



STATE CAPITOL SACRAMENTO, CALIFORNIA 95814

October 28, 2016

The Honorable Mitch McConnell Majority Leader United States Senate 317 Russell Senate Office Building Washington, DC 20510

The Honorable Harry Reid Democratic Leader United States Senate 522 Hart Senate Office Building Washington, DC 20510 The Honorable Paul Ryan Speaker United States House of Representatives 1233 Longworth House Office Building Washington, DC 20515

The Honorable Nancy Pelosi Democratic Leader United States House of Representatives 233 Cannon House Office Building Washington, DC 20515

Dear Majority Leader McConnell, Speaker Ryan, Democratic Leader Reid, and Democratic Leader Pelosi:

The California State Senate requests, in the strongest possible terms, for Congress to expedite all actions necessary to permanently waive the requirement that our state's Army National Guard members repay federal financial incentives they received in exchange for wartime reenlistment.

We appreciate that the leadership of the United States Senate and House of Representatives already are beginning to address the matter, and that Secretary of Defense Ashton Carter has suspended collection of the repayments; however, we respectfully submit that this situation requires a solution that is both permanent and timely.

As you know, from 2005-2010, thousands of members of the Army National Guard in California and elsewhere were granted various financial incentives, including reenlistment bonuses and student loan repayments, to encourage their service reenlistment, primarily to help ensure their continued availability in fighting global terrorism.

We also understand that subsequent audits determined that approximately 6,500 California Soldiers were ineligible and improperly received those financial incentive payments. Although a small number of Guard members took bonus money knowing that they were committing fraud, the overwhelming majority acted on good faith, relying on bad information from recruiters and others in positions of authority. Now, years later, the federal government is demanding that the good-faith Soldiers pay the funds back - in most cases long after the money has been spent.

The federal clawback of the funds is devastating the families of current and former Guard members. In some cases, individuals must repay more than \$15,000. The recovery effort ignores that the primary fault lies with the recruiting system's failure to ensure eligibility at the time of the awards and also that the Soldiers fulfilled the associated service obligations, which often included deploying back into combat zones in Iraq and Afghanistan.

As Californians, we are greatly appreciative of the crucial national security role that the California National Guard plays as part of the United States Department of Defense. However, we also know how vital the Guard's support is to our state during times of natural disaster and unrest. The morale of the California National Guard has been and continues to be tested by its exhausting wartime deployment schedule over the past 15 years, the current downsizing of the federal military force structure, and now also by the retroactive clawback of these incentive awards. We believe it is crucial to protect the morale and financial well-being of our Guard members and their families so that they can continue to serve our state and nation in times of crisis. Waiving the repayment requirement is both a moral obligation and practical necessity.

In addition, we posit that any federal remedy should extend some form of relief or repayment to those Soldiers who have already complied with recoupment orders despite the financial hardship.

Thank you for your leadership in resolving this issue in a manner that is fair and just to those Guard members who received the moneys in the same good faith with which they have served our nation during wartime.

Sincerely,

KEVIN DE LEÓN

President Pro Tempore

Twenty-Fourth Senate District

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JIM NIELSEN

Chair, Committee on Veterans Affairs

Fourth Senate District

JEAN FULLER

Republican Leader

Sixteenth Senate District

BEN HUESO

Vice Chair, Committee on Veterans Affairs

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Ben Allen

BEN ALLEN

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