

National Call to Service – Department of Defense Implementation

1. Statutory Authority.

- 1.1. The Bob Stump National Defense Authorization Act for Fiscal Year 2003 amends Chapter 31 of title 10, United States Code, providing the Department of Defense with a new short-term enlistment program designed to promote and facilitate military enlistment in support of national service. This amendment authorizes a menu of incentives for a 15-month enlistment term to begin upon completion of initial entry training and followed with additional service on active duty, in the Reserve Components, or in a national service program.
- 1.2. The following establishes Department of Defense policy for implementation of this new short-term enlistment option, henceforth called the National Call to Service Program (NCS). Services will fully integrate this program in their enlisted recruiting programs.

2. Implementation Date. Enlistments under this program will commence October 1, 2003.

3. Service Obligation. Enlistees under the NCS program will incur an eight-year military service obligation (MSO). This MSO will consist of:

- 3.1 Initial entry training (to include skill training) followed by fifteen months of active duty;
- 3.2 Following the service in para. 3.1., either:
 - 3.2.1 reenlistment/extension on active duty for a period of at least 24 months; or
 - 3.2.2 24 months of duty in the Selected Reserves (SELRES);
- 3.3 Following the service in para. 3.2., the remainder of the MSO shall be served:
 - 3.3.1 On active duty; or
 - 3.3.2 In the SELRES; or
 - 3.3.3 In the Individual Ready Reserve; or
 - 3.3.4 In other national service programs as designated by the Secretary of Defense; or
 - 3.3.5 In any combination of the above.

4. Designated National Service Programs. For purposes of para. 3.3.4., the following programs are designated National Service Programs:

- 4.1. AmeriCorps (subtitle C), AmeriCorps*VISTA and AmeriCorps*NCCC
- 4.2. Peace Corps

5. Qualifications: NCS participation will be limited to applicants who meet all of the following criteria:

- 5.1. Non-prior service
- 5.2. High School Diploma Graduate (Tier 1)
- 5.3. AFQT Categories I-III A

6. Usage/Assignment.

- 6.1. Military Department Secretaries will determine the specific skills authorized for NCS participants and provide a list of skills to the Under Secretary of Defense for Personnel and Readiness each year. Skills should be selected to facilitate national service objectives and Selected Reserve requirements.
- 6.2. NCS participants will be worldwide deployable within current Service rules. Military Department Secretaries may exercise the various waiver authorities as set forth in DoDD 1315.7, "Military Personnel Assignments" to permit such assignments.
- 6.3. While serving on active duty, NCS enlistees will be managed the same as other Service members with regard to promotions, Uniform Code of Military Justice, stop-loss, etc.
- 6.4. NCS enlistees will not be eligible to enroll in the Montgomery GI Bill (MGIB) at the time of accession.

MGIB enrollment will be offered if NCS participants reenlist/extend for a period of at least two years.
6.5. NCS enlistees may be accessed at advanced pay grades in accordance with current Service policy.

7. Incentives:

- 7.1. NCS participants will be given the opportunity to select one of the following incentives upon enlistment.
 - 7.1.1. Bonus of \$5,000.
 - 7.1.2. Repayment of qualifying student loans, as defined in section 510(?) (2) of title 10, United States Code, (principal and interest) up to \$18,000 –Military Department Secretaries may establish a lower limit for such loan repayment. If a lower limit is specified, that limit will be applicable to all enlistees in that Service in a given fiscal year. In no case will the limit be lower than \$10,000.
 - 7.1.3. Education allowance for up to 12 months payable at the monthly rate for basic educational assistance allowances under section 3015(a)(1) of title 38, United States Code.
 - 7.1.4. Education allowance for up to 36 months payable at one-half of the monthly rate for basic educational assistance allowances under section 3015(b)(1) of title 38, United States Code.
- 7.2. The DD Form 2863 will be used to document the incentive selection and will become an addendum to the individual's DD Form 4, "ENLISTMENT/REENLISTMENT DOCUMENT, ARMED FORCES OF THE UNITED STATES." Alternatively, incentive election may be accomplished through overprinting of all information included on the DD Form 2863 on current Service enlistment forms.
- 7.3. The selection of an incentive is irrevocable.
- 7.4. A member who fails to complete the initial active duty obligation is not entitled to any incentive except as provided in para. 7.8., below. The incentives provided under para. 7.1.1 and 7.1.2, above, will be paid in a lump-sum upon completion of the initial active duty obligation (or upon re-enlistment/extension on active duty as provided in para. 8.1, below). The service member may begin to use the incentive provided under para. 7.1.3. and 7.1.4., above, upon completion of the initial active duty obligation (or upon re-enlistment/extension on active duty as provided in para. 8.1, below.)
- 7.5. NCS participants should be made aware that the incentives received under para. 7.1.1 and 7.1.2 will be considered taxable income in the year received. Benefits received under 7.1.3 and 7.1.4 will not be considered as taxable income.
- 7.6. A NCS participant who received an incentive under 7.1, above, and who fails to complete the contracted MSO shall refund to the United States the amount that bears the same ratio to the amount of the incentive as the uncompleted part of such service bears to the total period of the MSO. Military Department Secretaries may waive such payment, in whole or in part, upon determination that such recovery would be against equity and good conscience or would be contrary to the best interests of the United States.
- 7.7. Except as provided in paragraphs 7.8. and 11., below, a NCS participant who elects an incentive under 7.1.3 or 7.1.4., above, and who fails to complete the contracted MSO shall not be entitled to any further incentive benefit beyond those already received. Amounts already received are also subject to the repayment provisions of para. 7.6, above.
- 7.8. A NCS participant who completes initial entry training and is discharged or released from active duty prior to completion of the active duty commitment for a Service-connected disability; for a preexisting medical condition that the Service Secretary concerned determines is not Service connected; for hardship; or for a physical or mental condition that did not result from the individual's own willful misconduct, but did interfere with duty performance; for the convenience of the Government; or involuntarily separated for the convenience of the Government as a result of a reduction in force, is entitled to a pro rata portion of the incentive calculated as the proportion of the 8-year MSO (96 months) divided by the number of months served. [Discharges or releases for reasons set forth in this paragraph are intended to be the same as the reasons set forth in Enclosure 3, DoDD 1322.16, Montgomery GI Bill (MGIB) Program), under which a member is eligible for reduced MGIB benefits.]

8. Reenlistment/extension on Active Duty.

- 8.1. NCS participants are eligible to reenlist/extend for extended active duty prior to completion of their initial active duty commitment provided they meet current Service criteria. Such reenlistment/extension must be for at least two years and will fulfill the SELRES commitment portion of the MSO. NCS participants will not be

eligible for a Selective Reenlistment Bonus (SRB) for this reenlistment/extension unless the reenlistment is for a period of at least four years. Payment of an SRB under these circumstances will be at the discretion of the Secretary of the Military Department concerned.

8.2. Disposition of NCS incentives upon reenlistment/extension on extended active duty:

8.2.1. If \$5,000 bonus was selected – entire bonus paid upon reenlistment/extension. Servicemember will be allowed to enroll in the Montgomery GI Bill by completing a DD Form 2366 and having their pay reduced \$100 per month for the next 12 months.

8.2.2. If loan repayment was selected, loan will be repaid at time of reenlistment/extension. Servicemember will be allowed to enroll in the Montgomery GI Bill by completing a DD Form 2366 and having their pay reduced \$100 per month for the next 12 months.

8.2.3. If either of the education allowances was selected, NCS participants will retain that incentive and be allowed to enroll in the Montgomery GI Bill by completing a DD Form 2366 and having their pay reduced \$100 per month for the next 12 months. However, the statute requires that the total amount of the allowance paid as an NCS educational incentive must be deducted from their Montgomery GI Bill benefits. ¹

9. *Selected Reserve Service.*

9.1. Military Department Secretaries will establish policies to facilitate SELRES service for NCS participants, with a goal of establishing such service (unit, Individual Mobilization Augmentee (IMA) position, etc.) prior to release from active duty. However, the maximum distance an NCS participant may be required to travel involuntarily between residence and the Inactive Duty Training (IDT) site is governed by DoDI 1215.18. For any NCS participant who does not voluntarily accept assignment to a SELRES unit and may not be involuntarily assigned to a SELRES unit because of these restrictions, Military Department Secretaries should make maximum attempts to assign them to an IMA billet. Exceptions to the SELRES service may be granted by the Service Secretary only in those cases where neither unit nor IMA positions are available.

9.2. NCS participants who contract for six years in the SELRES will be eligible for the MGIB-Selected Reserve program. However, the statute requires that the total amount of the allowance paid as an NCS educational incentive must be deducted from their Montgomery GI Bill benefits.

10. *Follow-on Service.*

10.1. NCS participants who complete the initial two-year SELRES commitment will have the option of continuing in a SELRES status, or:

10.2. Will be transferred to the IRR of their Service for the remainder of their MSO.

10.2.1. Members may serve all or a portion of this time in a designated National Service Program.

10.2.2. NCS participants who chose to serve all or a portion of their follow-on service in one of the NSP, and who are accepted by the NSP, will be transferred to the Standby Reserve of their Service for that period. Transfer to the Standby Reserve will be accomplished upon the NCS participant furnishing an acceptance document from the NSP. This acceptance document must include the start date for the service and the period of the service. If the service is for more than one year, an annual verification of service must be furnished.

10.2.3. NCS participation does not guarantee acceptance into a NSP. All current eligibility criteria of the NSP must be met.

11. *Educational Allowance.*

11.1. The two educational allowance incentives will be administered by the Department of Veterans' Affairs (DVA.). The DVA will use the existing Montgomery GI Bill data system operated by the Defense Manpower Data Center, which will provide all DoD data and information interface with DVA. Utilization of the allowance will be governed by the existing rules of the Montgomery GI Bill for the Selected Reserve as stated in Chapter 1606, title 10 United States Code and DVA regulations with the following exceptions:

11.1.1. Benefit rates—the educational assistance allowance benefit rates for the NCS Program are tied to the rates in Section 3015, 38 USC.

11.1.2. Delimiting date--under the NCS Program, educational assistance allowance benefit may be used for up to 14 years after completion of the initial active duty phase of the program.

11.1.3. Availability after SELRES participation—under the NCS Program, the educational assistance allowance benefit may continue to be used after the initial 2-year SELRES phase of the program regardless of whether the member continues SELRES participation or chooses a different option for completion of the MSO

12. **Monthly Reporting Requirements.** Services will track and maintain data on NCS enlistments and accessions, to include incentive selection. This data will be incorporated in the report of monthly statistics provided to OUSD(P&R)/Accession Policy Directorate in accordance with DoD Instruction 7730.56. Monthly reports will be compiled at DMDC using the information submitted to it by the Services. DMDC will confirm report numbers with appropriate Service personnel before submitting to OUSD(P&R)/Accession Policy.

13. **Annual Reporting Requirements.**

13.1. Military Department Secretaries will annually provide to the Under Secretary of Defense for Personnel and Readiness (Attn: OUSD(P&R)(MPP)) the following:

13.1.1. List of skills open to NCS participants for the coming fiscal year

13.1.2. Number of expected recruits under this program for the coming fiscal year

13.1.3. Further limitation requested, if any, to the \$18,000 cap on the student loan repayment incentive option

13.2. The first of these reports is due to the Under Secretary of Defense for Personnel and Readiness no later than September 15, 2003. Subsequent reports will be furnished directly to OUSD (P&R) annually in concert with the OSD/OMB Budget Submission.

14. **Funding and Resource Implications.**

14.1. Payment of all incentives shall be made from funds available to the Secretary of the Military Department concerned for pay, allowances, and other expenses of members of the armed forces under the Secretary's jurisdiction. ²

14.2. The Military Services will incorporate resources for this program in the current recruiting incentive budgets.

¹ This offset has the anomalous effect of eliminating the NCS educational allowance as an incentive for the member who chooses to reenlist and to participate in the Montgomery GI Bill. A ULB initiative has been included in the FY 2005 ULB process to allow an NCS participant who selected one of the educational allowances and chooses to reenlist/extend to change their incentive selection to the \$5,000 bonus.

² An amendment to the law is at section 535 of the Senate-passed version of the National Defense Authorization Act for Fiscal Year 2004, awaiting action by the Conference Committee. If enacted into law, this amendment would provide that payment of incentives under paragraphs 7.1.3 and 7.1.4. would be made from the Department of Defense Education Benefits Fund under 10 U.S.C. 2006.