

of the Hispanic business community, while working closely with the U.S. Hispanic Chamber of Commerce to provide leadership and to promote the continued growth and development of New Jersey's economy.

Championing the needs of Hispanic businesses in the State of New Jersey, the SHCC is a voluntary network of individuals, businesses, Hispanic Chambers of Commerce, and regional professional associations. The network is responsible for expanding business opportunities, forging a mutually beneficial relationship between the public and private sectors, advocating businesses in the political arena, and promoting trade between New Jersey businesses and their national and international counterparts.

The SHCC encourages growth through technical assistance and regional conferences for area businesses, professional associations, and entrepreneurs. Also, the SHCC provides strong leadership for New Jersey in the U.S. Hispanic Chamber of Commerce, as well as in programs such as Education NOW for future business leaders.

Nationwide, Hispanic businesses are thriving. With 30,000 Hispanic-owned businesses supporting 128,000 jobs and generating \$7.5 billion in sales nationwide, the Hispanic market is the fastest growing sector in the United States. In the State of New Jersey alone, this booming market has experienced an 87% increase in less than ten years. The efforts of groups such as the SHCC have been instrumental in fostering this growth.

For its commitment to the survival and prosperity of Hispanic-owned businesses, as well as its unwavering leadership, I ask my colleagues to join me in commending the State-wide Hispanic Chamber of Commerce of New Jersey.

MONTGOMERY GI BILL NEEDS A  
BOOST

**HON. BOB FILNER**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 21, 1999*

Mr. FILNER. Mr. Speaker, I want to submit an article by my colleague, the distinguished Ranking Member of the Veterans' Affairs Committee, Mr. Lane Evans. This article, about needed changes in the Montgomery GI Bill, appeared in the November 1999 issue of the Association of the United States Army's AUSA News.

MONTGOMERY GI BILL NEEDS A BOOST

We are enjoying a balanced budget for the first time in a generation. Now is the pru-

dent time to make badly-needed changes in the Montgomery GI Bill (MGIB).

Army and other service recruiters and the commanders of the Armed Services' Recruiting Commands see the MGIB as the most important recruiting incentive for the Armed Services. Yet congressional leaders have refused to fund an upgrade, despite a recruiting crisis today that will be tomorrow's manpower crisis.

The House Veterans Affairs Subcommittee on Benefits held hearings this year on the Montgomery GI Bill Improvements Act of 1999, H.R. 1071, which I introduced, and the Servicemembers Educational Opportunity Act of 1999, H.R. 1182, introduced by Chairman BOB STUMP. Both bills would appreciably increase benefits provided by the Montgomery GI Bill. The testimony we received during those hearings was far-reaching, and it confirmed two things:

1. GI Bill enhancements are sorely needed, and

2. My H.R. 1071 is a significantly stronger bill.

Commanders and recruiters from all of the Armed Services told the Benefits Subcommittee that they face brutal recruiting challenges this year which will continue into the future.

Vice. Adm. Patricia A. Tracey, Deputy Assistant Secretary of Defense for Military Personnel Policy, said that it is a buyer's market out there. What most young Americans are not buying is military service.

As a result, the military has become increasingly unable to compete with colleges for the caliber of high school graduates it needs to operate today's complex weapon systems and equipment.

The Army missed its recruitment goal of 48,700 during the first half of 1999 by more than 7,300. Its "write-rate" is the worst in the history of the all-volunteer force, and the annual goal will be missed by ten times last year's figure.

Admiral Tracey told us that "money for college" is consistently the primary reason young men and women give for enlisting. All the recruiters backed her up.

To my mind the recruiting problems we see now reflect the diminished buying power of the Montgomery GI Bill. College costs have quadrupled in the last 20 years. The basic GI Bill benefit, however, has increased only 76 percent since the program was enacted.

No wonder America's young people aren't buying military service. The 21st century job market will demand a college degree—but they have a great many opportunities to pay for a college education without facing the rigors, the risks and the sacrifices of serving their country in the Armed Forces. Most of us who are veterans today grew up looking for ways to serve our country—and wearing the uniform was a good career move, too—whether for a few years before going on to a civilian job, or as a life's work. That ethic is dying, and Congress is doing nothing to reinforce it.

The GI Bill today simply does not provide enough education assistance to attract the numbers of high quality high school graduates the Army and the other services need. Today, potential recruits see the Montgomery GI Bill as an inadequate educational benefits package compared to the commitment required by the Armed Services.

As a result, the military has become increasingly unable to compete with colleges. The Armed Forces are accepting lower-ability recruits in an effort to meet recruiting goals.

Recently Patrick T. Henry, Army Assistant Secretary for Manpower and Reserve Affairs said America has to understand that the Army is not an employer of last resort. I agree, but if we experience continuing recruiting shortfalls, our military may soon become just that.

The Armed Forces must have high quality recruits, defined as those who have a high school diploma and who have at least average scores on tests measuring math and verbal skills.

The Department of Defense says about 80 percent of high quality recruits will complete their first 3 years of active duty, while only 50 percent of recruits with only a GED will finish basic training successfully and complete their enlistment. The General Accounting Office notes that it costs at least \$35,000 to replace every recruit who leaves the service prematurely.

We must restore MGIB's effectiveness in recruiting the number of high quality young men and women the Armed Forces need and providing a competitive readjustment educational benefit for veterans.

The Congressional Budget Office has estimated the 10-year cost of enhancing the Montgomery GI Bill (H.R. 1071) to be \$5 billion over 10 years. This \$5 billion 10-year cost to recruit the high quality young men and women required to maintain our national defense and provide these veterans the opportunity to obtain the best education for which they can qualify after their military service is one-half of 1 percent (.005) of the 10-year nearly \$800 billion tax cut congressional leaders are trying to enact.

A single tax break—such as the five-year extension of a temporary tax deferral on income life insurance companies, banks and securities firms earn abroad—will cost the government that much in lost revenues, according to congressional calculations.

Shame on Congress and its Republican leaders if, in their lock-step march to give tax relief to those who need it least, they pass national security by.

Shame on Congress and its leaders, too, if they fail to find the relatively smaller amount we need to attract the new soldiers—and sailors, airmen and marines—this country needs to remain strong and free.