I observed in my opening statement, you already seemed to have performed an experiment that doesn't go quite as far as the Senate would suggest.

I wonder if you would talk to the subcommittee through the first few charts that are in your written statement. Would you say that the 1954 Officer Grade Limitations Act experience was an experiment that sheds light into our present deliberations? As I say, after all, this goes back 26 years ago. The findings back then, do you think they could be applied to a 1980-81 Air Force?

General IOSUE. Well, there was a major difference, obviously, in 1954 compared to what we have today. In 1954 we had only 18

percent of our officers with over 12 years' service. We had to increase our authorizations as that force matured. We have had experience over the years to show that the authorizations that we had then certainly are not in any way comparable to what we need to run the force. Our OGLA relief each year is an indication that the OGLA table is not sufficient.

So I would say that the experiment in 1954 didn't work and the lower authorizations are not applicable to today's environment.

Mr. EMMERICH. Do you have those charts that were in your statement available here?

General IOSUE. Yes, I have one copy of that.

Let's take the O-6 table, Mr. Chairman.

Mr. NICHOLS. This appears early in the statement.

General IOSUE. That shows you the relationship of the OGLA table to our relief. First in 1966 to 1974 and then a small decrease, when we came in for OGLA relief in 1974 through 1979. We are at the point of about 92,000 line officers and you can see the relationship in the percentage of the force of O-6's serving in that grade and you see that the 1954 OGLA gave us 4.7 percent versus 5.5 percent here and the small decrease that we took. You can see as the force comes down, obviously, we are going to have fewer O-6's serving in grade, so the slope is identical.

The main point is the differential between our OGLA relief and what the 1954 OGLA table provided for us. And each of the charts are essentially the same for O-5 and O-4. It points out the differential between the two.

The Senate alternative, on the other hand, for O-6's shows the authorization as a percent of the force in the grade of colonel, and you can see it is around a 3.7-percent straight line. You can see, in any event, regardless of the strengths, whether we go to 100,000 or 110,000, you can see it is below the 1954 OGLA table, which we had difficulty with, and below the House when the House version was 3 percent less than the DOD version and below the relief in 1974 and the 1966 to, 1974 relief.

So far any of the benchmarks we had in the past you can see the differential.

Mr. NICHOLS. Mr. Mitchell?

Mr. MITCHELL. Thank you, Mr. Chairman.

It is difficult to even ask questions following your ringing denunciation of Senate 1918, and you make it appear a ridiculous solution to a very serious problem.

Did you offer testimony to the Senate before they marked up this bill?

General IOSUE. Not formally. I have made a half a dozen visits.

Mr. MITCHELL. Did the Air Force present its case—

General IOSUE. Informally, yes, sir.

Mr. MITCHELL. Did they hold hearings on this?

General IOSUE. No; they have not.

Mr. NICHOLS. If the gentleman will yield, specifically, did you point out that 14 Air Force pilots would offset the—

General IOSUE. I intend to.

Mr. MITCHELL. I didn't understand the question or the answer.

Mr. NICHOLS. I asked him if he specifically pointed out that 14 Air Force pilots lost would more than offset the savings.

Mr. MITCHELL. Oh, I see. Right.

But you didn't point that out to them?

General IOSUE. I have not.

Mr. MITCHELL. There were no formal hearings at all?

General IOSUE. No formal hearings, no, sir.

Mr. MITCHELL. Do you see any redeeming features at all in S. 1918? Is there anything beneficial about their program? The chairman pointed out we have to pass some vehicle and then the conferees get together and come up with a compromise, but from listening to your testimony, it would appear that no compromise is in order at all. You would just sort of like to jack the whole thing up and drive the House version of DOPMA underneath it.

Is there anything at all in the Senate version that you like?

General IOSUE. Mr. Mitchell, we have compromised when we have come over for OGLA relief. We have taken reductions. We have compromised in the fact that we have our manpower requirements, which are validated, and the OGLA relief level satisfies only 90 percent of those requirements. So I feel that we have made a compromise.

If given a choice between the Senate version, I would have to state that I would prefer status quo.

Mr. ZENGERLE. You asked about the question of compromise. I think one of the easiest ways to illustrate why compromise would be difficult is by reference to the chart that appears on page 22 of General IOSUE's statement.

That chart reflects a number of interesting features of S. 1918. It is within the Air Force commonly referred to as the lightning bolt, and as you can see, whereas under the DOPMA there is a straight line in the reduction of percentage of field grade authorization as the strength of the officer force increases, quite the contrary occurs between strength levels 90,000 and 110,000 under S. 1918.

Instead of decreasing, the percentage of officers increases, whereas it does not do so on the short end or the long end of those officer strength levels, and we surmise that the reason for this alteration in the gradient at that 90,000 to 110,000 level is responsive to the activation in a mobilization scenario of the ready reserves into the active force.

But, as you can see, if you move to the left or to the right of those levels of officer strengths, you are back to the normal gradient of reduced percentages.

The compromise position that we would look to for numbers of officers authorized can be seen here, the fiscal year 1980 strength level. There is the maximum difference between the DOPMA level and the S. 1918 level in terms of grade authorizations. The compromise there would give us the lowest possible number of field grade authorizations.

Mr. MITCHELL. I think it is significant that you mentioned the short end Mr. Secretary, because it sure looks like the Air Force is getting it with the Senate version.

If you are going to generalize, you would characterize the Senate version as an unmitigated disaster. Or would you be kinder than that?

General IOSUE. Catastrophe.

Mr. MITCHELL. Thank you, General, and Mr. Secretary.

We have expressed concern in the past we turn our professionals in the service loose far too soon. I am talking now about health professions, physicians, dentists, veterinarians, and attorneys. In civilian life these civilians often reach their prime in their fifties and have their greatest earning opportunities, and yet in the services we have mandatory retirement points.

Do you think, in these limited areas, we would increase the mandatory retirement points in the service and keep these people longer if they wanted to stay?

Mr. ZENGERLE. It would seem that one of the principal features of any mandatory retirement system is the removal from the top seniority of those individuals in order to make room for those at the bottom to move up. Therefore, mandatory retirement is analogous to the up-or-out system and the value of removing those at the senior level so the junior people can rise up at a relatively decent rate of promotion is a very important recruitment, retention, career opportunity feature of the mandatory retirement system.

Mr. MITCHELL. I ask unanimous consent to have a follow-on question.

Mr. NICHOLS. Certainly.

Mr. MITCHELL. Thank you, Mr. Chairman.

I can see the up-or-out system as a valuable tool if we are thinking of someone who has to be in top-notch physical condition for trench warfare type of service.

However, when you think of attorneys, physicians, dentists, health practitioners, it seems like you would have to do a lot less recruiting if you keep people who wanted to stay longer and they continue to increase their skills; age is not necessarily a detriment to their practice. In fact, in civilian life they receive far more pay and respect, generally, the longer they are there, and certainly the late fifties is not considered old age in any of these fields.

Mr. ZENGERLE. I think there is a distinction between the professional fields you are talking about, and General Issue can add more, but one distinction I see is, for example, in the chaplaincy, where especially in the wartime you want young, vigorous chaplains on the line with the combat units, and if you have a very senior force, you might lose the vigor within the chaplaincy corps you would much prefer to have.

Mr. MITCHELL. Thank you.

Thank you, Mr. Chairman.

Mr. NICHOLS. Mr. Leach?

Mr. LEACH. I would like to see if I correctly understand the response to Mr. Mitchell.

During the consideration of S. 1918, the Air Force was not invited to appear before a formal hearing and express its view?

General ISSUE. That is true. There has not been a formal hearing S. 1981.

Mr. LEACH. Thank you.

The only comment I would have about those chaplains, you may want a young, vigorous one, but I would like one who had a lot of experience in getting his prayers through.

Mr. NICHOLS. I am sorry, I didn't hear the question.

Mr. MITCHELL. I told him in response to the need for the young, vigorous chaplains, I would like one with me that had more experience in getting his prayers through.

Mr. NICHOLS. Dr. Evans?

Mr. EVANS. Thank you, Mr. Chairman.

I would to commend both the Secretary and the General, I think, for their very good presentations, and certainly very convincing. I have a feeling they have been talking to the wrong people, that they need to talk to the Senate, but that is just an aside.

Just for information, would either of you gentlemen tell me what the ratio of officers to total force is in the Air Force first, and then what the ratio of generals is to total force, not just officers? The ratio of officers to men, first.

General IOSUE. We have—I am going to take uniformed personnel—we have 558,000 in uniform, of which 96,000 are officers.

Mr. EVANS. So, it is a little better than 1 to 6.

General IOSUE. Now the ratio of general officers, flags, to total population in uniform runs about 1 to 1,900.

Mr. EVANS. Would you have the information as to what the ratio of officers to men would be, say, in the Army or in the Navy?

General IOSUE. Yes; the total DOD runs about 1 to 1,900—

Mr. EVANS. No; officers to men.

General IOSUE. I don't have that figure, no, sir. I would be glad to provide it for the record.

Mr. EVANS. I would like to have it.

[The following information was received for the record:]

RATIO OF OFFICERS TO ENLISTED

The ratio in the Army is about one to eight. In the Navy it is approximately one to seven and seven-tenths.

Mr. EVANS. Second, if you had a war break out and you had to increase the force rapidly, what would be the effect from S. 1918?

General IOSUE. The effect is that our losses could not be replaced in terms of experience. We may have the ability to recruit, to get adequate numbers to come onboard, but we would lose that experience base that we sorely need because of our closed system where we bring them in from bottom.

Mr. EVANS. What I had in mind was, I was wondering, does it require considerably more time in training, especially when you are talking about flying airplanes, even for the junior officers, than it would require, let's say, in another branch of the service?

General IOSUE. It takes 18 months to 2 years to qualify a pilot in the weapons system. To get him to a position where we can perform all aspects of that mission, it takes roughly 2 years.

Mr. EVANS. We may not always have 2 years.

Mr. ZENGERLE. That is the general's point. If we can't retain the individuals at the officers level, pilots, navigators, engineers, during wartime, we don't have the base on which to rely to fight the war until those who are coming newly into the pipeline can take the 18 months to get trained.

General IOSUE. If I can dramatize a bit what 3,000 pilots cost us last year, that represented 38,000 man-years of experience, about 12.2 or 12.5 years experience for each of those we lose, irreplaceable.

Mr. EVANS. Thank you, Mr. Chairman.

Thank you, gentlemen.

Mr. NICHOLS. Thank you, Mr. Secretary, and General Iosue. We appreciate your testimony and it will be made a part of the record. We will hear from the Army tomorrow.

The subcommittee stands adjourned.

[Whereupon, at 11:15 a.m., the subcommittee adjourned, to reconvene at 10 a.m., Wednesday, May 14, 1980.]

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
MILITARY COMPENSATION SUBCOMMITTEE,
Washington, D.C., Wednesday, May 14, 1980.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2216, Rayburn House Office Building, Hon. Bill Nichols (chairman of the subcommittee) presiding.

Mr. NICHOLS. The subcommittee will come to order.

Today is the fourth in a series of hearings on the Defense Officer Personnel Management Act. The witnesses today, representing the Department of the Army, are the Honorable William D. Clark, Principal Deputy Assistant Secretary for Manpower and Reserve Affairs, and Lt. Gen. Robert Yerks, Deputy Chief of Staff of Personnel.

Yesterday the Department of Air Force provided critical insight into the effect of the Senate bill, S. 1918, and today we will hear and continue to trace the very significant impact that the legislation would have on the individual services.

So, Mr. Secretary, you and the general may present your testimony, sir.

STATEMENT OF HON. WILLIAM D. CLARK, PRINCIPAL DEPUTY ASSISTANT SECRETARY, MANPOWER AND RESERVE AFFAIRS

Mr. CLARK. Thank you, Mr. Chairman.

[The following was received for the record:]

OUTLINE OF STATEMENT OF HON. WILLIAM D. CLARK, PRINCIPAL DEPUTY ASSISTANT SECRETARY (MANPOWER AND RESERVE AFFAIRS)

DOD DOPMA

Single most important officer legislation since 1954.

Provides a more visible and more easily understood career progression for all officers.

Decreases inequity between reserves and regular officers.

Provides requirements based on grade tables. Grade tables provide capability to competitively promote officers to maintain career attractiveness. Since Army personnel system is "closed," except for professionals (i.e., doctors, lawyers), promotion is an important tool for personnel management.

Eliminates separate promotion system for permanent and temporary grades.

All-regular career force eliminates statutory regular Army level of 50,000.

Provides continuation authority for career-oriented force (above O-4).

Aligns tenure with other services.

Provides Service Secretary flexibility to procure adequate professionals through use of constructive service credit.

SENATE DOPMA (S. 1918)

Severe field grade cuts (30 percent of O-6's, 25 percent of O-5's and 20 percent of O-4's).

Lengthens time for promotion to O-4 (from current 10 years 6 months to beyond 12 years).

Senate assumptions behind grade cuts are incorrect. Senate assumes that 50 percent of officers twice non-selected for promotion to O-5 and O-4 will continue and that reduced promotion opportunity to O-4 to 50 percent will not affect officer

retention. RAND Corporation's retention study and recent Army experiences show that retention at end of initial obligation would decline by at least 20 percent.

More realistic assumptions demonstrate the actual impact: Reduced retention causes 12 percent reduction in experience level between 7th and 20th years of service; reduced retention causes 12 percent increase in inexperienced officers between 0 and 7th year of service; reduced retention requires 2,400 more accessions a year at a cost of over \$40 million per year.

Even if the loss rate were not as high as Army predicts the best and brightest will leave especially the skilled specialists (lawyers, engineers, analysts, pilots, communication-electronics, computer specialists). The non-competitive officer and specialists that can not move to the civilian competitive market will stay.

Senate tables leave the Army 7,500 officers short of its requirement. Readiness of force will be reduced.

General Officers.—Should not be included in DOPMA but addressed in separate forum. Senior Executive Service is managed separately in Civil Service. General officers should be addressed separately also. Current General Officer law is preferable.

Constructive service credit provisions are too rigid. Reduces Service Secretary authority and flexibility to apply Service credit in light of changing education and personnel requirements.

Elimination of all-regular career force takes the heart out of DOPMA legislation. Continues unfair treatment of reserves on active duty.

Service Secretary authority could be hampered by the proliferation of Defense Department regulations required by legislation.

Compromise between the two pieces of legislation is not feasible based on the underlying different philosophies upon which each is built.

With your permission, I would like to ask that the entire text of my statement be submitted for the record. I will be going through most of it, but there are some phrases I deleted in the interest of time.

Mr. NICHOLS. Without objection that will be done.

Mr. CLARK. It is indeed a pleasure to appear before the subcommittee as the Department of Army's representative to present the Army's views on the administration's Defense Officer Personnel Management Act, DOPMA.

As you know, we have been working many years to effect passage of this very important legislation relating to the appointments, promotion, separation, retirement, and management of commissioned officers through the grade of colonel.

The legislation provides a more visible and more easily understood career progression pattern for individuals and increases the equity between Reserve and Regular officers. The DOPMA provisions are important to the Army. It will enable us to update our management system to meet the needs of the Army and the officer corps.

The Army is pleased that the Senate has acted on DOPMA legislation this session, but is very concerned with several key features of that bill. However, we are hopeful that this will open the way for full congressional enactment this year.

I will address various aspects of the Senate bill later in this statement, but first it is important to detail the Department of Defense submission as it relates to the Army personnel management system.

The Army testified on DOPMA in both the 94th and 95th Congress. Our stand has not changed, but I believe it will be useful to review the Army's position on the major issues for the record today.

Let's talk about grade tables. The grade limitations embodied in the DOPMA officer field grade tables are critical to the Army's

ability to man the force. They are requirements based to meet the needs of the Army over time.

In designing these grade tables, the Army examined its requirement and reduced the number of O-6's and O-5's and slightly increased its O-4 ceilings compared to the current OGLA law. This change in distribution more closely parallels the proportion of O-6's and O-5's and O-4's in the force structure.

During its earlier deliberations, Congress further reduced the number of O-6 and O-5 to those now included in the present bill.

Equally critical in today's competitive job market is our ability to attract and retain the high caliber officer. These tables allow us to competitively promote officers at a sufficient rate to maintain career attractiveness while still maintaining the right balance in maturity and experience. Without a satisfactory degree of attractiveness, the personnel management system would be unable to retain qualified officers in the number required by the officer structure. It must be remembered that the Army, like the other services, must grow its future leaders and specialists. There is little opportunity, unlike civilian industry, for lateral entry at the field grade level—professionals (doctors, lawyers, chaplains) being the only notable exceptions. Therefore, promotion as a tool of personnel management, must provide a flow of officers into, through and out of the officer grade structure. To be effective, this flow must meet on a continuing basis the needs of both the service and the individual. There are other statutory aspects of the Personnel Management System being updated by DOPMA that are vitally important to the Army. First of all, the establishment of the single promotion system eliminates the Army's separate management of permanent and temporary grade structures.

The establishment of an all-regular force by not later than the 11th year of commissioned service provides equity between the regular and career active duty reserve officers and ends the anomaly of career reservists that has existed since 1947 by recognizing that we are not likely to reduce the active Army force to a statutory regular Army level of 50,000 officers again.

We also believe that as an officer progresses through the promotion system, he in fact passes through a career gate which corresponds in time with his promotion to O-4 and the all-regular force point.

The field grade officer deserves different management considerations, particularly until a retirement modernization bill is enacted. For this reason, the continuation authority of O-4's who have been twice nonselects for promotion to lieutenant colonel is particularly suited to the Army. The new tenure provisions change Army mandatory retirement points for O-4 from 21 years to 20 years and O-5 from 28 to 26 years while O-6's remain at 30 years. These new tenure rules are modified by selective continuation provisions.

The selective continuation provisions would enable the Army to reduce the numbers of officers in senior grades during periods of force reduction by means other than retarding or stopping promotions and/or reducing the total number of officers by reducing accessions. Previously, the burden of reductions in force have fallen heavily on the Reserves rather than the total officer force.

The Army does not anticipate any major problems in transitioning to any of the new provisions of this personnel system.

The Department of the Army strongly urges your approval and congressional enactment of the administration bill as written.

Now I want to turn to the alternative DOPMA proposal as passed by the Senate as S. 1918. Specifically, I will address the revised grade tables, the inclusion of general officers in DOPMA, constructive service credit, the all-regular force and service Secretary authority to influence personnel management policy.

First, the new grade tables. We have analyzed the impact of the new grade tables. This analysis included the impact on Army readiness, or the ability of the Army to execute current missions with severe reductions in the field grade structure; officer retention; officer behavior patterns; career development, to include promotion opportunity and timing; and cost. Of course, many interacting variables, including the economic condition of our country, affect any one or more of these aspects.

In career development, the primary purpose of career development is to produce qualified officers to man the force in the proper skill and grade. The Army develops qualified officers through a sequence of formal schools and assignments. This sequence of schooling and assignment provides the career pattern through which an officer can progress to the highest level for which he is qualified.

An important consideration is the extent to which career attractiveness is afforded through career development. Without a satisfactory degree of attractiveness the personnel management system would be unable to retain qualified officers in the number required by the officer structure. Professional goals and desires vary among officers. However, a standard indicator of the degree to which these goals and desires are attained is promotion.

When an officers reaches the limit of his potential, after satisfactorily passing through the promotion system, he serves a reasonable period in the highest grade, then retires, thus ensuring that an adequate balance between experience and youth is maintained.

There is a persistent need, both in war and peace, for a young and vigorous officer corps exemplifying high levels of mental and physical stamina, enthusiasm and adaptability. To accomplish this a careful balance is maintained between annual procurement, annual attrition, promotion timing, promotion opportunity and grade distribution. A sensible up-or-out system helps to keep these variables in line.

I will spend a little time here talking you through this career development process because it is so central to our system and so critically related to the grade limitations in law.

The Army reaches a number of decision points in evaluating an officer to continue in the military service. First, the initial years of obligation provide the Army and the individual sufficient time to determine the officer's adaptability to military service and initial potential for success. That is 3 to 4 years. In the years that follow, 4 through 8, the young officer is provided with a variety of assignments; troop, staff and service school.

By this time, the officer has passed through the decision point to captain and the basic development of the company grade officer is

ending. By now the officer has determined career aspirations and is ready for an Army career or another profession and the Army has established a profile of evaluation reports to evaluate the whole man for potential career status.

The decision point here is critical because it obligates both the officer and the Army. This decision point is linked, not by coincidence, to the proposed DOD DOPMA legislation which mandates the all-regular force decision by the individual's 11th year of service. To the extent you selectively retain after this decision point is also to deny some officers the opportunity to pursue other professional endeavors early in life and to deny other officers the opportunity for advancement.

An officer making a career decision assesses the prospects of continued career attractiveness. His judgment is influenced by personal experience, comparison with experiences of others, and his expectations for desirable and competitive school assignments and promotion.

As time in grade increases or as selection rates drop off, morale and career attractiveness suffer. We feel the Senate's reduction in grade tables will have a severe impact on promotions to the grade of major. The promotion point to major would extend from about 10 years now to beyond 12 years or conversely the promotion opportunity would drop to about 60 percent. This has to affect overall retention.

More critically, it is going to affect retention of our critical skilled officers who have good or better career opportunities waiting for them in the civilian sector.

What will be lost is the experienced and trained officers needed to perform the critical field grade functions. The Army has analyzed the Senate DOPMA proposal in relation to the experience level required to perform Army missions and found the Senate bill falls very short of our needs. Again, the requirements process is the same one the General Accounting Office validated for the Congress in 1975.

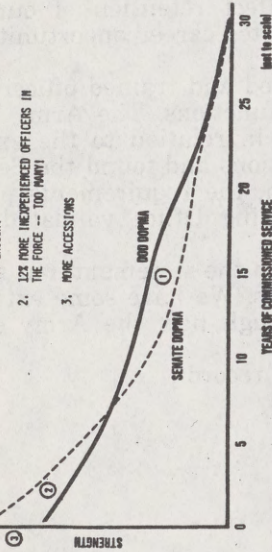
If I could turn to a chart which is in the statement; but I think it might be useful if you can follow this. We have some extra copies here, I would like to talk you through how the Army sees this impact.

[The following was received for the record:]

EXPERIENCE

OFFICERS WILL NOT STAY ON ACTIVE DUTY IF PROMOTIONS ARE REDUCED TO MEET SENATE CONSTRAINTS.

1. 12% FEWER EXPERIENCED, INDEPENDENT LEADERSHIP AND STAFF OFFICERS -- NOT ENOUGH
2. 12% MORE INEXPERIENCED OFFICERS IN THE FORCE -- 100 PMHT
3. MORE ACCESSIONS



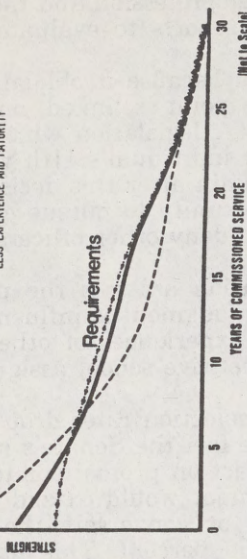
EVEN IF OFFICERS DO STAY ON ACTIVE DUTY, THE ONES WE RETAIN WILL BE THOSE WHO ARE LESS COMPETITIVE--IN THE ARMY AS WELL AS CIVILIAN LIFE.

- THE BEST AND BRIGHTEST WILL LEAVE
- SKILLED SPECIALISTS WILL LEAVE
 - LAWYERS
 - COMMUNICATIONS-ELECTRONICS
 - ENGINEERS
 - COMPUTER SPECIALISTS
 - ANALYSTS
 - MEDICAL SERVICE CORPS
 - PILOTS
- THE NON-COMPETITIVE WILL STAY
- SPECIALISTS THAT CANNOT MOVE TO A CIVILIAN COMPETITIVE MARKET WILL STAY

REQUIREMENTS

SENATE GRADE TABLES LEAVE ARMY SHORT AND OFFICERS OF REQUIREMENTS TO FIGHT THE FIGHT.

1. POSITIONS WILL BE UNFILLED, OR
2. POSITIONS FILLED BY OFFICERS WITH LESS EXPERIENCE AND MATURITY



The Army needs DOD DOPMA

- GRADE TABLES AS REQUESTED (CURRENT LAW FOR GENERAL OFFICERS)
- SERVICE SECRETARY AUTHORITY TO MANAGE PERSONNEL POLICIES
- ALL-REGULAR CAREER FORCE
- FLEXIBLE CONSTRUCTIVE CREDIT PROVISIONS
- GOOD OFFICER CAREER EXPECTATIONS

FIGURE 1

On this figure 1, what you see in the upper left hand block are two representative curves of the Army commissioned officer structure over time. The vertical axis represents the strength of the force and the horizontal axis represents years of commissioned service. The solid line represents the DOD proposal before you now and represents the force as it would look in steady state using the promotion expectations and loss data we know to be an accurate reflection of how the officer corps behaves.

The dotted line is the same representation of the force using the Senate's assumptions that 50 percent of the twice nonselect O-3's will be continued to 20 years, 50 percent of the twice nonselect O-4's will be continued to 24 years, and there will be no effect on retention. I have already discussed the increased promotion point that this causes.

Based on our experience with increasing the captain promotion point from 4 to 4½ years in 1977 and the Rand Corp. study on retention, we made the empirically based assumption that contrary to the Senate assumption the loss rate at the end of initial obligation, 3 to 4 years of service, would increase by 20 percent. This 20 percent change in loss rate coupled with the lowered grade ceiling and the continuation of O-3's and O-4's results in a force shown on the dotted curve.

Now what is critical to observe is the difference in the curves at 1 and 2. First, you will notice that the experience level of the force has dropped by 12 percent between the 7th and 20th years, at No. 1. That means 12 percent fewer experienced leaders to perform Army missions. Readiness of the force is affected. The opposite extreme happens at No. 2.

In order to keep pace with the increased loss rates, we must access 12 percent more officers to the force than we need under DOD DOPMA, or about 2,400 more officers annually. This increase could, for example, be achieved by expanding the ROTC base. The estimated cost of this increase could be a minimum of \$40 million.

It will also create the need for more schools to support the base and more experienced staff members, a drain on other manpower resources, thus further reducing the experience levels in units, to man the expansion.

Let us assume for a moment that the Senate was correct, and I am absolutely convinced that this is not correct, in their structuring of the tables and there would be no change in officer retention at the end of obligation. The experience difference we show on the graph would be significantly reduced with captains and majors being continued to 20 and 24 years respectively.

But I ask you what kind of officers will we have. We believe the better officers will not endure such disregard for compensation or status which rank provides.

I commented on the 20-percent increase in the rate of attrition at the obligation point. We believe the best and the brightest will leave, including our engineers, communications-electronics experts, lawyers, pilots, analysts and computer specialists to name but a few.

We are also very concerned about the grade cuts as they relate to our requirements. The overall impact of the Senate's large grade reductions is severe.

On the right side of figure 1 we have superimposed the Army requirements curve over both the Senate and DOD DOPMA. As mentioned earlier, the Army originally asked for more O-6's and O-5's in the 1974 submission, but this subcommittee and the full House reduced the tables to what you see as represented in the DOD DOPMA curve and as recommended to the Congress last year.

Under the Senate proposal, the shortage to the authorized structure is significant—more than 7,500 field grade officer positions will be unmanned or manned by an officer with considerably less experience and maturity. Since upward grade substitution will be necessary to fill the depleted field grade ranks, 65 percent of the jobs currently performed by O-4's will be filled by captains.

The Army curbs inflation in officer requirements. Our grade determination process is always under review, closely monitored at all levels of command and validated by the GAO report to the Congress in 1975.

The 7,500 shortage to the force coupled with the experience factor just discussed hurts Army readiness. Quantification of this hurt on Army readiness is virtually impossible, as I am sure you can appreciate, to measure in the near term.

However, it stands to reason that a tactical unit commanded by less experienced, trained and knowledgeable officers will result in a unit not well-trained or well-led. I do not believe we can afford the luxury of allowing the situation to develop and then find out that a bad mistake was made. It may be too late to do anything about it.

The downward movement of responsibilities and increased frustrations from "doing more with less" would also be expected to take a heavy toll on the noncommissioned officers. Our enlisted personnel would be supervised by more junior and less experienced officers. Lessons learned in the past decade clearly show we need experienced officers in positions of responsibility.

Finally, technology has changed and so has the level of expertise necessary to coordinate these systems.

The tables established in the Senate proposal just do not support the Army requirements to man the force at the current level, nor do they support career opportunity for the officer corps. It seems to me it is quite clear that when you reduce the expectation, reduce the continuation rate at the end of obligation and assume that 50 percent of your passed-over captains would continue to major, that there are some erroneously based assumptions in the Senate proposal.

I should point out when you look forward and realize there is a 50- to 60-percent promotion rate to major, that is not going to induce the fine young officer to stay on.

Let's move on to the general officers issue.

The Army continues to maintain that general officers should not be included in DOPMA. The Senate's S. 1918 has tried to apply many of the same provisions to the general/flag officer personnel management system as it has to the rest of the officer corps. This will not work for the same reasons it has not worked in the civil service system as evidenced by a separate need for and subsequent creation of a management system for the senior executive service.

The authorization tables and separate promotion and tenure management system in the present law are far preferable, in the Army's view, to that in the Senate bill. General officer requirements and management are complex functions which experience has shown are better administered separate from the remainder of the officer corps.

Moreover, the Congress has a history of legislating on the service's general/flag officer corps as a separate entity. Finally, including general officers in DOPMA will further complicate what is clearly an already complex bill.

If Congress decides that general officers will be included in DOPMA nonetheless, the Army has several concerns about the provisions contained in S. 1918.

The grade tables in S. 1918 correlate requirement/authorizations with a service's total military strength. It ignores the civilian component of a service and the impact of civilian general officer equivalents, that is, senior executive service (SES) positions. The separate services have consciously decided upon different mixes of general officers and SES.

The grade table in S. 1918 is based upon a single factor—military strength. In fact, general officer requirements are based on a number of factors such as total strength, specific mission, nature and location (both geographically and organizationally) of the unit/agency, and fiscal responsibilities, et cetera. The subjective and unquantifiable nature of many of these factors argues, it seems to me, against the use of a mathematical table for determining general officer authorizations.

S. 1918 provides the Secretary of Defense a "bank" of 177 general officer authorizations to be apportioned among the services at his discretion. The serious planning problems this would create for the individual services far more than offset any advantage in flexibility such an arrangement might provide OSD.

Based on total military strength as of September 30, 1979, using the grade table in S. 1918, the Army's total general officer authorization for end of fiscal year 1980 would be 350. This would represent a significant reduction from our current authorization.

While some of this reduction presumably could be recouped in the form of additional authorizations from the Secretary of Defense's bank, it nonetheless represents a significant potential reduction in the Army's senior military leadership at a time of apparent international danger with resulting heightened requirements for senior Army leadership.

While the single-promotion system and its accompanying tenure provisions provide the continuity and protection we want for the officer corps below grade O-6, the accompanying tenure requirements for the senior executive military ranks may not be prudent.

The automatic tenuring contained in the transition provisions is a major concern also as it would make a shambles of our promotion projections and extend the exhaustion date of our current temporary brigadier general promotion list up to 3 years. Similar inconsistencies exist in the general officer selection boards and associated procedures and grade at retirement provisions.

I mentioned constructive service credit. The S. 1918 constructive service credit provisions establish guidelines in law that are too

rigid and eliminate service secretary flexibility to meet actual service requirements in procuring professionals.

The Senate bill, by placing exact fixed credit in law, disregards the need to temper experience and training with good judgment to access officers in the grade and specialties required by the force.

The Army Medical Department, for example, has been using existing constructive service credit authority with appropriate constraint for years.

If the Senate provisions had been in effect during fiscal year 1979, constructive credit awarded would have been reduced for 100 percent of the Veterinary Corps, and 47 percent of the Medical Service Corps volunteers authorized such credit.

In addition, all credit would have been denied to the remaining 53 percent of Medical Service Corps and all Army Nurse Corps and Army Medical Specialists volunteers. Yet the value of such credit to attract volunteers, especially in low density technical specialties, cannot be overemphasized. This is particularly true in specialists such as optometry, podiatry, psychology and nurse anesthesia which are, or would otherwise be, seriously under strength.

The House version provides the language most appropriate to achieve this result. The alternative will be large expenditures in other incentive programs.

The Army is also disturbed that the Senate has eliminated the all-regular career force provision in their bill. The failure to adopt this feature perpetuates the current dual management of reserve and regular officers and the anomaly of reservists serving as careerists to 20 years. Certainly it inhibits the building of a personnel management system that is fair to all.

The designation of a separate regular force strength table has to be a carryover from past times that is no longer relevant. Congressional oversight of the budgetary process makes the perceived danger of a "large standing regular force" no longer relevant.

The Senate has argued in its report on S. 1918 that the all-regular career force creates yet another up-or-out provision in the personnel management system. The opposite is true—a more equal treatment of all officers will result in the all-regular force concept which has been twice concurred in by this committee and the full House in the 94th and 95th Congress.

Service Secretary authority: We are also concerned over many of the Senate provisions which limit the authority of the Army Secretary to manage the personnel policies of the officer corps. I will cite a few examples of Secretary of Defense regulatory requirements:

Prescribe regulations under which the Secretary of each military department shall convene selection boards for selection to grades O-2 through O-8.

Prescribe regulations under which the Secretary of each military department may convene boards for continuation.

Prescribe regulations under which the Secretary of each military department shall establish competitive categories for promotion.

Army Secretary authority now exists in the temporary promotion system to provide special considerations for certain categories of officers who cannot fairly compete with other officers; the permanent associate professors of the military academy fit this category.

ry. United States property and fiscal officers (USPFO) are another category.

To arbitrarily deny this authority unduly penalizes individuals who are difficult to retain on active duty without special compensations in rank.

And the list goes on. We understand the concern of the Congress to uniformly apply personnel management policies across the Department of Defense as reflected in the congressional mandate.

The Army feels, however, that the secretarial authority granted in the administration proposal is sufficiently flexible to care for the individual requirements of the Army and at the same time provide the kind of oversight and control required by the Department of Defense and the Congress.

Before closing I want to return to a theme that is highlighted in the Senate report and is embodied in the proposed Senate bill.

The intent is clear—they want an older force with fewer officers achieving field grade rank. I have pointed out that this is going to mean a reduction in the Army's officer retention and Army readiness, a 20-percent increase in losses at the end of initial obligation, and an increase in accession costs.

Consequently, the force will be even younger, less experienced and certainly less motivated. Already the services are having difficulty retaining some qualified officers, particularly highly skilled ones.

Length of service and age analogies have been made between civilian industry and the military. The Army has consistently argued for a young and vital force tempered with the right amount of maturity and experience to manage its resources and fight its battles. Experience has shown us that to attract and keep qualified officers we have had to provide the opportunity for them to progress at a pace in relation to their civilian peers; or at least they must perceive that the rank they hold at a certain age is at least comparable with the rank and prestige of their civilian peers.

The rapid advancement available in certain specialties in the civilian sector make retention of certain officers extremely difficult. Society is not the same as it was 20 years ago and neither are the wants, goals, and aspirations of its people. The Army is no different. If we cannot move an officer up the rank ladder of success, we must find another way to retain him. If we are to lengthen time in grade, expect lower grades to do jobs that were previously accomplished by higher grades, and begin to suggest that the epitome of a successful career is making lieutenant colonel or major or even captain, something else must happen to motivate him. Another means of compensation may be required to make this legislation viable.

Unless the nature of our society changes or unless the Congress is willing to expend more money for military compensation than is necessary, the Senate alternative to the administration's DOPMA could have lasting negative effects on the ability of the Army to man the force of the 1980's.

Mr. Chairman, thank you for your consideration in allowing the Army to testify on this very important piece of personnel management legislation. The Army again urges your approval and congressional enactment of the administration bill, as drafted.

Thank you, sir.
 [The following was received for the record:]

WRITTEN STATEMENT OF HON. WILLIAM D. CLARK

Mr. Chairman and Members of the Subcommittee

It is indeed a pleasure to appear before this Subcommittee as the Department of the Army representative to present the Army's views on the Administration's Defense Officer Personnel Management Act--DOPMA. As you know, we have been working many years to effect passage of this very important legislation relating to the appointment, promotion, separation, retirement and management of commissioned officers through the grade of colonel. The Army had a major role in the development of this personnel management modernization legislation and remains convinced this legislation in the right form is necessary for more efficient management of the officer corps. It is the single most important piece of officer legislation since 1954. There have been many changes in administration and military leadership since DOPMA's inception in the early 70's but there is still firm Army support for the original legislation.

This legislation provides a more visible and more easily understood career progression pattern for individuals and increases the equity between reserve and regular officers. The DOPMA provisions are important to the Army. It will enable us to update our management system to meet the needs of the Army and the officer corps.

The Army is pleased that the Senate has acted on DOPMA legislation this session, but is very concerned with several key features of that Bill. However we are hopeful that this will open the way for full Congressional enactment this year.

I will address various aspects of the Senate bill later in this statement, but first it is important to detail the Department of Defense submission as it relates to the Army personnel management system.

The Army testified on DOPMA in both the 94th and 95th Congress. Our stand has not changed but I believe it will be useful to review the Army's position on the major issues for the record today.

GRADE TABLES

The grade limitations embodied in the DOPMA officer field grade tables are critical to the Army's ability to man the force. They are requirements based to meet the needs of the Army over time. In designing

these grade tables the Army examined its requirements and reduced the number of O-6's and O-5's and slightly increased its O-4 ceilings compared to the current OGLA Law. This change in distribution more closely parallels the proportion of O-6's, O-5's, and O-4's in the force structure.

During its earlier deliberations, Congress further reduced the numbers of O-6 and O-5 to those now included in the present Bill.

Equally critical in today's competitive job market is our ability to attract and retain the high caliber officer. These tables allow us to competitively promote officers at a sufficient rate to maintain career attractiveness while still maintaining the right balance in maturity and experience. Without a satisfactory degree of attractiveness the personnel management system would be unable to retain qualified officers in the number required by the officer structure.

It must be remembered that the Army, like the other Services, must grow its future leaders and specialists. There is little opportunity, unlike civilian industry, for lateral entry at the field grade level--professionals (doctors, lawyers, chaplains) being the only notable exceptions. Therefore, promotion as a tool of personnel management, must provide a flow of officers into, through and out of the officer grade structure. To be effective, this flow must meet on a continuing basis the needs of both the service and the individual. We have found through experience and computer modeling efforts, that the distribution in these grades meet the Army's and the officer's combined requirements to man the force at the proper time with the right grade.

There are other statutory aspects of the Personnel Management System, being updated by DOPMA, that are vitally important to the Army.

PROMOTION SYSTEM

The establishment of the single promotion system eliminates the Army's separate management of permanent and temporary grade structures. It eliminates the individual's concern for career progression under two separate promotion systems.

ALL-REGULAR CAREER FORCE

The establishment of an all-regular force by not later than the 11th year of commissioned service provides equity between the regular and

career active duty reserve officers and ends the anomaly of career reservists that has existed since 1947 by recognizing that we are not likely to reduce the active Army force to a statutory regular Army level of 50,000 officers again.

We also believe that as an officer progresses through the promotion system he in fact passes through a career gate which corresponds in time with his promotion to O-4 and the all-regular force point. The field grade officer deserves different management considerations, particularly until a retirement modernization bill is enacted. For this reason the continuation authority of O-4's who have been twice non-selects for promotion to lieutenant colonel is particularly suited to the Army. The two-time nonselect O3 to O4 who does not make this career gate is normally separated from the Army early enough to enable easy transition into another vocation in the civilian marketplace.

TENURE

The new tenure provisions change Army mandatory retirement points for O-4 from 21 years to 20 years and O-5 from 28 to 26 years while O-6's remain at 30 years. These new tenure rules are modified by selective continuation provisions. The selective continuation provisions would enable the Army to reduce the numbers of officers in senior grades during periods of force reduction by means other than retarding or stopping promotions and/or reducing the total number of officers by reducing accessions. Previously the burden of reductions in force have fallen heavily on the reserves rather than the total officer force.

TRANSITION

The Army does not anticipate any major problems in transitioning to any of the new provisions of this personnel system. We believe this bill preserves the best features of the Army's existing management system and revises those features necessary to meet the challenges of an all-volunteer environment and long-range leadership needs of the Army.

The Department of the Army strongly urges your approval and congressional enactment of the Administration Bill as written.

SENATE LEGISLATION

Now I want to turn to the alternative DOPMA proposal as passed by the Senate as S.1918. Specifically I will address the revised grade

tables, the inclusion of general officers in DOPMA, constructive service credit, the all-regular force and service secretary authority to influence personnel management policy.

NEW GRADE TABLES

The Army has analyzed the impact of the new grade tables. This analysis included the impact on Army readiness, or the ability of the Army to execute current missions with severe reductions in the field grade structure; officer retention; officer behavior patterns; career development, to include promotion opportunity and timing; and cost. Of course, many interacting variables, including the economic condition of our country, affect any one or more of these aspects.

Career Development

The primary purpose of career development is to produce qualified officers to man the force in the proper skill and grade. The Army develops qualified officers through a sequence of formal schools and assignments. This sequence of schooling and assignment provides the career pattern through which an officer can progress to the highest level for which he is qualified.

An important consideration is the extent to which career attractiveness is afforded through career development. Without a satisfactory degree of attractiveness the personnel management system would be unable to retain qualified officers in the number required by the officer structure. Professional goals and desires vary among officers, however, a standard indicator of the degree to which these goals and desires are attained is promotion.

When an officer reaches the limit of his potential, after satisfactorily passing through the promotion system, he serves a reasonable period in the highest grade, then retires, thus ensuring that an adequate balance between experience and youth is maintained.

There is a persistent need, both in war and peace, for a young and vigorous officer corps exemplifying high levels of mental and physical stamina, enthusiasm and adaptability. To accomplish this a careful balance is maintained between annual procurement, annual attrition, forced attrition, promotion timing, promotion opportunity and grade distribution. A sensible up-or-out system helps to keep these variables in line.

I will spend a little time here talking you through this career development process because it is so central to our system and so critically related to the grade limitations in law.

The Army reaches a number of decision points in evaluating an officer to continue in the military service. First, the initial years of obligation provide the Army and the individual sufficient time to determine the officer's adaptability to military service and initial potential for success. In the years that follow, four through eight, the young officer is provided with a variety of assignments; troop, staff and service school. By this time, the officer has passed through the decision point to captain and the basic development of the company grade officer is ending. By now the officer has determined career aspirations and is ready for an Army career or another profession and the Army has established a profile of evaluation reports to evaluate the whole man for potential career status.

The decision point here is critical because it obligates both the officer and the Army. This decision point is linked, not by coincidence, to the proposed DoD DOPMA legislation which mandates the all-regular force decision by the individual's 11th year of service. To the extent you selectively retain, after this decision point is also to deny some officers the opportunity to pursue other professional endeavors early in life and to deny other officers the opportunity for advancement.

Promotion Opportunity and Timing and Its Effect on Retention

An officer making a career decision assesses the prospects of continued career attractiveness. His judgment is influenced by personal experience, comparison with experiences of others, and his expectations for desirable and competitive school assignments and promotion.

As time in grade increases or as selection rates drop off, morale and career attractiveness suffer. We feel the Senate's reduction in grade tables will have a severe impact on promotions to the grade of major. The promotion point to major would extend beyond 12 years or the promotion opportunity would drop below 65 percent. This has to affect overall retention. More critically, it is going to affect retention of our critical skilled officers; pilots, engineers, computer specialists, analysts, medical service corps officers, lawyers and particularly many

others who have good or better career opportunities waiting for them in the civilian sector.

Analysis of Grade Table Cuts, Retention, Experience and Requirements

What will be lost is the experienced and trained officers needed to perform the critical field grade functions. The Army has analyzed the Senate DOPMA proposal in relation to the experience level required to perform Army missions and found the Senate Bill falls very short of our needs. Again the requirements process is the same one the General Accounting Office validated for the Congress in 1975.

Let me explain this analysis with figure 1 on the next page of the statement as a reference. What you see in the upper left hand block are two representative curves of the Army commissioned officer structure over time. The vertical axis represents the strength of the force and the horizontal axis represents years of commissioned service. The solid line represents the DoD Proposal before you now and represents the force as it would look in steady state using the promotion expectations and loss data we know to be an accurate reflection of how the officer corps behaves.

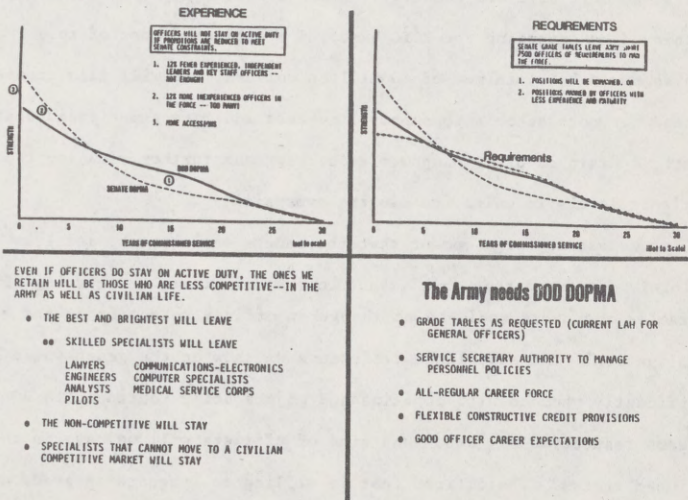


FIGURE 1

The dotted line is the same representation of the force using the Senate's assumptions that 50% of the twice non-select O-3's will be continued to 20 years, 50% of the twice non-select O-4's will be continued

to 24 years and there will be no effect on retention. I have already discussed the increased promotion point that this causes. Based on our experience with increasing the captain promotion point from 4 to 4½ years in 1977 and the Rand Corporation study on retention, we made the empirically based assumption that contrary to the Senate assumption the loss rate at the end of initial obligation would increase by 20%. This 20% change in loss rate coupled with the lowered grade ceiling and the continuation of O-3's and O-4's results in a force shown on the dotted curve.

Now what is critical to observe is the differences in the curves at "1" and "2". First you will notice that the experience level of the force has dropped by 12% between the seventh and 20th years, at number 1. That means 12% fewer experienced independent leaders and key staff officers to perform Army missions.

Readiness of the force is affected. The opposite extreme happens at number 2. In order to keep pace with the increased loss rates we must access 12% more officers to the force than we need under DoD DOPMA, or about 2,400 more officers annually. This increase could, for example, be achieved by expanding the ROTC base. The estimated cost of this increase could be a minimum of 40 million dollars. It will also create the need for more schools to support the base and more experienced staff members, a drain on other manpower resources thus further reducing the experience levels in units, to man the expansion.

Let us assume for a moment that the Senate was correct, and I am absolutely convinced that this is not correct, in their structuring of the tables and there would be no change in officer retention at the end of obligation. The experience difference we show on the graph would be significantly reduced with captains and majors being continued to 20 and 24 years respectively. But, what kind of officers will we have in the continued status? The officer that is willing to stagnate in grade and is denied the pay increases that accompany promotions is obviously less competitive; both in the Army and the civilian sector. We believe the better officers will not endure such disregard for compensation or status which rank provides.

We believe the best and brightest will leave including our engineers, communications-electronics experts, lawyers, pilots, analysts and computer specialists to name but a few. The ones that stay will not possess the expertise we need to manage the Army. No, the Army cannot afford this extra cost in lost experience or extra dollars as suggested by the Senate Bill.

Impact on Requirements

We are also very concerned about the grade cuts as they relate to our requirements, a process commended by the General Accounting Office. The overall impact of the Senate's large grade reductions is severe.

On the right side of "figure 1" we have superimposed the Army requirements curve over both the Senate and DoD DOPMA. As mentioned earlier, the Army originally asked for more O-6's and O-5's in the 1974 submission, but this subcommittee and the full House reduced the tables to what you see as represented in the DoD DOPMA curve and as recommended to the Congress last year.

Under the Senate proposal, the shortage to the authorized structure is significant--more than 7,500 field grade officer positions will be unmanned or manned by an officer with considerably less experience and maturity. Since upward grade substitution will be necessary to fill the depleted field grade ranks, 65 percent of the jobs currently performed by O-4's will be filled by captains. This ignores the increased responsibility in those positions. As we've seen, the captains are not likely to have the expertise to man these positions with the same degree of effectiveness currently experienced.

The Army strives to curb inflation in officer requirements. Constant reviews of the grade structure by the Department of the Army Staff and the major commanders in the field are designed to hold grades in line with established staffing guides and command grade objectives. Our grade determination process is always under review and closely monitored at all levels of command. This process was also validated by the GAO Report to the Congress in 1975.

The 7,500 shortage to the force coupled with experience factor just discussed hurts Army readiness. Quantification of this hurt on Army

readiness is virtually impossible to measure in the near term as we would have to be in a situation wherein tactical units are commanded by less experienced O-2 through O-5 versus the experienced O-3 through O-6. However, it stands to reason that a tactical unit commanded by less experienced, trained and knowledgeable officers will result in a unit not well-trained or well-led. It seems to us that the situation exists not only in the military but in the civilian corporate and government structure. I do not believe we can afford the luxury of allowing the situation to develop and then find out that a bad mistake was made. It may be too late to do anything about it.

Degradation of Mission Capability

In addition to what I have just discussed, the large reductions in O-6's, O-5's, and O-4's will also require either huge grade substitutions from the company grades or downgrading of over 7,500 field grade positions. Our requirements determination process, again validated by the General Accounting Office, tells us that the latter is not warranted or desirable. Grade substitutions mean that officers, contrary to Senate assumptions, with considerably less experience and maturity will be filling critical field grade positions.

The downward movement of responsibilities and increased frustrations from "doing more with less" would also be expected to take a heavy toll on the noncommissioned officers. Our enlisted personnel would be supervised by more junior and less experienced officers. Lessons learned in the past decade clearly show we need experienced officers in positions of responsibility. In many of our civilian intensive agencies a change in the grade limitations would produce downgrading, grade substitution and or civilianization. A reduced grade structure causes problems with coordination among other government agencies, the Congress and civilian industry. The efficiency of these agencies will drop.

Technology has changed and so has the level of expertise necessary to coordinate these systems. Large sums of money are being expended to keep pace with our adversaries and technology itself. We shall not trust an excessive number of decisions in this high dollar market to the inexperienced.

The tables established in the Senate proposal just do not support the Army requirements to man the force at the current level nor do they support career opportunity for the officer corps. The Army's scientifically based and judiciously managed requirements determination process indicates that it needs more with which to operate than the Senate grade tables have provided.

GENERAL OFFICERS

The Army continues to maintain that general officers should not be included in DOPMA. The Senate's S.1918 has tried to apply many of the same provisions to the general/flag officer personnel management system as it has to the rest of the officer corps. This will not work for the same reasons it has not worked in the civil service system as evidenced by a separate need for and subsequent creation of a management system for the Senior Executive Service.

The authorization tables and separate promotion and tenure management system in the present law are far preferable, in the Army's view, to that in the Senate Bill. The existing general officer provisions have worked well in practice, meeting the needs of the nation and the Army, while accommodating the development and career expectations of individual officers. General officer requirements and management are complex functions which experience has shown are better administered separate from the remainder of the officer corps. Moreover, the Congress has a history of legislating on the Service's general/flag officer corps as a separate entity. Finally, including general officers in DOPMA will further complicate an already complex bill.

If Congress decides that general officers will be included in DOPMA nonetheless, the Army has several concerns about the bill as contained in S.1918.

The grade tables in S.1918 correlate requirement/authorizations with a Service's total military strength. It ignores the civilian component of a Service and the impact of civilian general officer equivalents, i.e., Senior Executive Service (SES) positions. The separate Services have consciously decided upon different mixes of general officers and SES.

The grade table in S.1918 is based upon a single factor -- military strength. In fact, general officer requirements are based on a number of factors such as strength, specific mission, nature and location (both geographically and organizationally) of the unit/agency, and fiscal responsibilities. The subjective and unquantifiable nature of many of these factors argues against the use of a mathematical table for determining general officer authorizations.

S.1918 provides the Secretary of Defense a "bank" of 177 general officer authorizations to be apportioned among the Services at his discretion. The serious planning problems this would create for the individual Services far more than offset any advantage in flexibility such an arrangement might provide OSD. The bank concept would make it virtually impossible for the individual Services to plan force structure, future requirements, and even promotion and other career opportunities. Moreover, it would foster an unhealthy competition and disharmony among the Services as they sought more favorable treatment from OSD.

Based on total military strength as of 30 Sep 79 using the grade table in S.1918, the Army's total general officer authorization for end FY 80 would be 350. This is a significant reduction from our current authorization. While some of this reduction presumably would be recouped in the form of additional authorizations from the Secretary of Defense's bank, it nonetheless represents a significant potential reduction in the Army's senior military leadership at a time of apparent international danger with resulting heightened requirements for senior Army leadership.

While the single-promotion system and its accompanying tenure provisions provide the continuity and protection we want for the officer corps below grade O-6, the accompanying tenure requirements for the senior executive military ranks may not be prudent. The automatic tenuring contained in the transition provisions is a major concern also as it would make a shambles of our promotion projections and extend the exhaustion date of our current temporary brigadier general promotion list up to three years. Similar inconsistencies exist in the general officer selection boards and associated procedures and grade at retirement provisions.

CONSTRUCTIVE SERVICE CREDIT

The S.1918 constructive service credit provisions establish guidelines in law that are too rigid. They eliminate Service Secretary flexibility to meet actual service requirements in procuring professionals.

Award of constructive service credit enables appointment to be made in a grade higher than second lieutenant and/or with credit toward time in grade requirements to the next higher grade. Grade of appointment is determined by the current promotion point at the time of appointment. Current law and the provisions of the previous House versions of DOPMA allow the Army the flexibility to obtain accessions to professional branches of the officer corps. The Senate Bill, by placing exact entry grade designations in law, disregards the need to temper experience and training with good judgment to access officers in the grade and specialties required by the force.

The Army Medical Department, for example, has been using existing constructive service credit authority with appropriate constraint for years.

If the Senate provisions have been in effect during fiscal year 1979, constructive credit awarded would have been reduced for 64 percent of the Medical Corps volunteers, 21 percent of the Dental Corps volunteers, 100 percent of the Veterinary Corps, and 47 percent of the Medical Service Corps volunteers authorized such credit. In addition, all credit would have been denied to the remaining 53 percent of Medical Service Corps and all Army Nurse Corps and Army Medical Specialists volunteers. Yet the value of such credit to attract volunteers, especially in low density technical specialties, cannot be overemphasized. This is particularly true in specialists such as optometry, podiatry, psychology and nurse anesthesia which are, or would otherwise be, seriously understrength.

This use of constructive service credit to procure volunteer specialties is very cost effective when compared with alternative programs. While these other programs remain necessary, reliance on these programs can be reduced by increasing the number of pure volunteer accessions through judicious use of constructive credit.

To the extent that constructive credit is designed to place an officer who obtains specialty education and experience required by the

service on an equal footing with an officer who enters the service immediately upon completing a baccalaureate degree, the House version provides the language most appropriate to achieve this result. Shortages may occur in any of the professional branches of the Services requiring the granting of additional service credit to meet procurement demands. The alternative to more flexibility in this provision will be large expenditures in other incentive programs.

ALL-REGULAR CAREER FORCE

The Army is also disturbed that the Senate has eliminated the all-regular career force provision in their bill. The failure to adopt this feature perpetuates the current dual management of reserve and regular officers and the anomaly of reservists serving as careerists to 20 years; certainly it inhibits the building of a personnel management system that is fair to all.

The designation of a separate regular force strength table has to be a carryover from past times that is no longer relevant. Congressional oversight of budgetary process makes the perceived danger of a "large standing regular force" no longer relevant. The Senate has argued in its report on S.1918 that the all-regular career force creates yet another up-or-out provision in the personnel management system. The opposite is true - a more equal treatment of all officers will result in the all-regular force concept which has been twice concurred in by this Committee and the full House in the 94th and 95th Congress.

SERVICE SECRETARY AUTHORITY

The Army is also concerned over many of the Senate provisions which limit the authority of the Army Secretary to manage the personnel policies of the officer corps. I will cite a few examples of Secretary of Defense regulatory requirements.

- Prescribe regulations under which the Secretary of each military department shall convene selection boards for selection to grades O-2 through O-8.
- Prescribe regulations under which the Secretary of each military department may convene boards for continuation.
- Prescribe regulations under which the Secretary of each military department shall establish competitive categories for promotion.

- Army Secretary authority now exists in the temporary promotion system to provide special considerations for certain categories of officers who cannot fairly compete with other officers; the Permanent Associate Professors of the Military Academy fit this category. To arbitrarily deny this authority unduly penalizes individuals who are difficult to retain on active duty without special compensations in rank.

The list goes on. We understand the concern of the Congress to uniformly apply personnel management policies across the Department of Defense as originally detailed in the Congressional mandate to develop a defense officer management system. The Army feels, however, that the secretarial authority granted in the administration proposal is sufficiently flexible to care for the individual requirements of the Army and at the same time provide the kind of oversight and control required by the Department of Defense and the Congress.

Before closing I want to return to a theme that is highlighted in the Senate report and is embodied in the proposed Senate Bill.

The intent is clear--they want an older force with fewer officers achieving field grade rank. I have pointed out that this is going to mean a reduction in the Army's officer retention and Army readiness, a 20 percent increase in losses at the end of initial obligation, and at least a 35 million dollar increase in accession costs. Consequently, the force will be even younger, less experienced and certainly less motivated. Already the Services are having difficulty retaining some qualified officers, particularly highly skilled ones. Much attention has been paid in the Congress, the press and of course in the Services on retention cause and effects.

Length of service and age analogies have been made between civilian industry and the military. The Army has consistently argued for a young and vital force tempered with the right amount of maturity and experience to manage its resources and fight its battles. Experience has shown us that to attract and keep qualified officers we have had to provide the opportunity for them to progress at a pace in relation to their civilian peers; or at least they must perceive that the rank they hold at a certain age is at least comparable with the rank and prestige of their civilian peers.

The rapid advancement available in certain specialties in the civilian sector make retention of certain officers extremely difficult. Society is not the same as it was 20 years ago and neither are the wants, goals, and aspirations of its people. The Army is no different. If we cannot move an officer up the rank ladder of success we must find another way to retain him. If we are to lengthen time in grade, expect lower grades to do jobs that were previously accomplished by higher grades, and begin to suggest that the epitome of a successful career is making lieutenant colonel or major or even captain, something else must happen to motivate him. Another means of compensation may be required to make this legislation viable.

Unless the nature of our society changes or unless the Congress is willing to expend more money for military compensation than is necessary, the Senate alternative to the Administration's DOPMA could have lasting negative effects on the ability of the Army to Man the Force of the 1980's.

Mr. Chairman, thank you for your consideration in allowing the Army to testify on this very important piece of personnel management legislation. The Army again urges your approval and Congressional enactment of the Administration Bill, as drafted.

Mr. NICHOLS. Thank you, Mr. Secretary.
General Yerks, do you have a statement in connection with this?

**STATEMENT OF LT. GEN. ROBERT G. YERKS, DEPUTY CHIEF
OF STAFF FOR PERSONNEL, DEPARTMENT OF THE ARMY**

General YERKS. Mr. Chairman, I do not have a prepared statement but I would like to make a comment or two, if permitted.

Mr. NICHOLS. You may proceed.

General YERKS. Let me reiterate, first, Mr. Clark's remark that the Army needs the Defense Department DOPMA bill. It needs it in its aspects of an all-regular career force, a bill that has flexibility, where the service Secretaries can modify provisos. It needs the bill as reflected in the DOD proposal which gives a reasonable career opportunity, and with grade tables to support it, and it needs a bill that delinks the general officer management from the overall management of our officer force.

And with that general comment, I would like to take just two or three minutes of your time and not reiterate history, but mention the fact that although this particular bill is now before this Congress, we must go back to 1972 to the congressional mandate to realize its conception.

We must realize that since 1972, this bill has been debated, it has been studied, it has even been buffeted in real life because the Army has moved in many areas in personnel policy, moved to

adopt the types of management that is encompassed in the current DOD proposal. So, in fact, in real life we have many of the proposals in the Army working today as proof positive.

One might get into a debate as to whether or not the differences in the Senate proposal and the Defense Department proposal are really that different, and you can get into a debate or a commentary as to whether or not it is a difference in principle or what-have-you, or is it in degree where we can manage and we can compromise.

I think, to be fair, that both the Senate proposal and the Defense Department proposal started off and both are based on similar principles, similar objectives. I think both bills want to provide retirement from service at reasonable ages and reduce the numbers. In simple terms, both bills have an underlying principle that the right mix, the right balance between age and experience, is necessary.

Second, we need a bill that provides an opportunity to attract, recruit, as well as retain the number of high caliber officers we need in our career force.

Finally, I think there is commonality, consistency in thought and principle in both bills, that we need to also have consistency in the way we manage our officer corps, consistency with flexibility between the various services.

But after those basic principles are established and understood, we found in developing our proposal that we needed to go back constantly to those basic principles to make sure that the aegis in the program was supported by our basic principle that showed a commonality.

In the Senate proposal we did not think they did that, and we feel the composition of the grade tables, the all-regular career force, the single promotion system, the selective continuation rates which Mr. Clark has reviewed for you, all are sensitive, critical variables that must be delicately put in place and managed with some flexibility if any personnel management system is to be effective.

In the Senate's bill the restriction on those critical variable areas, has taken the flexibility away.

The Senate bill starts out with assuming that their profile of the officer corps is acceptable, and acceptable under the condition that promotion opportunity to major will be 50 percent, and that 50 percent of the non-selects to captain and major will be continued 20 years. And I say this is almost like going back to 1938 when you say that you are going to have an attractive force when you offer a young officer 16 years in grade to captain as an incentive to stay in our service. I think the basic assumption that erodes the entire position of the Senate proposal is that the retention rates will be similar to that which we experience today.

In sum, I would say the risk is profound in the Senate proposal, the risk in being disruptive to sound personnel management, and more specifically, I think the blow would be very serious, almost disastrous, to decent manning of the force or manning of the officer portion of our force.

Mr. NICHOLS. Thank you, General.

I had intended asking this question of the Secretary but you have touched on it and if I might just pursue it with you. What is your perception of the Senate proposal vis-a-vis the House proposal? Do you see it differing largely in degree, in assumptions, or do you see it differing in principle? Would you expand just a little on that question as you view it?

General YERKS. Yes, sir. You get into almost a definition of principle. I used the term objective, the objectives of the bill were the same. But when you get into the construction of a proposal or a study or what have you, you must keep those objectives or basic principles in mind and I don't believe the Senate has done this.

More specifically, when you get into the construction of a bill based on common principle which really should not be compromised, when you find that the construction erodes your grade structure, 30 percent, 25 percent, 20 percent in the colonel, lieutenant colonel, major ranks, I think this leads you right back to the fact that we are talking of principle and not of degree.

When you get into some of the details of the bill such as the numbers of dollars that would be used for separation pay and something like that, you are getting into degree, but the very construction of the Senate proposal does violate a serious principle in our estimation.

Mr. CLARK. Mr. Chairman, may I add to that? I agree with General Yerks. The fact is, while the Senate bill has stated principles consistent with the DOD DOPMA bill, their assumptions are so faulty as to change those principles on which their bill was founded, specifically, the fact that they say that this will result in a more experienced force. The faultiness of their assumptions is such as to render it to be a less experienced force.

Mr. NICHOLS. General, in that connection, you have three stars on your shoulder, a lot of fruit salad, you have been around for a long time. I know that because you referred to the Army of 1938 and I have some memories of that. I don't want to go back to that one. I remember a little about it in pre-Pearl Harbor days.

In your professional judgment, suppose we split the difference with the Senate, suppose we just took half of the reduction, which is a normal way of doing things in conference committees. What would be the effect, as you see it, on the officer corps if we met them halfway?

General YERKS. I think in very simple terms it would have disastrous effects on the attractiveness of our profession to aspirants who wish to make a career of service to their country as a commissioned officer. I don't think there is any question.

We have, and I have even personally, in the last 2 years in my travels talking to groups of officers, constantly emphasized the importance of the DOPMA bill to the Army. I have praised its credibility as proposed to this committee, to this Congress, its career opportunities were fair, its attractiveness was something desired, and I find a great receptiveness in the Army to a rather profound change in the way we do business. To compromise at this stage would destroy the credibility and the confidence of the officer corps in the process.

Mr. NICHOLS. I gather from what you say, then, that the position of the Army would be the Senate version of the DOPMA is just so

entirely objectionable that you don't foresee a compromisable position from the Army standpoint in going halfway between what the Senate has recommended and what our bill recommends?

General YERKS. If the alternatives were presented to compromise from the basic tenet of the DOD proposal, the Army's position would be "We would rather have no change at all."

Mr. NICHOLS. You would rather have status quo, you would rather have us patch it up again like 6 or 7 years?

General YERKS. We would rather patch up the status quo than be forced for the sake of agreement into the Senate proposal.

Mr. NICHOLS. Mr. Secretary, you talk about the grade tables that the Army has arrived at. Do you feel as though these are pretty accurate to what the needs are? Do you know anything about how these grade tables were arrived at, how they came about? Did a great deal of thought and study go into that?

Mr. CLARK. Yes, a great deal. It is a combination of our experience as to what level of maturity and professional knowledge is needed at various levels of command.

Experience has shown us that a company should be commanded by a captain of a certain number of years of experience, a battalion by a lieutenant colonel of a certain number of years of experience, coupled with the need to have a fairly even flow of promotion opportunity through the system.

It is interesting to note that one of the impacts that the Senate bill will have is the reduction of the promotion opportunity at captain to major; from the present promotion opportunity of about 80 percent down to as low as 50 percent. That is a function of when you promote the person.

Mr. NICHOLS. I would conclude my questioning, Mr. Secretary, by just saying this: You have given us one chart here in which we can quantify the impact of S. 1918, and that is a good chart, but I would ask you to try to be a little more specific as you get with the Department of Defense in providing us some concrete figures to go back to the Senate with.

I know it is difficult to quantify this in terms of percentages or in numbers of people that we would lose, or degree of effectiveness if we go to S. 1918, but I think it would be very helpful to the subcommittee if we do elect to go to conference. We are poles apart.

Mr. CLARK. I understand that. You have our guarantee that we will work with the Defense Department to build as strong a case as we possibly can.

Mr. NICHOLS. Mr. Mollohan?

Mr. MOLLOHAN. Let me pursue a line of questioning the chairman was into.

I have had what you might call a conviction ever since the beginning of these hearings that there was little room here for compromise between what you had proposed and what I think, in general, this subcommittee would support, and the legislation that the Senate has passed. That is pretty much an observation rather than one that has been arrived at by reason of attendance at any of their hearings or with any discussion of any of those who authored the bill on the other side.

Secretary Clark, I should imagine that you and General Yerks both attended hearings over there.

Mr. CLARK. No, sir, we did not.

Mr. MOLLOHAN. Neither of you attended hearings?

Mr. CLARK. No, the Senate had one hearing with the Defense Department representative accompanied by major generals from each of the services as backup to the Defense representative. Frankly, on an issue this important, and since it was the first time the Army has had a chance to address this issue in a hearing, I am disappointed that it was not more thoroughly examined as you are doing.

Mr. MOLLOHAN. You mean they did not have the services represented at the hearings?

Mr. CLARK. Only as a backup to the Defense Department. There were no separate service hearings.

Mr. NICHOLS. Would the gentleman yield on that?

Mr. MOLLOHAN. Certainly.

Mr. NICHOLS. Who at the Defense Department spoke for the Department?

Mr. CLARK. Mr. Robert Pirie, Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics.

Mr. NICHOLS. Did any uniformed officer speak for the Defense Department?

Mr. CLARK. Major General Boatner of General Yerks' staff was present at that time.

Mr. NICHOLS. He was speaking for the Defense Department as a whole rather than from the Army in that capacity?

Mr. CLARK. Yes.

General YERKS. Sir, let me add a comment to that. I don't want to leave you with the impression that those who were making judgments in the Senate were not aware of the Army's position and objections.

I personally have consulted with their staffers and with Senator Nunn personally in presenting the Army's position on their proposal and essentially presented to them what has been presented here this morning.

Mr. NICHOLS. If the gentleman will yield further, did anyone from the Defense Department specifically comment, as you have done today, and as previous witnesses have done before this subcommittee, on the shortcomings, specifically, of S. 1918?

Mr. CLARK. Mr. Pirie, I think, very clearly attacked the premise of S. 1918 in his testimony.

Mr. NICHOLS. Thank you.

Mr. MOLLOHAN. Being as familiar as you are with S. 1918 and the bill that you have submitted, do you see any possibility of an acceptable compromise here which would be in the best interest of the military?

Mr. CLARK. Not on major issues.

Mr. MOLLOHAN. In improving your situation?

Mr. CLARK. Not on the major issues. There are some minor issue differences in wordage and so forth.

Mr. MOLLOHAN. In other words, as I understand you, there is a very high level of conviction in the Senate that what they have done is correct?

Mr. CLARK. I didn't understand that.

Mr. MOLLOHAN. In other words, in your judgment there is a very high level of conviction on the Senate side that what they have done is correct and should be instituted and should not be compromised?

Mr. CLARK. I don't know the accuracy of that. I don't know the extent to which they would be interested in compromising.

Mr. MOLLOHAN. Mr. Chairman, may I ask one question that is a bit outside the realm?

Mr. NICHOLS. Yes, sir.

Mr. MOLLOHAN. You know we have had up here legislation recommended by the President calling for registration of young people for military service, not draft, but registration.

I notice here, Mr. Secretary, that you are the Deputy Assistant Secretary for Manpower and Reserve Affairs. Many of us have been very much concerned about the status of our reserves, numerically and otherwise. Have you noticed any change for the better or increase in enlistments by reason of the proposed registration legislation?

Mr. CLARK. We have had increases in our Reserve and National Guard strength during this last year, but I can't suggest that any of that has been based on the discussion about registration.

Mr. MOLLOHAN. What do you attribute it to?

Mr. CLARK. I think, among other things, improvements in our recruiting efforts. That is, better management of these efforts, also, the resources that the Congress has been kind enough to give us in terms of bonuses for enlistment and reenlistments, educational assistance, additional full-time professional recruiters, certainly the economics of our times, including the increase in unemployment rates, I am sure have all contributed.

Many reasons enter into it, but I don't think there is any single one. I do not know that any of this discussion on registration has had any impact.

Mr. MOLLOHAN. Thank you, Mr. Chairman.

Mr. NICHOLS. Mr. Dougherty?

Mr. DOUGHERTY. Thank you, Mr. Chairman.

Mr. Secretary, could you briefly spell out the objectives of your bill, the administration bill, briefly and succinctly?

Mr. CLARK. To provide a uniform, coherent, single set of rules by which we can build an efficient and effective personnel management system. I would say that is the overriding consideration.

Mr. DOUGHERTY. Would you briefly summarize again the significant differences between the administration's bill and the Senate bill?

Mr. CLARK. The grade tables, of course, are one very significant one, and the underlying assumptions that go along with the executability of those grade tables and the impact it would have on the Army. That is No. 1, and clearly the most significant.

The all-regular career force in which, under the DOD proposal we would have an all-regular career force at the eleventh year, roughly corresponding to the point a person is promoted to major. The Senate bill doesn't contain that provision and perpetuates the all-regular as well as reserve force personnel on active duty.

The differences in the service Secretary's authorities and flexibility allowed to the service Secretaries in the DOD bill and the Senate bill in which the Senate bill is considerably more explicit in the precision in which it describes what can and can't be done. The DOD bill provides more flexibility.

The constructive credit provisions, once again it is an issue of flexibility. We need the flexibility to meet certain needs, particularly in the areas of the professionals. And, finally, the inclusion of the general officer management in the Senate bill which is not included in the DOD bill.

Those are the essential differences.

Mr. DOUGHERTY. Basically, then, what you are proposing to do with the all-regular career forces, if I am a Reserve officer and I get promoted to major in my Reserve career, we drop the "R" off the end of my service number, and I get treated like other regulars. You don't discriminate, telling me I can go for another 3 years.

Mr. CLARK. That is correct, nor would you have to bear the brunt of any reductions in force that might take place. I feel very strongly that it is much more fair and equitable for those persons.

Mr. DOUGHERTY. Being a Reserve officer, I would agree with you.

Looking at the grade tables, did I hear you correctly, General, to say that 50 percent of those not selected for captain would be retained in grade, and could possibly be retained for 20 years?

General YERKS. That is correct, sir.

Mr. DOUGHERTY. You have to be kidding?

General YERKS. No, sir.

Mr. DOUGHERTY. Under the Senate version?

General YERKS. Under the Senate version.

Mr. DOUGHERTY. If I make captain after 4 years on active duty, I could conceivably stay for 20 years?

General YERKS. You can conceivably stay as captain for 20 years, with 16 years in grade without promotion, and that is as I mentioned earlier, sir, an assumption that they accept, the Senate version accepts, that says under those conditions we are still going to have retention that is similar to what we have today. You have hit on the very core of the problem with the grade tables as they are constructed in the Senate bill.

Mr. DOUGHERTY. How would a person get to stay as a captain? When does a person normally make captain now?

General YERKS. In 4 years of service. That is minimum.

Mr. DOUGHERTY. What are the requirements—if I make captain in 4 years, what do I have to do to stay for 20 years? I mean, obviously, I don't make major, so I no longer have to worry about up-and-out.

General YERKS. Yes, sir, if you make captain, and in 4 years or what-have-you, and then when you are a two time pass over for major, there is a Senate assumption that a continuation board would retain 50 percent of those considered on to a 20-year point.

Mr. DOUGHERTY. Under your proposal when would I receive my second review for major?

General YERKS. About the 11th or 12th year.

Mr. DOUGHERTY. If I didn't make major at the 12th year, I have a 50-50 chance of being retained?

General YERKS. That is correct, but there are no limits on the number of two-time nonselects that may be retained.

Sir, could I add something on the continuation board. We are coming almost full circle on continuation boards in the services. I should speak for the Army.

We would like very much to retain the up-or-out proviso. It just makes sense to have some quality screen in your leadership. However, where we have specialty problems, where we have shortages, we are moving much more to a fully qualified basis rather than a best qualified basis in our promotion, and we are retaining now—and we do have continuation boards—officers where we need the skills and the particular rank, we are continuing them on longer into the service and on into the 20th year when we feel it is necessary and to the best interest of the individual and the service.

I think, in essence, we have a continuation process today that is starting to work in the best interests of all concerned.

Mr. DOUGHERTY. Let us assume I don't make major my second time around and I am now in 12 years and I luck out and get continued. When do you review me again? Do you have the option to throw me out at the 15th year if I goof off?

General YERKS. Once we pass on you to the 20th year, the Senate would assume, you stay until the 20th year, or retirement.

Mr. DOUGHERTY. If I make captain with 12 years in the Army and go before the Career Retention Board, or whatever you call it, I am guaranteed 8 years no matter what I do?

General YERKS. Yes, sir, I believe the Senate version would assume you stayed to 20 years within reason.

Mr. DOUGHERTY. Seriously, suppose I don't get a court martial, but that I am a lousy officer?

General YERKS. We could presume the continuation board would not pick you if you were a lousy officer.

Mr. DOUGHERTY. Let's say I am now 14 years in and I am a captain and disillusioned with the fact all my buddies are making major—which I think we used to call "on the midnight cruise"—and you really don't have to do much but show up for work every day. There is nothing in the law that provides for review of people retained in rank at captain, say, at the 16th year?

General YERKS. No, sir; if the continuation board continued you to 20 years.

Mr. DOUGHERTY. As long as I get a satisfactory fitness report, or I don't get court martialed, I basically stay?

General YERKS. Yes, sir; I am presuming that there is a satisfactory degree of performance that does not require some administrative action or elimination, so essentially what you are saying is correct.

The continuation board, sir, again, rather simplistic, you realize they don't have to continue them on.

Mr. DOUGHERTY. I am saying if I am a captain. I have been passed over for major twice. It is my 12th year in the Army and I go before the board, I have one or two chances of being retained. I get retained. There is nothing that says I am to be reviewed again at any given point before I hit my 20?

General YERKS. That is correct, sir.

Mr. DOUGHERTY. I find that difficult to accept.

Mr. CLARK. Incidentally, if you are selected for continuation and do not want to continue, you are not eligible for the pay you get when you are involuntarily separated.

Mr. DOUGHERTY. General, don't you think 80-percent promotion rank to major is a little high? What is the promotion from lieutenant to captain, 90 percent?

General YERKS. About 95 percent, yes, sir.

Mr. DOUGHERTY. Somewhere along the line I have a feeling maybe we just reduced the importance of making field grade. Eighty percent seems a little high to me.

General YERKS. That is an opportunity. That is not a mandate in the statute, it is an opportunity for 80 percent. Boards do not have to select 80 percent, but our structure requirements, and to be very specific, the structure does allow for that type of opportunity for promotion. I understand what you are saying, that seems like it is awful high for entry into the field grade rank.

I will say what feeds this opportunity are requirements. We are just extraordinarily sure that those requirements in the units, combat units, and so on, are firm. They have been established over the years of experience in wars and so forth, and in our support structure, that is where you have a moveable feast. In what we call our table of distribution allowance accounts, where you support base officers, it is a moveable feast where you must review and scrub constantly, because that support basis is so moveable it varies, it is so dynamic, but over the years the 80-percent opportunity is supportable by structure.

Mr. CLARK. I might add, that is 80 percent after people have been there through other gates. You want to keep in mind, the first lieutenant gate, captain gate, a number have fallen out at the end of their obligated period of time.

Mr. DOUGHERTY. A number have not fallen out. If you look, first lieutenant almost automatically, and if you give 95 percent for first lieutenant to captain, the only drop in the figures would be those who finished—

Mr. CLARK. Keep in mind, there are a number of lieutenants who at the end of their 3- or 4-year obligation have fallen out and are not eligible to be selected in that percent of selection to the captain.

Mr. DOUGHERTY. I realize that.

Thank you, Mr. Chairman.

Mr. NICHOLS. Thank you, Mr. Dougherty.

I think you have made a very important point in highlighting that you could conceivably have a captain stay 15, 16 years in grade. It would completely do away with the up-and-out system as we know it now, am I correct? As Mr. Dougherty points out, as long as the man kept his mouth shut and volunteered for nothing, he was pretty well safe.

Do you have any questions.

Mr. EMMERICH. I have one, Mr. Chairman.

The Senate grade tables differ in numbers, but they also differ in the structure that underlies them. Basically that comes about because they included the mobilized reserves in the grade levels. So they have a grade table that would apply even during that mobili-

zation, whereas the DOD proposal is basically for peacetime and the mobilized reserve would not be included in the table?

Mr. CLARK. That is correct.

Mr. EMMERICH. Because of the way it is structured, the table only works at a point, namely, where we are today. If the size of the force increased or decreased significantly, it wouldn't be workable under the idea they had at the time?

Mr. CLARK. There would be major problems if you had to call to active duty large numbers of reserves. In the absence of a full mobilization, that would then allow you to add the additional officers in the field grades.

Mr. EMMERICH. Let me conjuncture a situation. Let us assume that the Senate grade tables were adopted after the end of World War II when most of the current personnel management laws came into being. Would we have been able to function efficiently during the Korean build-up and during Vietnam had this system actually been in effect over time, and would we be able to do such a thing in the future?

Mr. CLARK. I would probably have to think that one out. My offhand answer would be no, we couldn't have, but that is a quick answer, and I am usually a little leery about quick answers on a question like that. I would be delighted to answer that for the record, if I may.

Mr. EMMERICH. Thank you.

[The following information was received for the record:]

SENATE GRADE TABLES

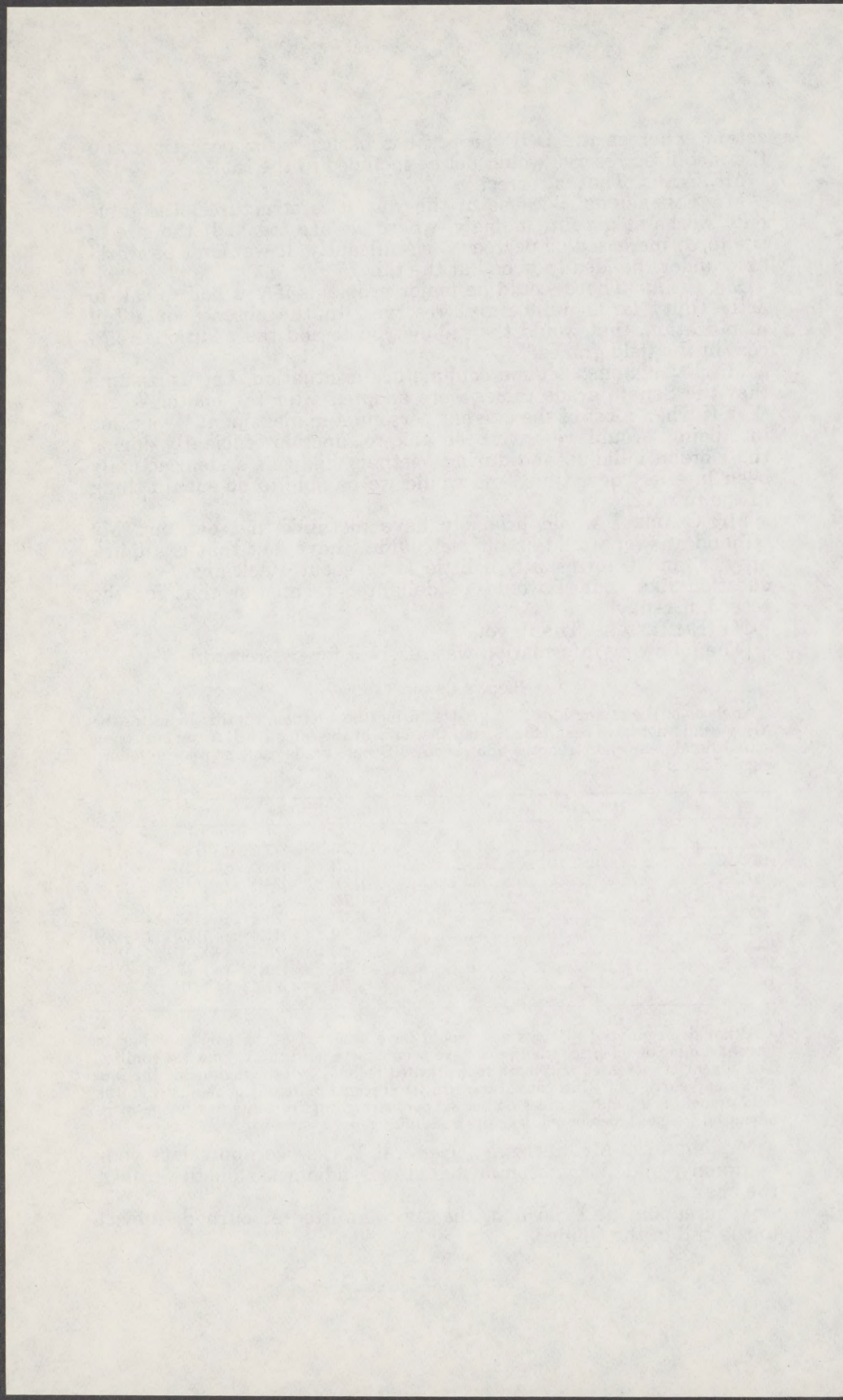
Analysis of the strength of field grades during the Vietnam conflict indicates the Army would not have been able to man the force at the same level. A comparison of actual fiscal year end strengths and proposed Senate grade table shows the following deficiencies:

End fiscal year	Col.	LT. Col.	Maj.	Total
1961.....	(-)1,241	(-)2,309	(-)1,606	(-)5,156
1962.....	(-)1,074	(-)2,190	(-)1,181	(-)4,445
1963.....	(-)1,233	(-)2,485	(-)1,448	(-)5,166
1964.....	(-)1,228	(-)2,323	(-) 853	(-)4,404
1965.....	(-)1,181	(-)2,368	(-) 620	(-)4,169
1966.....	(-)1,317	(-)3,050	(-)1,502	(-)5,869
1967.....	(-) 835	(-)2,238	(+) 342	(-)2,731
1968.....	(-) 495	(-)1,943	(+) 852	(-)1,586
1969.....	(-) 558	(-)2,206	(+) 714	(-)2,050

Although negative deviations also would have occurred in the early build-up to Korea, similar deficiencies would not have been experienced throughout the conflict. The advent of increased and more sophisticated technology evolving during the late 1950's and early 1960's has caused the Army to become more officer intensive in the field grades. The Senate grades do not support Army requirements to manage more advanced weapons, personnel, logistics and intelligence systems.

Mr. NICHOLS. Mr. Secretary, General Yerks, we appreciate your testimony, and the subcommittee stands adjourned on the call of the chair.

[Whereupon, at 11:05 a.m. the subcommittee adjourned, subject to the call of the Chair.]



MARKUP

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
MILITARY COMPENSATION SUBCOMMITTEE,
Washington, D. C., Monday, September 29, 1980.

The subcommittee met, pursuant to notice, at 2 p.m., in room 2216, Rayburn House Office Building, Hon. Bill Nichols (chairman of the subcommittee) presiding.

Mr. NICHOLS. Members of the subcommittee, we will come to order.

The purpose of the meeting today is to mark up S. 1918, the Defense Officer Personnel Management Act.

As you recall from our previous hearings on this subject, wide differences exist between the Senate version of DOPMA and the Department of Defense version which is essentially the same as the bill passed by the House in both the 94th and 95th Congresses. The major feature of the Senate version that was adamantly opposed by all the services was the very significant cut (20 to 30 percent) in the tables prescribing the ceiling on the number of officers in the grades of O-6, O-5 and O-4.

During the conference on H.R. 5168, which among other things extended certain expiring authorities addressed by DOPMA, Senator Nunn and I directed the staffs to meet with representatives from the Office of the Secretary of Defense and hopefully propose a compromise version of DOPMA that would be generally acceptable to the services.

Because of the wide differences in approach, the suggested compromise will not be—I repeat, will not be—completely satisfactory to any of the parties involved. However, I believe that the suggested compromise is workable; does not impact too adversely on the current operations of the services; and is hopefully acceptable to the Senate (I have discussed this suggested compromise with Senator Nunn). I believe we could hope to get an agreement on the Senate side.

A summary of the suggested resolution of the contentious issues was distributed to the members last week. From an overall perspective, the Senate will have given in on the grade tables, coming nearly all the way back to the department's, and the previous House position.

The other issues would be resolved about equally, adopting the provisions in the Senate version in about half the cases and the provisions in the department's and previous House version in the other instances. In most cases, even though adoption of the Senate provisions is suggested, that provision contains sufficient flexibility for the services to operate as they would have under the department's version.

[The following was received for the record:]

SUMMARY OF RESOLUTION OF CONTENTIOUS ISSUES—DOPMA

The Senate and House Armed Services Subcommittee staffs have been working over the last several weeks to develop an acceptable version of DOPMA. The conferees on H.R. 5168 directed the staffs to meet and develop a compromise proposal so that action could be completed this session. Representatives from DOD were asked to participate in arriving at a system that would be generally acceptable to DOD.

That effort has resulted in the following recommendations regarding the contentious issues:

(1) Senate requirement for annual authorization of officer end strength and submission of service five-year promotion plans. Staffs recommend deletion of the annual authorization requirement but retention of the five year promotion plan submission requirement.

(2) Senate requirement to expand accountable categories of officers in DOPMA to include statutory tour reserve officers, other full time manning reserve officers and Navy TAR officers. Staffs recommend deletion of this requirement—excludable categories would be as defined in DOD DOPMA, except mobilized reserves would be countable. Statutory tour officers, etc., also would not be included in active duty promotion system, however, grade limitations would be placed on full-time manning officers.

(3) Senate requirement for drastically reduced field grade officer grade tables and inclusion of reduced general/flag officer grade tables. Staffs recommend a modified field grade officer grade table that effects about a 5 percent reduction in overall field grade officer strength limits versus about a 20 percent overall reduction proposed by the Senate at current strength levels. Staffs recommend deletion of the reduced general/flag officer grade tables; however, certain provisions affecting management of generals/flags would be modified and retained.

(4) Senate deletion of DOD DOPMA requirement for an all-regular officer force after 11 years. Staffs recommend deletion of strict requirement since sufficient regular authorizations are provided that would permit the Services to have an all-regular officer force after 11 years if they choose to do so by policy.

(5) Senate requirement that O-9/O-10 reassignments be submitted to the Senate for confirmation. Staffs recommend inclusion of this provision.

(6) Senate requirement for promotion selection board to all grades and minimum of two reserve officers on any board. Staffs recommend deletion of board requirement for promotion to O-2 and modification of wording to require a minimum of one reserve officer on all boards (except for grades O-7 and above this requirement can be waived if there are no reserve officers on active duty available to serve on the board).

(7) Senate requirement that promotion selection boards be provided data on skill needs. Staffs recommend inclusion of this provision.

(8) Senate requirement that secondary zone consideration be limited to 10 percent of quota. Staffs recommend inclusion of this provision with language that would permit the Secretary of Defense to waive up to 15 Percent (the DOD DOPMA limit).

(9) Senate requirement that officers must complete a specified time in grade before being considered for promotion. Staffs recommend modification of language so that O-2's and O-3's can be promoted upon completion of 18 months and 2 years in grade respectively with remainder of Senate rules applicable for promotions for due course officers to O-4 and above. This modification will allow promotion timing to occur within DOD DOPMA windows.

(10) Senate deletion of requirement for the single zone promotion system in DOD DOPMA. Staffs recommend this provision be accepted. Services will have the flexibility to manage under a single zone promotion system if they desire by policy.

(11) Senate deletion of specific competitive categories that would have been established in law, but provides authority for Secretarial establishment of these categories. Staffs recommend this provision be accepted. Services can establish specific competitive categories as they desire by policy.

(12) Senate deletion of DOD DOPMA requirement that entrants into the commissioned force must be able to complete 20 years of service by age 55. Staff recommend restoration of the requirement. Exceptions made for physicians, dentists, and chaplains.

(13) Senate requirement on constructive service credit limiting amount that can be granted to specific categories. Staffs recommend acceptance of more flexible DOD rules. Includes Senate provision to permit additional credit allowances for physi-

cians and dentists for experience/training. Does not include credit for board certification in view of current bonus authorization.

(14) Senate modification of DOD DOPMA that would: (1) provide Presidential authority to vacate promotions of officers with less than 18 months in grade of O-7; (2) require three years time in grade in order to retire voluntarily in the grade; and (3) standardize tenure for grades O-6, to 30 years; for O-7 to 30 years or 5 years in grade, whichever is later, and for O-8 to 35 years or 5 years in grade, whichever is later; in all cases tenure may be extended up to 5 years at Secretarial discretion not to exceed age 62. Staffs recommend adoption of (1) the 18 months promotion vacation authority (already exists in current law for Army/Air Force); (2) the three year time in grade for retirement restriction with inclusion of language that would provide Presidential authority to waive in unusual circumstances; and (3) the Senate tenure provisions with inclusion of language that would provide for selective continuation after completion of 3 years in grade for O-7's and O-8's.

(15) Senate modification to DOD DOPMA to require tenure to 28 years for O-5's. Staffs recommend adoption of this provision. Impacts Navy and Marine Corps who are at 26 years for this grade.

(16) Senate provision for discretionary continuation of officers who fail promotion; O-3's continued to 20 years of service and O-4's continued to 24 years of service. Staffs recommend inclusion of the provision.

(17) Senate deletion of authority to separate officers whose professional certification has been withdrawn. Staffs recommend inclusion only of provision for separation of chaplains when ecclesiastical endorsements are withdrawn. A provision requested by the DOD Armed Forces Chaplains Board.

(18) Senate modification of DOD DOPMA that would increase involuntary separation pay to a maximum of \$30,000. Staffs recommend inclusion of Senate modification. Same as previous House bill.

The staffs recommend a transition provision that would: (1) provide mechanisms to avoid tenure anomalies for Army and Air Force general officers; (2) allow a two year transition period to the revised grade tables; and (3) establish an effective date six months from the date of enactment.

The staffs recommend language to make permanent the physical disability provisions in H.R. 5168, recently enacted. This is only provision from H.R. 5168 that was not already addressed by DOPMA.

The staffs recommend the inclusion of the Senate floor amendment that would provide per diem for enlisted members on temporary duty on the same basis as officers.

The staffs recommend inclusion of a save pay provision for dental officers who under the recent special pay legislation would experience a pay cut at twenty years of service. The provision would be similar to the provision applicable to military physicians.

The staffs, in developing this suggested compromise, took the Senate version to reflect the Senate position and the previously passed House version to be the House position. They then attempted to devise a compromise position within this environment, assuming that we had reached the conference stage. Although this approach makes a number of presumptions, this is a good prediction of what would happen if we proceeded in the normal manner with regard to this bill. Because time is exceedingly short, I agreed that this would be a desirable approach.

I propose we treat the suggested compromise as any other compromise. During the development of a compromise, certain positions are adopted in exchange for others. When the compromise is exposed in its entirety, all parties would like to change "just this one item" or "just that one item." But those kinds of modifications will lead to other changes because the compromise is constructed on these kind of tradeoffs.

The services did comment on the initially suggested compromise last week. The staffs modified the suggested compromise in response to these comments, and the suggested compromise before us today reflects changes to accommodate most of the services' concerns.

If the subcommittee reports favorably on a bill that represents a version of DOPMA that will be acceptable to the House and the Senate, we hopefully can avoid the need for a conference when we return November 12. I believe that the suggested compromise that I bring to you today summarized in the material distributed last week will do just that.

I have asked Robert B. Pirie, Jr., Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics, to provide formally to the subcommittee today the Department's views on this compromise. Accompanying Secretary Pirie are representatives from each of the services.

It would be my intent, if the subcommittee reports favorably on the suggested compromise today, to take the bill to the full committee tomorrow. If the full committee reports favorably, we would bring the bill to the floor shortly after we return in November. This should be the last piece of legislation that will pass through our committee this Congress and will provide a fine capstone to the very significant changes we have accomplished this year.

Mr. Mitchell, before Secretary Pirie gives his presentation, do you have any statement?

Mr. MITCHELL. No; I would like to hear what the Secretary has to offer.

Mr. NICHOLS. I want to say, Mr. Secretary, before you start, this has been around a long time. It has been around the flagpole for years and years, and I am hopeful that we can put this thing together this year. We have extended and extended and extended various expiring authorities, and this year we threw the ball to the Senate and said, "It's your turn," and the bill that came back to us was totally, totally unacceptable.

Now we are in a position, as I see it, in either accepting this compromise or else doing the same thing we have been doing for all these years. Somewhere along the line we have got to face up to the problem. This might be an opportunity to do so.

Mr. MITCHELL. I am anxious to hear what the services have to say about the proposed compromise. I recall last time the bottom line question was is the Senate version better than nothing. Would you rather have it or nothing? And it was unanimous they would rather have nothing.

There is another option besides passing this compromise—to wait until next year and get a better compromise. It isn't all or nothing. I am anxious to see what their opinions are on this legislation.

Mr. NICHOLS. Mr. Secretary.

STATEMENT OF HON. ROBERT B. PIRIE, ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER, RESERVE AFFAIRS AND LOGISTICS, ACCOMPANIED BY LT. GEN. EDWARD J. BRONARS, USMC; MAJ. GEN. JAMES G. BOATNER, USA; AND MAJ. GEN. WILLIAM R. USHER, USAF

Mr. PIRIE. Thank you very much, Mr. Chairman.

I agree with you, we have been working on this bill for a very long time and I see the present move to a compromise for which you, Senator Nunn, and Mr. Mitchell, merit great credit, Mr. Emerichs and Mr. Spence of the subcommittee staff and Mr. Travers

of the Senate staff, and Colonel Pang of my staff also merit credit. I am encouraged by it as I shall outline in detail in the statement.

I appreciate this opportunity to appear before you again to testify on the Defense Officer Personnel Management Act, also referred to as DOPMA, a bill "to amend titles 10 and 37, United States Code, relating to the appointment, promotion, separation and retirement of members of the Armed Forces, and for other purposes."

Accompanying me today is Maj. Gen. R. Dean Tice, Deputy Assistant Secretary of Defense for Military Personnel Policy. Also accompanying me are representatives from the military services who will be available for comment on any of the issues we will discuss today. They are: Vice Admiral Lando W. Zech, Jr., from the Navy; Lt. Gen. Edward J. Bronars, from the Marine Corps; Maj. Gen. James G. Boatner, from the Army; and from the Air Force, Maj. Gen. William R. Usher.

In our previous session on April 29, 1980, I outlined our major concerns with the Senate version of DOPMA as it would impact on our capability to achieve the mix in youth and experience in the officer inventory to meet our requirements in peace or war. The military services testified similarly in subsequent hearings and described in considerable detail the likely adverse impact the Senate proposal would have had if passed into law. I would like to review briefly the concerns we had with S. 1918 to set the context for my remarks today.

The alternative to DOPMA proposed by the Senate postulated a substantially different management system from the original legislation previously passed by the House. Our analyses indicated that S. 1918 was not a viable alternative and that it would incur a considerable risk in terms of our capability to sustain the type of officer force we must have in order to insure an adequate degree of readiness. The major changes, the areas of our greatest concern, were as follows:

The Senate bill proposed severe reductions in the field grade officer authorizations of 30 percent in O-6's, 25 percent in O-5's, and 20 percent in O-4's. The reductions, which were to occur over a 10-year transition period, were the result of conceptual differences between the Senate and the Department on the justification for the numbers of officers needed in those grades.

The grade tables in the Department's version of DOPMA were predicated on established manpower requirements and were designed to give the military services a long-term basis on which they could continue to provide the type of career opportunity needed to attract and retain the quality and quantity of officers required to fulfill mission commitments.

On the other hand, the drastically reduced grade tables proposed by the Senate were based upon a system of continuing large numbers of captains or Navy lieutenants to 20 years of service rather than promoting them to major or lieutenant commander. Our analysis indicated that such a system could not be sustained because substantially lower promotion opportunities would have induced lower retention causing higher turnover and a far less experienced force.

We had expressed concern about the inclusion of various provisions affecting flag and general officer management in S. 1918. In particular, the Senate introduced a new reduced flag and general officer grade table which included an authority to annually allocate additional officers to each service from a resource bank of 177 officers. We considered the use of this authority impractical. If the authority to reallocate were used to any large degree, we would have experienced excessive turbulence in the force with attendant management difficulties.

There were other important changes in the Senate bill covered in our previous session that I should briefly mention:

Changes in promotion eligibility requirements which would have delayed promotions for all officers. Included was a provision requiring a selection board for promotion to the grade of first lieutenant or lieutenant junior grade in the Navy. We considered the board process for promotion to this grade inefficient, and a requirement that would needlessly add to our administrative overhead.

A provision was added which would retain the current concept of a regular and active duty career reserve officer force by establishing in law the numbers of regular officers each service may have. This would have negated our plan for an all regular career force after 11 years of commissioned service to be required by law.

S. 1918 modified the up-and-out concept by permitting the selective continuation of promotion of failed captains and majors—lieutenants and lieutenant commanders in the Navy—to 20 and 24 years active commissioned service respectively.

The bill also permitted a discretionary authority to continue officers in the grades of lieutenant colonel or commander through major general or rear admiral for 5 years beyond their mandatory retirement dates. We considered these provisions useful provided they were not intended to replace the field grade officer authorizations which were reduced to the degree proposed by the Senate.

The Senate bill required that an officer serve at least 3 years in grade after a promotion before being permitted to voluntarily retire in that grade as a means of requiring longer service. We found this provision inflexible because it does not permit any waiver authority for those unusual cases where an officer has a legitimate hardship and must retire. Officers falling in this category should not be penalized by having to retire in a lower grade.

Although there were other anomalies in the Senate bill, I believe that this sums up a major portion of our disagreement. S. 1918 would not have provided the necessary framework in which we could manage our officer force effectively. Consequently, considering the choice between S. 1918 and the current system, I would still prefer to stay with the current system despite its drawbacks.

Given this recap of my previous testimony as a backdrop, I would like to move now to the issue before us today. As you know, Mr. Chairman, over the last few weeks our staffs, at the initiative of you and Senator Nunn, have met in efforts to reconcile many of the substantial differences between our bill and the Senate's proposal. We appreciated the opportunity to participate in the effort and believe that the agreements resulting from this process maintain the basic conceptual framework originally intended in the

Department's version of the bill that has been supported by the House.

Although we have not yet seen the modified version in the form of a final bill, we believe that the resultant language and provisions will be a manageable proposition for each military service.

While it is not exactly what we had hoped and worked for all of these years, it does represent a reasonable compromise that will continue to permit us to attain our objectives. That is, meet our requirements for officers in the various grades at ages conducive to effective performance, to provide sufficient career opportunity to attract and retain the kinds of officers needed, and to provide career opportunity which is consistent among the four services.

I will review my understanding of the compromises effected and discuss their impact on the system.

GRADE TABLES

Resolution of the grade table differences was basic to compromises on the other issues. As I testified before, a down the middle split of the differences was unacceptable because the reductions would have undermined the delicate balance between individual aspirations and the needs of the services, and could have caused unnecessary turbulence in officer force management.

These concerns have been recognized in the reconfigured grade tables which impose about a 5 percent rather than the 20 percent overall field grade officer reduction proposed in the Senate version of the bill. In the context of other changes agreed to that will afford flexibility for extended tenure for some of our officers, the services can operate within the lower limits while continuing to provide for advancement at the original DOPMA promotion timing guidelines and minimum promotion opportunities.

MODIFICATION OF UP AND OUT

As I stated before, the various continuation provisions contained in the Senate's bill are useful provided there are sufficient grade authorizations to support their use. This has been recognized in the resolution of the grade table issue. Consequently, we welcome the modified version of the bill which will contain the S. 1918 provisions permitting the discretionary authority for continuing captains or Navy lieutenants to 20 years and majors or lieutenant commanders to 24 years' active commissioned service.

Also acceptable are other tenure provisions that will generally provide for longer service. Included is the tenure extension authority which will permit service Secretaries to extend officers in the grades of lieutenant colonel or commander through major general or rear admiral for 5 years beyond their maximum tenure points.

The tenure points are 28 years of active commissioned service for lieutenant colonels and commanders, changed from 26 years in the original bill to equal that currently afforded Air Force and Army officers; 30 years' active commissioned service in grade for colonels and Navy captains; 30 or 5 years' active commissioned service in grade for brigadier generals and commodore admirals and 35 or 5 years in grade for major generals or rear admirals.

The mandatory date for all officers is standardized at age 62, which is a change from the general rule of age 60 for Army and Air Force officers.

These provisions will give us additional flexibility to retain certain categories of officers in limited numbers to fill critical requirements. We do not expect the program to be sizable because senior officer grade authorizations would not support such a program. The consequence of retaining large numbers could mean promotion stagnation for our younger officers, a situation we consider extremely undesirable, as I have previously testified.

TIME IN GRADE FOR VOLUNTARY RETIREMENT

Our concern about the restrictive requirement to serve 3 years in grade after promotion to voluntarily retire in that grade has been allayed somewhat. While we would have preferred that this requirement be administered by departmental policy, the provision for a Presidential waiver in documented hardship cases is a safety valve which makes the requirement somewhat more manageable.

In those cases where an officer decides to leave voluntarily without qualifying for a waiver, the revised bill will allow him to retire in the next lower grade. Previously, under the proposed Senate rules, it was possible that an officer could be required to retire several grades below his current active duty grade if he had not served the requisite three years in his prior grades.

ALL REGULAR CAREER FORCE

The Department's version of DOPMA mandated an all regular officer force after 11 years of active commissioned service. The Senate version removed the requirement from law, but would still permit us to achieve our original goal of an all regular force after 11 years of service through policy. We can accept the provisions of S. 1918 provided the slightly higher regular officer limits proposed for the Marine Corps and Navy are included in the revised bill as agreed.

These higher limits will give the Navy and Marine Corps the necessary headroom to manage their current and long-term regular officer appointment programs more efficiently. The regular officer limits in S. 1918 for the Army and Air Force are acceptable since they are adequate to manage the regular programs in these services now and for the foreseeable future.

PROMOTION ELIGIBILITY REQUIREMENTS

Promotion eligibility requirements contained in S. 1918 were modified to make them more acceptable to the services. The consensus was that a selection board for promotion to the grade of first lieutenant and lieutenant junior grade in the Navy should not be required. Considering the limited record that most of these officers have compiled at this point in their careers and the capability of the system to promote all those who are qualified, the decision that promotions to this grade could best be effected by the commanders in the field when eligibility requirements have been satisfied is a good one.

Similarly, it was determined that the system should permit the selection of officers for promotion to captain and lieutenant in the Navy upon completion of 2 years' time grade. However, a board selection process will be used. The net effect of these changes will be to permit us to continue to advance our junior officers to the company grades at virtually the same times as permitted by the current system.

Promotion to captain or lieutenant in the Navy at about 4 years of commissioned service is at the ideal point since it is when the initial period of obligation is being completed and a career decision is being made.

CONSTRUCTIVE CREDIT

I am very pleased that our rules for constructive service credit have been preserved with only a minor change. The removal of the provision which allows physicians and dentists to accumulate additional credit for board certification on active duty after their original appointment is appropriate in view of the current bonus program for these officers.

The retention of our constructive service credit rules will preserve the work of members on this committee and afford greater equity for the professionals we recruit.

FLAG AND GENERAL OFFICER MANAGEMENT

We are relieved that the general and flag officer grade table proposed in the Senate's version has been removed from the revised bill to be considered separately sometime in the future. Other provisions affecting general and flag officer management are retained.

To a large degree the management provisions are an extension of current law. However, there are some significant changes. For example, in the case of the Army and Air Force, the DOPMA single promotion management system will replace the current dual temporary and permanent promotion system. This will cause some complications during the transition period. However, the committee staff indicated that it will suggest appropriate provision to minimize any problems.

For all the services, there will be some increased administrative workload and attendant problems, especially initially, because of changes in selection board procedures and selection board membership requirements and the need to have all three and four star officer reassignments confirmed by the Senate rather than by the Secretary of Defense as is currently the case. However, I do not believe that these problems are insurmountable.

I have generally covered the major aspects of what I understand to be in the revised bill. The legislation is different from our original proposal in that it is not specific in many areas relating to the overall administration and operation of the officer management system. For example, separate competitive promotion categories or corps are not specified in law, rather their designation or establishment is a matter of departmental policy. The modified DOPMA also retains the Department of Defense oversight control over service policies as specified by the Senate.

The changes in general administrative procedures from one service to another, however, will not present overwhelming problems provided there is a reasonable period of time to transition to the new system. To prepare the necessary directives at all levels within the Department and to correct any possible technical problems in so new a bill, I believe we need more than the 6 months after enactment currently stipulated in S. 1918. It would be reasonable, considering the fiscal implications of the legislation, to tie the effective date to the beginning of a fiscal year with a transition period of no less than 6 months, preferably closer to 1 year.

In conclusion, I believe that we have a viable piece of legislation that on one hand represents the wishes of the Congress and on the other satisfies the needs of the Department. Our basic philosophy of officer force management is essentially preserved. The added features of the legislation will permit us to keep certain officers on active duty longer and require more service in grade for promotion before retirement.

The legislation is also sufficiently flexible to adapt to a variety of policy needs and changes which may occur over time due to different mission requirements. I am confident that if any problems should rise in the future, we will be able to solicit your support as we have in the past to correct them.

Finally, I wish to thank the committee and its staff for the untiring efforts on behalf of the Department over the many years that have led to the imminent conclusion of the most significant piece of officer personnel legislation in 30 years.

Mr. Chairman, that concludes my prepared statement. We will be pleased to answer your questions.

Mr. NICHOLS. Thank you, Mr. Secretary.

I think the questions probably should be asked to the uniformed personnel here, but I gather from your statement that the position of the Department of Defense is that with some degree of reluctance, you support the amendments to S. 1918 as we have outlined them?

Mr. PIRIE. That is correct, Mr. Chairman.

As I say, it is not everything that we could have wished for, but it is a workable and feasible bill.

Mr. NICHOLS. Well, it is not everything that I could wish for either. I prefer the House bill. But the Senate didn't buy the House bill.

Mr. Mitchell.

Mr. MITCHELL. Thank you, Mr. Chairman.

The biggest plus I thought with DOPMA was that it philosophically was directed toward providing uniformity within the services and uniformity between the services. Does this compromise version still do that? Are there any exceptions to that that you can see, Mr. Secretary?

Mr. PIRIE. I can see no exceptions, Mr. Mitchell. Promotion opportunities and the like are essentially the same between the services.

Mr. MITCHELL. And within the services, that was the other side of the coin. There were some inequities within the services on promotion procedures.

Mr. PIRIE. Under 1918, as you know, we would have had very severely constrained promotion opportunities because of its requirement for restricting the numbers of O-4's, 5's and 6's and using passed over O-3's and O-4's to perform a fairly large number of those functions. I think that would have been a very disastrous situation for the services. I think it would have been extraordinarily hard to retain people in a management system of that kind. I think the services will confirm that feeling.

These grade tables, this system in the compromise bill, does not suffer from those defects. We will be able to maintain a viable officer personnel management system. We will be able to offer essentially the same kind of promotion opportunity and timing we had proposed in our original bill. That is a strong point.

Mr. MITCHELL. As far as you can tell, Mr. Secretary, there are no inequities that have not been addressed within each of the services?

Mr. PIRIE. That is the case, sir.

Mr. MITCHELL. Thank you.

Thank you, Mr. Chairman.

Mr. NICHOLS. General Tice, do you have a statement?

STATEMENT OF MAJ. GEN. R. DEAN TICE, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR MILITARY PERSONNEL POLICY

General TICE. Well, as you know, I go back to working on this from the 1973 timeframe, like you, sir, and it is, I think with some welcome relief, that we have come up with this compromise. There are some concerns which still rest with each of the services, to a limited degree. However, I believe the compromise incorporates in most cases the more serious concerns of each.

While the result is not the system we have argued for over the past 7 years, it comes close to, and in some instances, improves upon the system we had originally envisioned. In my opinion, we can manage well under the compromise. It maintains the flexibility for the services to manage their officer corps under a variety of conditions and we think preserves certain unique service differences.

In addition, I think it reaffirms to our officers the commitment to continue to provide an undiminished career opportunity that will have a positive effect on our capability to attract and retain officers in the numbers and of the quality needed to sustain our requirements.

I am particularly satisfied with the way in which the compromise was effected. Specifically, the compromise gives us a system that maintains the underlying principles of officer inventory management that were in the original Department's version of DOPMA while adding the extended tenure features and flexibility in the up-or-out portion that complement these principles.

While I expect we will uncover some technical difficulties with the operation of the bill as we prepare to implement it—as you know, this is the most comprehensive single piece of legislation affecting officer management in over 30 years—I believe we can work these out with you in some cleanup legislation should the need arise.

In sum, I believe the compromise proposed will maintain system rationality and integrity that satisfies our stated objective of balancing the needs of the services with those of our individual members, while at the same time, representing the desires of the Congress.

Accordingly, sir, I urge its early enactment.

Mr. NICHOLS. Mr. Secretary, this is landmark legislation we are getting into and we have stumped our toe on it so many times.

Mr. Mitchell has already mentioned receiving expressions from each of the services here—we have time to do that. Are you prepared to do that?

Mr. PIRIE. Yes sir. I don't know that my colleagues from the services have prepared statements, but I am quite certain they would be glad to lay out for you where they stand on the act and any problems they may have with it.

With your permission, we can start with Admiral Zech.

Mr. NICHOLS. I believe this is the first time you have been before our subcommittee?

STATEMENT OF VICE ADM. LANDO W. ZECH, JR., USN CHIEF OF NAVAL PERSONNEL

Admiral ZECH. Yes, Mr. Chairman, and I am honored to be here today to testify before your committee in my first appearance as chief of naval personnel. This is a new assignment.

I am particularly pleased to be able to express to you the Navy's views on such an important piece of legislation as DOPMA, and I would like to thank you, if I may, Mr. Chairman, for all the efforts that you and your committee have taken in the past year. I can assure you that our Navy people are very grateful to you for the leadership and support you have given, particularly in the recent compensation items.

During the recent discussions in the past few weeks on DOPMA, I would like to point out that the efforts of Mr. Bob Emmerichs of your staff have been extremely helpful. He has tried very hard to give the services, I believe, an opportunity to have their views presented and we in the Navy are especially appreciative of his considerably helpful actions.

Mr. Chairman, I have read the transcript of the last hearings in May in preparation for the hearing today and I would just like to note today, your philosophical comments on the differences of degree, differences in principle, and differences in assumptions that you referred to in the testimony last May. I think that expression of yours showed a keen insight into the complex problems of this very, very important legislation we are considering.

I think your staff has expended a great deal of time considering this legislation and has tried very hard to achieve a workable bill. However, it has been very difficult for us to comment on a document that we have not seen or had the opportunity to review in the Department.

The Navy did have quite a few concerns on the compromise version described to us last week. It appears now, however, that most of our major differences have been resolved. They have been resolved by the negotiations of the past week, which your staff has conducted on Navy's behalf.

If I may, Mr. Chairman, I would like to submit for the record a list of the original Navy concerns that we had and our views as to their resolution. We have been informed that these concerns have been mutually satisfied. With your permission, sir, I would like to submit this for the record.

Mr. NICHOLS. Without objection.

Admiral ZECH. Thank you.

[The following information was received for the record:]

NAVY CONCERNS ABOUT DOPMA

The following is a list of concerns which Navy had originally expressed with respect to the S. 1918 (compromise) version of DOPMA, but which now appear to be resolved as a result of efforts by the House Armed Services Committee staff:

Fixed limit on Regular Officers: Resolved—Now set at 48,000.

Limited Duty Officers: Resolved—Retire at 30 years commissioned service, eligibility requirement 5 years.

Staff Corps Appointments: Resolved—General appointing authority for Regular Officers in Staff Corps.

Commissioned Warrant Officers: Resolved—Navy retains authority to commission Warrant Officers.

Repeal of minimum Flag grades: Resolved—Will be addressed after DOPMA.

0-8 Selection Board: Resolved—Grandfathered for present selectees and 0-7's.

Flag rank and pay count against strength: Resolved—Removed from DOPMA, will be addressed later.

Promoting to vacancies: Resolved—Permitted for Navy Flag officers.

Release of Selection Board lists: Resolved—After approval by the President.

Composition of Selection Boards: Resolved—At least one Reserve member if Reserves are considered.

Transition period: Resolved—Greater than 6 months and tied to fiscal year.

Admiral ZECH. I would like to address only the three remaining concerns of the Navy, Mr. Chairman. Our first concern is for the compromise grade table, and my thoughts in this regard reflect back to your previous words in the testimony last May concerning the principle of this legislation. This is sweeping legislation. It concerns the laws of the military officer corps, and in our view, the bill should provide a permanency and should be structured to permit the services to meet their foreseeable requirements.

Therefore, my first concern is with the grade tables. Although this table is much more acceptable than the severe reductions of the Senate bill, S. 1918, it still prevents the Navy from achieving our required number of officers in the controlled grades in the mid and long term. The compromise table is keyed to our current inventory, which is low because of the Navy's retention problem.

If the grade tables were based on requirements for the Navy to carry out its mission, it would provide a management structure affording stability over the long term. Said another way, it would permit sufficient flexibility so that when the current compensation efforts begin to show results, and officer retention improves, Navy will be able to grow a career force with sufficient officers to meet our requirements.

The compromise bill, as we see it, does not permit this flexibility. If retention improves, as we anticipate it will soon, we will be bumping up against the grade table ceilings. In this case, we will have to return to Congress seeking relief. We estimate this will occur within 3 to 5 years. So the legislation is short term rather than long term. In broader terms, I would hope that DOPMA by design, would provide a grade table structured for the long-term effective management of the officer corps.

My second area of concern deals with the management of our limited duty officer program.

Mr. NICHOLS. Admiral, would you pardon us, we have to go vote. We will recess for a few minutes.

[A short recess was taken]

Mr. NICHOLS. The subcommittee will come to order.

Admiral, you may proceed.

Admiral ZECH. Thank you, sir.

Mr. Chairman, I believe I was just starting to discuss my second area of concern, and that deals with the management of our limited duty officer program, or LDO program. The Navy uses the LDO commission as a way of retaining a unique group of experienced, highly skilled, and highly qualified former enlisted personnel, who as they increase in rank become increasingly capable in their broad management and executive capability. Because of this, we want to be able to promote our limited duty officers to O-6 instead of O-5, as they are currently capped.

The limited duty officer numbers are small. For example, if we did that this year we would have about 12 or 15 who would be promoted to O-6. There would be no additional cost involved for O-6 promotions or additional authorizations required. LDO-6's would be counted within the grade numbers already authorized.

We would prefer this LDO promotion authority be included in the current legislation and we feel that, it is although a relatively small point, rather it is a significant one for these very few, but very talented former enlisted personnel. However, if we cannot achieve this as part of the DOPMA, Navy will request relief through separate legislation early next year, but would rather have it formalized in the DOPMA if possible.

My third concern regards requirement for all three- and four-star nominations to be confirmed by the Senate. This appears administratively and unnecessarily restrictive in the case of three-star officers. While we understand the desirability for four-star officer confirmations, we feel that rather than a blanket requirement for Senate confirmation for all of our three-star officers, we would prefer that only the initial three-star nominations be required to be confirmed. We feel this is a reasonable request, and would permit us to assign an officer to a follow-on three-star assignment without additional confirmation.

This arrangement would appear to satisfy the Senate's desires and would remove possible delays in the assignment of three-star officers.

Mr. Chairman, this concludes my comments on the bill. I thank you for offering me the opportunity to express the Navy's views. I would be pleased to answer any questions you may have.

Mr. NICHOLS. Thank you, Admiral.

I am looking over the proposed DOPMA grade tables as compared to what your end strength is in 1980. It would appear that in O-6's, compared with what you actually have on board at the end of the fiscal year 1980, which is today or tomorrow, I guess, that your reduction in O-6's would be 0.4 percent, your reduction in O-5's would be 3.7 percent, and in O-4 about 4.2 percent.

Now, I certainly understand the rationale of your argument on the grade table reduction, but when you look at the Navy com-

pared with the other services, it would appear that in those field grade officers, that you are authorized to have 36.4 percent of your total officer strength in those three field grade officers. That 36 percent would appear to be higher than for any other branch of the services.

So from that point of view, it would appear—and I don't say this in an argumentative way—but it would appear that your allocation might be generous. And when you look at your actual inventory—I understand the point that you make, that you are having difficulty with your retention of field grade officers—but I find it rather difficult to believe that our retention is going to improve to the point where these grade tables that we are talking about here would severely hamper you over the next couple of years.

Admiral ZECH. Yes, sir.

Mr. NICHOLS. Now, in such event, I think you know the disposition of this committee well enough to know that we would grant whatever exceptions that you needed if you ran into trouble. For that reason, it would seem to be a reasonable approach if we are to get DOPMA off the ground at this point in time.

Admiral ZECH. Yes sir, I appreciate your statement on that, Mr. Chairman. I would only say that the percentage that you referred to is based on the ceiling, which the restructured Senate version would place on us as opposed to what we currently have on board. Again I would say that is based on our current inventory and not on our current requirements, as we see them.

You made the point about our percentage of field officers being higher than the other services, I can only say that our requirements have been validated to the best of our ability. We had a General Accounting Office survey in 1975 that agreed with our grade tables in these areas.

We feel fairly confident, that due to the technical nature of our modern Navy, with submarines, aircraft, missiles systems and the broad range of areas that we are in, we do indeed have the requirement for officers in the senior category. We feel confident, Mr. Chairman, that our requirements are indeed valid.

I know there are those who might challenge us, but we feel that we have been very open and candid with anyone who wanted to look at our requirements. As a result, our argument for some relief in the grade tables is based on what we feel are valid requirements and a current inventory shortage.

I would say you are correct when you say we could live with this for a few years, Mr. Chairman. Indeed we could. I believe that in my earlier remarks I said 3 to 5 years is something we feel we could handle. We feel we could, but at the end of that time we feel we would be back up here seeking relief. We see our growth overcoming our current problem in retention. Because of the compensation effort, we really do project a growth. Then we would be bucking against the ceiling tables and we would be back at this table for relief from your committee.

So I don't say, Mr. Chairman, that the Navy could not accept the grade tables we have now. I only say we would do so with great reluctance and reservation, knowing that we were accepting a rather short range view from the Navy's viewpoint.

Mr. NICHOLS. All right, let me get down to the bottom line.

Are the objections that are outlined to us of sufficient concern to you to say that we should patch up the law as we are continuing to do, or that we should go along with this bill? That is a tough question, Admiral. I want you to speak your piece before this committee.

Admiral ZECH. Yes sir.

Mr. NICHOLS. Because as much as I would like to pass the DOPMA bill, I don't want to pass something that is going to put you or the Navy in a box that you can't operate in. I don't want to do that, and we will continue to patch it up as we have done.

Admiral ZECH. No sir.

Mr. NICHOLS. I need an answer from you.

Admiral ZECH. I appreciate that. That is a very fair question.

My answer would be that if we had our druthers in the Navy, if we could select the best program we would rather have the Department of Defense DOPMA as your committee has previously passed twice. We feel that it is a very strong bill, a capable bill that all the personnel chiefs of the other services have agreed to, during a very lengthy 5-year or more effort.

The civilians in the office of the Secretary of Defense have been involved in it as have all the uniformed military personnel, so we in the Navy feel that it is a very strong effort that should have been passed. We still do prefer this bill, Mr. Chairman. However, we feel that the current bill, with some assurance that efforts will be taken to correct these problems that I have outlined for Navy, would be, with the reservations that I have expressed, an acceptable bill. We would, with reluctance, agree that the Navy could accept the bill as it is stated.

Mr. NICHOLS. Mr. Mitchell.

Mr. MITCHELL. Thank you, Mr. Chairman.

Welcome aboard, Admiral.

Admiral ZECH. Thank you, sir.

Mr. MITCHELL. I want to say that this committee has achieved an excellent record in being supportive of the services. We passed quite a few proservice bills this year and last year and I want to continue to be. I think we have a very serious need in this area to demonstrate to the services that the Congress is behind them.

Admiral ZECH. I agree, sir. I might say that I have just come from a tour of duty in the Far East where the efforts of this committee, the efforts of Congress, to respond to the Navy's needs are well understood, appreciated and respected.

Mr. MITCHELL. I thank you for your comment.

In this framework we have also noticed this year Congress is very supportive of defense legislation. For the first time in 8 years since I have been here, there is great enthusiasm to build up our armed services.

Admiral ZECH. Yes sir.

Mr. MITCHELL. And there is a strong possibility that the next Congress may be even more defense oriented than this one.

The Senate has ignored our House passed version for two different Congresses. There is no reason why we have to jump into this at all if it isn't strongly supported by the services. What we are trying to do is make things better. We would like to give you the whole loaf, if it is possible.

Even if we accept this compromise, and we pass it for you, there is no guarantee at all it will pass this session. No one knows how long the lame duck session is going to last after we return, so I just would urge you not to settle for too little this late in the session. Next session, you might get an awful lot better piece of legislation. Your objections are minimal. There is a good possibility we can do a better job next year.

With that in mind, I would like to ask if you had noted that the thing that really impressed me about the DOPMA legislation was its effort to be fair within each service and between the services. Do you see any gross inconsistencies within your service or in your service compared to the other services? Does it seem to address that problem?

Admiral ZECH. The Senate version, as I understand it now—and again, we haven't seen the legislation we are talking about, Mr. Mitchell, so—

Mr. MITCHELL. Join the club. That is the way we operate around here.

Admiral ZECH. I just say for me, as a new one on the block, it has been kind of difficult to jump into this very important piece of legislation without benefit of some document to work on. We hope we have not missed anything. We hope we have addressed all the issues. I do feel that it is a piece of legislation that the Navy could support, but again, we do so with considerable reluctance. We would much prefer the original DOPMA bill. Many years of effort have gone into this legislation. I recognize the compromises that have taken place. I do not think that we would be accepting a deficient piece of legislation at all. I just feel rather strongly about the Navy grade tables. I do not think that should be something we should not be able to adjust in the future. I really consider the LDO issue and the three-star issue in a different category, and frankly I do not understand why they could not be accommodated. But the grade table is one I think we feel more strongly about. Again, as I have told the chairman, we could accept the bill since we have at least 3 to 5 years of opportunity to come back to this committee or others, if we find ourselves in serious need. Therefore, I feel that we are not accepting something that is improper. I only wish it could be more long range, because in my view this is what DOPMA is supposed to do. That is why I feel it is a matter of principle, as the chairman so stated in his May hearings, a matter of principle for us is that the long range officer management program should be based on requirements and not on just what we happen to have in our current inventory.

To answer your question more briefly, I would say we feel, with the reservations I have stated, that this legislation would be acceptable.

Mr. MITCHELL. Admiral, the change to the LDO program you referred to does not appear in the House version or the Senate version of DOPMA, as I understand it. It was in a separate piece of legislation. I do not think there would be great objection to that. You need a crystal ball to find out what is going on around here. I do not see why, if you did get your first choice, which was the defense bill, that particular provision would not be part of that.

I thank you, Admiral, for your testimony.

Admiral ZECH. Yes, sir.

Mr. NICHOLS. Mr. Wyatt.

Mr. WYATT. No questions, Mr. Chairman, thank you.

Mr. NICHOLS. Mr. Dougherty.

Mr. DOUGHERTY. Mr. Chairman, I have some questions I would like to ask all four officers from the uniformed services. I do not know how you want to handle this. Let them make their own general comments and then go back? I think there are things that cover all four.

Mr. NICHOLS. However you want to handle it.

Mr. DOUGHERTY. If I could, I would like to ask some questions of the representatives of the four uniformed services.

First off, Admiral, you said you could accept the bill. Does the Navy accept the bill as it is currently before this committee—yes or no?

Admiral ZECH. We could accept the bill—

Mr. DOUGHERTY. Please, we have to make a vote on a bill. Put yourself in my shoes, you have been saying we could accept the bill, it is acceptable, something is better. I am looking for a direct answer. Yes or no, is the Navy in favor of the bill as it is currently before the—

Admiral ZECH. Yes. May I only answer with a yes or no?

Mr. DOUGHERTY. Yes.

Admiral ZECH. I think I have made my position clear to the committee. I hope I have. In that case I would answer yes.

Mr. DOUGHERTY. The Marine Corps general, please.

General BRONARS. When I get an opportunity I will express certain reservations. We like the DOD DOPMA bill as proposed by the Department of Defense. However, if there were accommodations on certain reservations that I will express to the committee, then we could accept this bill. Without that, I prefer to continue to operate under the current legislation because I feel we have more flexibility in so doing.

Mr. DOUGHERTY. Air Force.

General USHER. Yes; we do support the bill.

General BOATNER. Yes, the Army supports the bill.

Mr. DOUGHERTY. What is your position, gentlemen, regarding the authority to extend O-3's in grade until 20 years of service, while cutting back your O-4's by 5 percent? Are we going to face ourselves with long-term moral problems and do we have a "hump" of O-4's on the line?

Admiral ZECH. Navy thinks we can manage that problem without a great deal of difficulty.

General BRONARS. As long as that authority was discretionary we see no reason to believe it will impact on our flow problems. Right now, whatever tables we have with certain increases we would be able to manage our officer program.

General USHER. The Air Force believes that if the continuation authority is discretionary and the grade tables are as we understand them under the compromise, that we can manage an adequate promotion flow.

General BOATNER. Since it is our understanding that the provision in the compromise bill to selectively continue O-3's to 20 years

is discretionary, we do not anticipate it causing us any problems in the management of our force.

Mr. DOUGHERTY. Regarding your Judge Advocate Generals, will the requirement that they serve 3 years prior to retirement hamper your policy where your top lawyer retires after years?

General BRONARS. That is right, our current policy is that our judge advocate general in the Marine Corps serves for 2 years. He is then retired to permit continuous promotion flow in that particular community.

Mr. DOUGHERTY. You would—

General BRONARS. He would now be required to serve 3 years.

Mr. DOUGHERTY. Is that the same with the other services?

Admiral ZECH. The same with the Navy.

General USHER. The statutory term of office for the Air Force judge advocate general is 4 years.

Mr. DOUGHERTY. Do you all agree that all the officers in the armed services should be regular officers after 11 years of duty?

Admiral ZECH. I believe that was in the DOD DOPMA version which we supported.

General BRONARS. Yes, sir, Marine Corps agrees.

General USHER. We would prefer to go to an all regular force. With the number of regular officers authorized in the compromise bill we think we will be able to do that by policy as contemplated by law in the original DOD DOPMA.

General BOATNER. Yes, we prefer the all regular force provision in the original DOD DOPMA proposal. However, the flexibility in the compromise bill still allows us to achieve that goal.

Mr. DOUGHERTY. Is it necessary to have a promotion board for O-3's?

Admiral ZECH. No, it is not necessary for Navy at this time because we are promoting all qualified to O-3. However, Navy would prefer to have the selection procedure in statute, so that when our retention improves we can utilize the selection board process to obtain greater selectivity.

General BRONARS. We use one.

General USHER. We use one and believe it preferable.

General BOATNER. We understand why a board to consider officers for promotion to O-3 might be necessary. However, the Army prefers to decentralize that authority to major commanders in the field rather than to convene a centralized board in Washington, D.C.

Mr. DOUGHERTY. The bill speaks of reserve officers on the selection boards. Is that contrary to your current policy, Admiral?

Admiral ZECH. We use the proportionate number now. The bill, I believe, that we have talked about in the past week or so, the original version required that at least two Reserve officers had to be on the selection board, no matter how many reserve officers were being considered. We have negotiated with Mr. Emmerichs' help to make that a minimum of one Reserve officer, if Reserves were to be considered. We think that is an acceptable arrangement.

General BRONARS. The most recent compromise I am aware of would require one Reserve officer on the board in the event Reserves were being considered, but none would be required if no

Reserves were being considered. That is acceptable to the Marine Corps.

General USHER. Air Force agrees with that.

General BOATNER. We agree with that.

Mr. DOUGHERTY. Mr. Secretary, in your testimony you indicate that you have not yet seen a version of the form of the final bill.

We are going to try to write one up. Do you realistically think you are going to get a bill through this session?

Mr. PIRIE. I think we have some prospect of that. I think it is worth a try.

Mr. DOUGHERTY. We do not have a final bill as of today. We are going out until November 12, as you are aware. You talk about clean up legislation. Obviously there is some thought that there will be legislation coming along next year to clean up whatever we leave out this year. And you did make a point on the effective date, did you not?

Mr. PIRIE. Yes, sir, I believe the effective date should be in concert with the turn of the fiscal year because of the structure of this bill and its fiscal consequences.

Mr. DOUGHERTY. In your opinion are we better off with this compromise than with the existing policy?

Mr. PIRIE. Yes, sir; If I could make a point with respect to the business of the annual authorization and so forth. With this bill as a framework, annual changes, adjustments, that come up, as are needed because of needs of the services, would be minimal and manageable. Under the present conditions, every year we face a train wreck situation in which if there is not relief legislation on the books by the first of October we are by law required to demote a lot of officers. We are prevented from holding promotion boards and things of that kind. So I think ultimately the most workable thing in the long run is to have this bill and modify it as necessary to meet the legitimate needs of the services. If Navy is going to expand over the next 3 to 5 years and they are going to need more officers and they have a legitimate requirement for an increase in the grade tables then I think this bill's framework will allow accommodation to the requirement.

Mr. DOUGHERTY. Thank you. Thank you, Mr. Chairman.

Mr. NICHOLS. Mr. Hutto.

Mr. HUTTO. Thank you, Mr. Chairman. I just have one or two questions.

I take it that one of the matters of concern is the grade table for O-4's, O-5's and O-6's. Admiral, I would like to ask if your proposed grade table for the O-4's, O-5's and O-6's properly recognize the Navy's requirements as currently established or foreseen in the years ahead for these grades.

Admiral ZECH. Yes, sir; my point is that our concern for the proposed legislation is that the grade tables are based on current inventory. Our current inventory is below what our requirements are, so we would prefer to see the grade tables based on requirements in order to give us the opportunity to reap the benefits of the compensation initiatives. We foresee a growing retention in the O-4, O-5 and O-6 levels so we will grow from our current shortage towards our requirements, and this is our concern.

Mr. HUTTO. That was my second question. With our efforts to improve retention, would the adoption of this bill cause you any problems in the future?

Admiral ZECH. Well, this is part of our argument with the bill as it is adjusted now. We figure with the retention that we expect from these compensation initiatives, that we would be bucking up against the ceilings of this bill in 3 to 5 years. We would have that long, but at that time, we would be back for relief legislation, if not before.

Mr. HUTTO. Thank you, Admiral. Thank you, Mr. Chairman.

Mr. NICHOLS. Mrs. Byron.

Mrs. BYRON. No questions.

Mr. NICHOLS. Mr. Mollohan.

Mr. MOLLOHAN. No questions.

Mr. NICHOLS. Mr. Evans.

Mr. EVANS. No questions, Mr. Chairman.

Mr. NICHOLS. OK. Do any other members have any further questions of Admiral Zech? I have just one. What is your current position regarding commodore admiral? There has been some extended discussion concerning what title to use for the new Navy one-star grade.

Admiral ZECH. We have decided that commodore admiral will give us flexibility, Mr. Chairman, to use whichever title we would care to use.

Mr. MITCHELL. I understand the Marine Corps desired some additional changes. Apparently because it is so late in the session, we want to pass something in both Houses that is identical to avoid a conference, so we would not be able to make the changes that you would like. But I have not even heard those changes yet. I guess we have not given you a chance to state them. But perhaps you would like to have a chance to mention those changes. Can you live with this?

General BRONARS. Well, sir, I do not understand why the changes cannot be made to that legislation, the version about which we are meeting today has not been seen yet and is still being written.

Mr. NICHOLS. Let me respond to the gentleman. I agree it is the 11th hour, I agree that we should have had a bill to lay in your hands so you could put it to your judge advocate general to pick into it with a fine tooth comb. We just have not had that much time. We brought back a rather detailed list of 23 general agreements that the Senate staff and our staff have been able to come up with, that would hopefully pass this bill.

The purpose of the committee meeting today is to decide after hearing from you gentlemen whether these changes are sufficient or not. We do not have to pass a bill. We do not have to pass legislation. We can go ahead and continue to do like we have been doing. I would very much like to get this thing behind us, but I do not want to do anything to hamper the Marine Corps, to keep you all from operating.

Now, do you have a statement that you want to make?

General BRONARS. I do not have a formal statement. I would like to speak to some reservations we have over the compromise bill.

Mr. NICHOLS. Just talk to us.

General BRONARS. I compliment the committee on the compromise that has been hacked out with the Senate. I think every move was in the right direction. We are very happy with those compromises as far as they go.

The Senate version of this bill is radically different than when we saw it last and I attribute that to your efforts, sir, and the results of those efforts are quite visible and we are very happy with them. We have some minor concerns, major to the Marine Corps because we are small and small numbers affect us.

The compromise version of the officer tables reduces the Marine Corps by 6.43 percent, which is a greater reduction than was applied to any other service. We right now have 29.6 percent of our officer force, which amounts to about 16,800 officers, in the grades of major, lieutenant colonel and colonel. That compares with the other services who have 35 percent or more in those grades. We would like to get accommodation of some 100 numbers in that table so that we will have the flexibility to provide additional majors, lieutenant colonels and colonels as we enter the 1980's. As you know, sir, we are getting an expanded role within the Department of Defense. We have greater requirements levied on us to participate in joint staffs. Just recently the RDJTF and Caribbean Task Force required 29 field grade officers from us. Those small numbers affect us because we have to provide them from our Fleet Marine Force. We are looking for an accommodation which would allow us to respond to that type of requirement. With a few more numbers in the majors, and lieutenant colonel grades in the table I think that can be accommodated. Those few more numbers would take us up to 30 percent of our officer force being in the field grades as compared to the other services 35 percent and above. We can provide that type of revision to the tables to Mr. Emmerichs so he could discuss it with the Senate staff.

Our other problem, sir, has to do with the limited duty officer provisions. Right now, the Marine Corps has somewhere in the neighborhood of 1,180 limited duty officers. Of these, 80 percent are in the grades of lieutenant and captain. The remainder are in the grades of major and lieutenant colonel.

We now have authority to use a temporary limited duty officer program which allows us to provide for our technical field managerial needs in the lieutenant and captain grades, and those officers that are commissioned as limited duty officers are allowed to serve for 10 years. If we do not need them, as majors and lieutenant colonels, then they either retire on 20 years of active duty or are reverted to a warrant officer grade. The Marine Corps is used to operating that way, and we would like to continue to operate that way. Otherwise, we would have to provide promotional opportunities into the major and lieutenant colonel field for the LDO grades of only 20 percent compared with 85 percent for our other officers, and it would be a big morale factor. We think legislative language of this nature can be adopted. I believe Mr. Emmerichs thinks so too. We are looking for that type of accommodation. We have already been accommodated on the numbers of regular officers we can have in our overall officer corps, and we are very well satisfied with that number, going from 12,000 to 13,000, of our 16,800 manned force.

So with those minor revisions, one, the grade tables for field grade officers, and the other, some legislative language for our LDO programs, we can support this legislation, sir.

Mr. NICHOLS. All right, Mr. Mitchell.

Mr. MITCHELL. Well, I understand that the Senate is not opposed to the LDO program, and they would probably be willing to go along with the change we are talking about today. The problem is with time. Thursday is the last day we are supposed to be here before we go back for our campaigns and the calendar is jammed now. Once we come back, no one in the world knows how long we are going to be here then. There will be very heavy appropriation legislation waiting to be passed at that time. That is why there is difficulty in making very substantive changes in the legislation because it really is the last minute.

General BRONARS. I do not view the minor revision in the grade tables to be substantive, sir, and we can provide a revised grade table all worked out along those lines to Mr. Emmerichs. If Mr. Emmerichs indicates that appropriate legislative language will be pursued that will satisfy us and the grade table changes are made, we can support this legislation.

Mr. MITCHELL. Thank you, General. Thank you, Mr. Chairman.

Mr. NICHOLS. Mr. Wyatt.

Mr. WYATT. No questions.

Mr. NICHOLS. Any questions?

Mr. DOUGHERTY. General, what do you mean when you said that the compromise moves from 12,000 to 13,000 regular officers?

General BRONARS. The original compromise version that was worked out between the House and the Senate subcommittee staffs provides for 12,000 of our officer force being regular officers. That was 255 less than we now have as regular officers. It would have caused us to turn to reserve officers in greater numbers than we desired. We have been progressing towards an all regular force in major and above and in order to meet the needs of our program, we would need a minimum of 13,000. As I understand, that number 13,000 has been agreed to by both the House and the Senate staff, sir.

Mr. DOUGHERTY. So in effect you are saying you would see roughly 3,000 officers that would be lieutenants that would get out after their initial tour. You would carry about 3,000 Reserve officers in the Marine Corps?

General BRONARS. Yes, sir, we would carry about 3,800 Reserve officers in the Marine Corps and they are in our lower grades, as you know.

Mr. DOUGHERTY. You are saying 13,000 is the minimum?

General BRONARS. With 13,000 we can manage our force in the manner we like.

Mr. DOUGHERTY. What is the preferred level?

General BRONARS. 13,000 will satisfy us.

Mr. DOUGHERTY. Thank you.

Mr. NICHOLS. Any other questions?

General, I have a question here. The chart that I am looking at, it would appear that the Marine Corps picks up an additional 5.9 percent over and above what your end strength is in 1980, for O-6's; you pick up 1.2 percent in O-5's, and you are reduced 2.4

percent in major from your 1980 end strength. Am I correct in that?

General BRONARS. Yes, sir, basically, the compromise tables would provide for additional colonels, additional lieutenant colonels and a reduction in majors. The combination of those would provide some reduction in the Marine field grade officers as a whole. But I have to interface that with a fact that the Marine Corps right now is operating with only 29.6 percent of its officer force in the field grades as opposed to 35 percent and more in the other services. And I guess my reflection is that since we have managed our officer corps in a more austere manner it does not seem right we should be penalized and not be allowed the flexibility to increase the proportion of our officers in our field grade force when the opportunity presents itself, either in a budgetary sense, because we have been physically constrained, or in a promotion flow sense because of the additional compensation initiatives that the Congress has taken recently.

Mr. NICHOLS. Any other questions? Thank you.

Mr. DOUGHERTY. What you are saying is the 5.9-percent increase in O-6's, 1.2 percent increase in O-5's, 2.4 reduction in the O-4's, do not allow you to reach the 30 percent level you feel is essential for the field grade officers of the Marine Corps?

General BRONARS. That is right, sir.

Mr. DOUGHERTY. Thank you, General. We have got General Boatner of the Army.

General BOATNER. Mr. Chairman, I do not have a prepared statement. However, but I would like to thank the committee for the significant progress that you have made to accommodate the service concerns. While Army still prefers the original DOD DOPMA proposal as our first choice, we believe that the compromise bill provides us the wherewithal necessary to effectively manage our officer corps. We have not had an opportunity to review the new proposal. From our understanding of the compromise issues though, we prefer it to the existing situation. We do support the compromise bill.

Mr. NICHOLS. Thank you, General Boatner. Any questions of General Boatner?

Thank you, sir.

General William Usher with the Air Force.

Mr. MITCHELL. Mr. Chairman, I have exhibit A—this is the bill that people have not seen yet. Would you like to run over it briefly?

General USHER. Mr. Chairman, I do not have a prepared statement, but I would also like to express the appreciation of the Air Force to this committee and to its staff for the extraordinary efforts that they have made over the years to provide a sound basis for officer personnel management. I particularly want to express our appreciation for the efforts in the last weeks of building a workable compromise with a bill we felt was very unacceptable on the Senate side. We do thank you for that.

As I say, we believe the compromise, as we understand it—we will run to the copy machines after the hearing is over here, to get down to the nitty gritty—will lay down a very workable framework and system for officer personnel management in the Air Force.

Naturally, it does not meet all of our desires in every way, shape or form, but it does provide additional flexibility in some respects over DOD DOPMA. We believe that it will be a workable piece of legislation.

We would stress, I know that you concur in this view, Mr. Chairman, that once we have had a chance to study the bill in detail, and assuming that there will be a period of time before it becomes effective, that as our lawyers look it over, we will have the opportunity to make some suggestions for technical amendments so we can be sure we have a system that will stand the test of time. So with that I would like to say again that the Air Force supports the compromise legislation.

Mr. NICHOLS. Thank you, General. Any questions?

Thank you sir.

All right, gentlemen and ladies of the committee, you have heard the testimony here. You have seen the compromise over the weekend that the staffs have put before us. Do I have a motion to report favorably S. 1918 as amended by the compromise?

Mr. DOUGHERTY. Mr. Chairman.

Mr. NICHOLS. Yes, sir, Mr. Dougherty.

Mr. DOUGHERTY. Would it be possible for us to offer some amendments to this compromise?

Mr. NICHOLS. Well, let me just say this. Staff have worked on this and hammered it back and forth for about 2 weeks. I am fearful, Mr. Dougherty, that compromises or changes, as helpful as they might be, might jeopardize it on the Senate side. You have asked my judgment on it. I would much prefer we try to incorporate some of these concerns that have come forth today in committee report language. Certainly as a member of the committee, however, amendments are in order.

Mr. DOUGHERTY. I have concern about the comments raised by the Marine Corps regarding their field grade officer strength, and I would like to see us put into the bill in some way, shape or form whatever the figures are to assure that 30 percent of their officer corps is field grade. I think in view of the additional requirements placed on them by the rapid deployment force, and as the general stated, the 28 additional staff slots for that operation of the Caribbean Task Force, these additional authorizations are needed. Any major problem with that?

Mr. NICHOLS. When the general was talking about that I had thought that that would be a nice thing to do.

Mr. DOUGHERTY. I am a little prejudiced, as you know.

Mr. NICHOLS. Let me ask the general, if I might, how many net officers, field grade officers are you talking about. You gain 5.9 percent in O-6's, you gain 1.2 percent in your O-5 over status quo, you lose on your majors; what is the net?

General BRONARS. What we are looking for is a gain of 100 over the compromise. The compromise calls for a total of 4,961 field grade officers, that is majors, lieutenant colonels and colonels. We are looking for 5,061. This will retain the Marine Corps substantially below the percentage of field grade officers of any other service in whatever sliding scale has been adopted for this legislation, and we feel that it could be accommodated very easily sir.

Mr. DOUGHERTY. I would offer an amendment that would increase the numbers for the Marine Corps by—I did not hear the final figures—by the figures the general just indicated—by 100.

Mr. MOLLOHAN. Would you hold for a minute?

Mr. DOUGHERTY. Yes, sir.

Mr. MOLLOHAN. General, what was this figure 5,061 you gave us, what was that?

General BRONARS. Sir, the legislation has a sliding scale depending on how many officers there are in the force. This will determine the total number of these officers that can be in field grades. So it will depend on where we are in our total force structure of our officers. Right now, we are at 29.4 percent on plan and we would like to go to 30 percent, so that we have the flexibility to manage for the increased requirements we foresee coming to the Marine Corps as far as its participation in our overall Armed Forces requirements.

Mr. MOLLOHAN. How many vacancies, if any, do you have in this 29.4 percent now?

General BRONARS. We have no vacancies in our budgetary ceiling. But we would like the flexibility to expand to meet our requirements as the opportunity presents itself, sir.

Mr. MOLLOHAN. In other words, all your positions are filled?

General BRONARS. Yes, sir.

Mr. HUTTO. I want to make clear, Mr. Chairman, what you indicated to us: if we amended this, it might not be agreeable to the Senate.

Mr. MITCHELL. That is right.

Mr. NICHOLS. Well, we certainly have to go back to them and see if we can make an accommodation on it. We are talking about 100 officers in one corps. I have some reservations about it but—

Mr. MITCHELL. Excuse me, if we go along with this amendment for a 100 officer increase in the Marine Corps, are the other services going to want to sweeten their provisions a little bit too? That is the problem we get into. Can we ask staff what they anticipate the Senate reaction will be if we do amend this? Is this the bottom line or is there room for flexibility, because at first we did not think there was any room for amendments at all when we started.

Mr. EMMERICHS. The problem is that the Senate has come a long way from their grade tables. They gave in on that in order to get certain accommodations. The risk that the subcommittee is taking here is that we would be reporting out a compromise. If the Senate does not accept that compromise, we would be going to conference on our compromise and the original Senate bill. So the conference would be on those two issues. The idea that is being propounded here is that we adopt a compromise that we know is acceptable or think very strongly is acceptable to the Senate side with the idea there would be no conference.

Mr. WYATT. We are talking about reporting the bill from this subcommittee today and to the Armed Services Committee tomorrow. We are not going to pass it before we leave on Thursday, are we?

Mr. NICHOLS. No, we hope to bring it to the floor after the 12th of November.

Mr. WYATT. I would believe that that would give us all the time to work, hear the Senate's problem. If they are going to quibble that much over 100 officers, I would think that we could work that out, if it were in our legislation, either in the full committee or when the bill came to the floor.

Mr. EVANS. Two questions. Do I understand correctly that this increase of 100 would amount to 0.4 of a percent, going from 29.6 to 30 percent?

General BRONARS. Yes, sir, when you interface that with our total number of officers.

Mr. EVANS. What is the ballpark figure that this extra 100 officers would cost annually in terms of budget? What are we doing to the budget?

General BRONARS. It would be in the difference in pay between major and lieutenant colonel and a captain and major.

Mr. EVANS. I mean the total, how does it impact on the budget, 100 officers more, what are we talking about, how many hundred thousand?

General BRONARS. It would not be 100 officers more, it would be authority for the Marine Corps to have 100 more officers out of its total officer force in the grades of major, lieutenant colonel and colonel, rather than in our junior grades. So the cost would be the differentiation between the pay of those grades and our junior grades.

Mr. EVANS. And the cost difference in one officer is approximately what?

Mr. DOUGHERTY. I offer an amendment that the number of field grade officers authorized for the Marine Corps be increased by 100.

Mr. NICHOLS. Out of deference to an old Marine, and what I believe to be a sense of the committee, I am going to accept the gentleman's amendment. We will of course, have to put it to a vote.

All in favor of the gentleman's amendment let it be known by saying aye.

[Chorus of aye's.]

All opposed.

[No response.]

With that amendment to the amendment, do I hear a motion to report favorably?

Mr. HUTTO. It appears we may need some technical correction here. Just glancing through the bill, on line 14 it states the President may vacate the promotion of an officer who has served less than 18 months in the grade of brigadier general or commodore admiral after promotion to such grade under this chapter. An officer whose promotion is vacated under this section holds the regular grade of colonel if he is a regular officer, or the reserve grade of colonel if he is a Reserve officer.

We do not have any colonels in the Navy, do we?

Admiral ZECH. No, sir.

Mr. EMMERICHs. The staff has caught that; it requires a technical correction.

Mr. HUTTO. OK.

Mr. NICHOLS. Thank you, Mr. Hutto.

Mr. Dougherty, I hope you do not have another amendment.

Mr. DOUGHERTY. No, Mr. Hutto just got me to look at the bill.

Mr. MOLLOHAN. I move S. 1918 be reported favorably to the full committee as amended by the suggested compromise and the amendment just passed.

Mr. NICHOLS. All right, call the role.

Mr. EMMERICHs. On this vote, Mr. Chairman, there are 10 aye's and no nay's.

Mr. NICHOLS. Ten aye's and no nay's and the amendment to the bill is approved. It will be brought to the full committee tomorrow.

Thank you gentlemen. Before we adjourn I want to say one thing. If this is a good bill, we are indebted to Mr. Emmerichs and Mr. Spence and the staff over on the Senate side. They worked like dogs on this bill, and I just want to say that, as chairman of the committee, I am most appreciative of it.

Mr. WYATT. Mr. Chairman.

Mr. NICHOLS. And the DOD staff as well, Mr. Secretary.

Mr. WYATT. Mr. Chairman, you say if it was a good bill, what if it is a bad bill?

Mr. NICHOLS. If it is a bad bill I am going to blame Mr. Mitchell with it.

Thank you.

[Whereupon the subcommittee adjourned at 3:45 p.m.]

