

Testimony of Daniel F. Huck
National Security and International Affairs Division
Congressional Budget Office
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MR. CHAIRMAN: I appreciate the opportunity to present the results of the CBO study on Selective Service. With your permission and in the interest of time, I would like to submit my detailed statement for insertion in the record and summarize the key points of our report.

LIMITED SCOPE OF THE STUDY

Before discussing those results, I would like to explain certain limits we placed on the scope of our report. The study did not question the validity of the Department of Defense's (DoD's) wartime manpower requirements. Nor did it consider the pros and cons of returning to some form of a draft, under which Selective Service would actually send out induction notices during peacetime. Instead, the study evaluated the current mobilization capability of Selective Service and proposed alternative ways--short of a peacetime draft--to meet DoD's stated wartime induction requirement.

In developing alternatives for Selective Service, we also confined the study to actions we believe are within the bounds of the current Military Selective Service Act. A recent DoD study submitted to the Senate Armed Services Committee recommended a number of changes to that act. Most of the proposed changes would remove provisions of the act that are no longer relevant to Selective Service's mobilization mission. While these changes are important, their presence or absence would not affect our results.

TWO QUESTIONS ADDRESSED IN THE STUDY

In our study, we set out to answer two questions:

- o First, can Selective Service currently meet DoD's mobilization induction schedule and, if not, why not?
- o Second, what are some alternatives to Selective Service's current standby posture that would meet DoD's wartime manpower needs?

CURRENT CAPABILITY WELL SHORT OF DoD NEEDS

Let me turn to the first question: What is Selective Service's current mobilization induction capability? Those who have dealt with Selective Service are now universally agreed that current plans and resources are not adequate to meet DoD's mobilization schedule. The General Accounting Office (GAO), the Office of Management and Budget (OMB), DoD, and even Selective Service would agree with this conclusion, although their estimates of current mobilization induction capability do vary.

Chart I shows CBO's estimates of current mobilization induction capability compared with estimates developed by Selective Service and by an OMB study group. Our optimistic estimate approximates that of the OMB study group, while our more pessimistic estimate is closer to the Selective Service estimates.

None of the estimates is very comforting, when compared with DoD's current mobilization requirements. Most of the estimates show that, by the time DoD needs 100,000 inductions, the system would not have delivered even the first inductee. Moreover, the system would fall between two and five months behind schedule in meeting DoD's requirement of 650,000 inductions within six months after mobilization.

REASONS WHY SELECTIVE SERVICE CAN'T MEET DoD'S NEEDS

Why can't Selective Service meet DoD's requirement? Our study of the system revealed three major problems with Selective Service's current standby posture:

First, there is no reliable plan for a quick, mass registration. Selective Service must register at least 3 million males within two weeks after a mobilization. Under the current circumstances, CBO's most optimistic estimate is that it would take at least one month after mobilization begins to organize and complete a registration of that size.

Second, the computer support now available to Selective Service is neither adequate nor appropriate for the quick-reaction response needed to meet DoD's current induction schedule. For example, to meet that schedule, Selective Service must be able to process the registration data for an entire year-of-birth group--about 1.5 million males--and begin sending induction notices

within one week after the mass registration is completed. We estimate it will take Selective Service between three weeks and one month to accomplish this task with present equipment and procedures.

Finally, the Selective Service plan to reconstitute a field structure of local boards and area offices upon mobilization is complex, cumbersome, and outdated. It could not be implemented quickly without extensive personnel and logistical commitments in the field. To date, these commitments have not been made.

ALTERNATIVE WAYS TO MEET DoD'S REQUIREMENT

Having determined that Selective Service cannot now meet DoD's requirement, we come to the second question addressed in the study: How can the mobilization capability of Selective Service be improved? The second chart displays three alternative approaches developed by CBO to meet DoD's current induction requirements. These are arranged in order of progressively greater peacetime contingency preparations.

The first option proposes to maintain Selective Service's current standby posture while attempting to develop a credible post-mobilization registration plan. We estimate the annual cost over current policy of this option to be about \$2 million, with all of the increase going for improved computer support.

The second option would reinstate peacetime registration, at a cost of about \$4 million over current policy.

The third option would reinstate peacetime classification in addition to registration, at a cost of about \$13 million over current policy.

Let me now briefly describe each option.

Option I: Upgrade Standby Posture

The first option would attempt to improve Selective Service's ability to register and induct quickly after mobilization begins. In principle, this option is the approach the Administration intends to pursue through fiscal year 1980. An upgraded standby posture would be maintained, but that posture would not require registration and would not impose any other peacetime military obligation on youth.

The degree to which Option I can be relied on to meet DoD's wartime induction goals depends largely on the effectiveness of the plan chosen to conduct a mass, post-mobilization registration. Selective Service intends to use the states' election apparatus for this purpose, although no plan yet exists using this approach. CBO believes that other approaches may offer more assurance of a timely, accurate, and comprehensive post-mobilization registration. Two alternatives that may be feasible include deriving registration data from existing computerized files of the U.S. government or using the facilities of another federal agency with an adequate field structure already in place, such as the U.S. Postal Service.

Unfortunately, whether or not there is a feasible approach to register youth quickly after mobilization is not clear. Neither Selective Service nor the Administration has fully explored alternative approaches to make such a determination at this time.

Option II: Return to Peacetime Registration

The second option proposes conducting registration in peacetime. This would eliminate the principal risk inherent in our first option, which must rely on the timely completion of registration after a mobilization.

While peacetime registration has the potential to enhance Selective Service's mobilization capability, it poses a number of unresolved issues. These issues concern the method and cost of registration, as well as the anticipated degree of youth participation and general public support.

If peacetime registration were reinstated, Selective Service recommends returning to the traditional method of a continuous face-to-face registration, and reconstituting a field structure staffed by full-time employees and volunteers. In a recent report to the full Committee, Selective Service estimated that its current \$7 million budget would increase to about \$17 million annually to implement this approach.

In evaluating this option, we concluded that it would not be cost-effective for Selective Service to reconstitute a field structure solely for the purpose of registration. Other methods to register youth are possible at considerably less cost. For example, we estimated it would cost about \$4 million above current expenditures to upgrade Selective Service's computer support and to implement any one of three alternative peacetime registration methods:

- o Append the task to another federal agency with an adequate field structure already in place. The U.S. Postal Service, the Military Recruiting Commands, and the U.S. Employment Service are three examples of organizations with an extensive field network already in place.
- o Use a self-administered mail-in registration. This method was used to supplement the traditional face-to-face registration just prior to its suspension in 1974. Selective Service conducted tests of complete reliance on this approach but the results were not conclusive.
- o Rely on existing government computer data banks to compile a list of registrants. For example, merging the Internal Revenue Service (IRS) and Social Security files could produce a name and address list on up to 85 percent of 20-year-old males.

The success of the first two methods, as well as Selective Service's traditional approach, depends heavily on youth awareness and willingness to register. While historically about 90 percent of 18-year-old males registered when the draft was in effect, there are some indications that youth may not be as cooperative should peacetime registration be reinstated. For example, audit surveys conducted by Selective Service just before registration was suspended indicated a substantial decline in participation rates, especially in urban areas; late registration was also a widespread problem. Also, a recent Harris poll showed a strong correlation between a respondent's age and his support for a return to peacetime registration: older Americans strongly favor a registration and younger Americans are considerably less enthusiastic about the idea.

The third registration method--compiling a list using existing government files--poses a legal issue over matters of privacy. In addition, the extent of youth coverage in the files and the currency of address data are uncertainties that must be dealt with. Yet this approach could be tested by IRS, and if the results showed this method to be satisfactory, the Congress could then debate the question of whether or not to exempt Selective Service from laws that would prohibit its use of the data.

In summary, a return to peacetime registration would eliminate the risk of failing to complete this task quickly after mobilization. Yet there are problems in implementing a successful program. In any case, a variety of registration methods should be examined before a final decision is made.

Option III: Reinstate Both Peacetime Registration and Classification

The third option goes one step further than Option II, requiring Selective Service not only to register but also to classify youths during peacetime. This approach has been recommended by the chairmen of both the Joint Chiefs of Staff and the House Committee on Armed Services. CBO estimates that this option would cost \$13 million over current policy, or \$20 million; this figure does not include medical and mental examinations but does fund a modest field structure to administer the registration and classification task. Our cost estimate is close to the \$17 million estimate provided in last year's recommendation by the House Committee on Armed Services. Yet both of these estimates are well below Selective Service's estimate of \$30 million to \$32 million a year, which includes a substantially larger field structure than we believe is necessary.

Whatever the cost, adding peacetime classification on top of registration is of marginal benefit for three reasons:

First, amendments to the Military Selective Service Act have simplified the classification process and reduced the variety of judgmental decisions a local board could make. In addition, most classification activity would comprise standardized administrative decisions, such as school postponements, which can be automated and do not require an appeals process.

Second, the computer technology exists to process rapidly the data required to meet DoD's induction schedule under the more simplified classification procedures, even if conducted after mobilization as in our first two options.

Third, an improved computer system delays the need to reconstitute area offices and local boards immediately after mobilization, since induction notices would be automatically issued from Selective Service headquarters. This computer-supported approach considerably reduces the advantage of peacetime classification in which a field structure would be immediately available upon mobilization.

Upgraded Computer Support Needed for All Options

Regardless of the option chosen, any change in Selective Service's peacetime activities should be accompanied by improved computer capability. This upgrading of computer support included in all three options presented here would provide the large-scale, high-speed processing needed by Selective Service. CBO estimates

the peacetime cost of providing this improved capability to be \$2 million annually. The fiscal year 1979 supplemental and the 1980 budget for Selective Service include funds to begin upgrading the computer system.

CONCLUSION

In summary, the Congress faces several choices. Some upgrading of computer capability appears highly desirable. To improve the current standby capability in Selective Service further, the Congress could require the development of a better plan to register and induct after mobilization. This first option would involve the least cost and the least inconvenience to America's youth, but the feasibility of such a plan has not yet been fully established. A second option would involve a return to peacetime registration. This option would require somewhat more cost and inconvenience, but it would eliminate the risk that registration could not be accomplished quickly after mobilization. As a third option, the Congress could require both registration and classification during peacetime. In our assessment, a modern, high-speed computer should be able to accomplish after mobilization much of what peacetime classification would do and avoid the cost of reconstituting a field structure in peacetime.

Finally, regardless of the approach the Congress may choose to improve the responsiveness of Selective Service, significant

improvements cannot be accomplished in a brief span of time. To provide even minimal assurance that Selective Service can meet DoD's current wartime induction schedule will require at least one year and possibly two years of developing and testing equipment and procedures. If such development and testing are funded in the fiscal year 1980 and 1981 appropriations for Selective Service, a capable system could be in place at the start of fiscal year 1982.

Mr. Chairman, that concludes my statement. I would be glad to respond to any questions you or other members may have.

CHART I

ESTIMATE OF SELECTIVE SERVICE'S CURRENT MOBILIZATION INDUCTION CAPABILITY: IN DAYS AFTER MOBILIZATION

	DoD Requirement	OMB Estimate	CBO Estimates a/		SSS Estimate
			Optimistic	Pessimistic	
First Inductions	M+30	M+58	M+65	M+95	M+85
100,000 Inductions	M+60	M+78	M+90	M+120	M+150
650,000 Inductions	M+180	M+240-300	M+250	M+280	M+265 <u>b/</u>

NOTE: "M" refers to the first day of mobilization. Thus, M+30 means 30 days after the start of mobilization.

a/ The optimistic estimate assumes a mass registration is completed within 30 days after mobilization, while the pessimistic estimate assumes 60 days are required for a registration.

b/ Extrapolated from Selective Service estimates which show 480,000 inductions by M+230 days.

CHART II

CBO ESTIMATES OF CURRENT MOBILIZATION INDUCTION CAPABILITY AND POLICY OPTIONS FOR IMPROVEMENT

	Estimates of Induction Capability			Annual Peacetime Cost (In Millions of Dollars)
	First Inductions	M+60 Days	M+180 Days	
Base Case (Current Standby Posture-- No Registration or Classification, and Present ADP Capability)	M+65 Days	0	375,000	7
Option I (Maintain Standby Posture; Revise Post- M-Day Registration)	M+25 Days	100,000	650,000	9
Option II (Reinstate Peacetime Registration)	M+12 Days	100,000	650,000	11
Option III (Reinstate Peacetime Registration and Classification)	M+12 Days	100,000	650,000	20

NOTE: "M" refers to the first day of mobilization. Thus, M+60 means 60 days after the start of mobilization. DoD requirements for a full mobilization are: first inductee by M+30 days, 100,000 by M+60 days, and 650,000 by M+180 days. These cannot be exceeded because of capacity limits at training facilities.

