

**APRIL 21, 2004**

**SCHAKOWSKY: RESERVISTS FORCED  
TO INVADE SAVINGS TO SUBSIDIZE  
WAR IN IRAQ**

**WASHINGTON, D.C. - Following a vote on H.R. 1779, a bill that allows reservists to make penalty-free withdrawals from their Individual Retirement Accounts, U.S. Representative Jan Schakowsky (D-IL) today chastised the Republican leadership for failing to schedule votes on legislation that would bring real financial relief to soldiers and their families.**

**Schakowsky, who voted for the bill, said that while it might provide some temporary relief, "it is pathetic" that the best that Republicans could do was pass this bill instead of legislation to increase military pay and provide health care for reservists and veterans.**

**"It is an affront to our soldiers and their families struggling to survive that Congress would suggest they raid their savings in order to subsidize the war in Iraq. To keep from losing a home or car, soldiers are now being told to empty their IRAs, even though they do not have the income to restore the retirement savings they take out," Schakowsky said.**

**"Soldiers deserve more from President Bush and the Republican Leadership, who are quick to put our soldiers in harms way, but are ever so slow in meeting the needs of our military men and women," Schakowsky added.**

**More than 40 percent of reservists and National Guard personnel took a pay cut when they were called to active duty and many are facing increasing financial burden because of the extension of their deployment. More than 325,000 Guardsmen and reservists have been activated since September 11, 2001, and the Defense Department expects them to amount to about 40 percent of our total force in Iraq by May 1, 2004.**

**Below is a list of Democratic proposals to aid reservists and their families:**

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**Extend Military Pay Raises.** □ The Democratic budget would provide targeted pay raises to enlisted personnel, and Democrats are continuing our fight for a permanent increase

**in imminent danger and family separation pay for soldiers.** Last year, Democrats' effort succeeded in getting a one-year extension of the increase in imminent danger and family separation pay. The GOP budget discontinues targeted pay raises, and the President's budget again proposes a cut in imminent danger pay and separation allowance. For reservists in particular, we should consider increasing the re-enlistment bonus for members of the Selected Reserves.

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**Provide Meaningful Tax Relief for Military Families.** Democrats have spent the last year fighting to restore provisions that Republicans dropped to provide an expanded child tax credit to the families of 260,000 children of active duty military personnel. Democrats have also worked to provide tax relief to the families of 200,000 military personnel who are in combat in Iraq and Afghanistan by including combat pay in calculating the child care tax credit. The Rangel-Hooley combat pay child credit bill (H.R. 4171) helps military families with 2 children if their income is below \$39,000.

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**Improve the quality of life for Reservists called up for active duty.** Last year, Democrats fought to provide medical and dental screening for the National Guard and Reserve prior to mobilization and extend transitional health care benefits for the National Guard and Reserve from 60 days to 180 days following completion of active duty. These provisions need to be extended this year. Democrats also have advocated proposals to provide small business loans to reservists whose small businesses have been disrupted by their mobilization, grants for technical training for reserve-owned small businesses, and additional funds for family assistance centers to help the families of National Guard and Reserve with problems related to increased deployments.

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**Health Care for reservists.** The Democratic budget would continue military health care (TRICARE) for reservists, permitting them to buy-in to TRICARE if they are unemployed or they have no employer-provided health care. Last year, Democrats fought for and succeeded in providing TRICARE to these National Guard and reservists. This year's Republican budget discontinues military health care (TRICARE) for reservists, just as the Bush Administration opposed additional health care for reservists last year.

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**Make Up the Pay Cut for Reservists.** There are also proposals to require federal agencies to pay employees the difference between their civilian and military wages while they are on active duty.

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**Improve Educational Opportunities for Reservists.** The Democratic Salute to Veterans and the Armed Forces includes provisions to increase the basic educational assistance under the Selected-Reserve Montgomery GI Bill to restore the program's purchasing power, which has eroded over the years.