



T H E M I L I T A R Y C O A L I T I O N

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November 9, 2004

The Honorable J. Dennis Hastert
Speaker of the House
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

The Military Coalition (TMC), a consortium of uniformed services and veterans associations representing more than 5.5 million current and former servicemembers and their families, is writing to urge you to immediately schedule for a vote under suspension of the rules H.R. 1779 (Guardsmen and Reservists Financial Relief Act of 2004) as amended and passed by the Senate. H.R. 1779 contains needed financial relief for activated National Guard and Reserve service men and women and deserved tax-credits for their civilian employers who pay wage differentials during a call-up.

Since September 11, 2001, over 410,000 members of the National Guard and Reserve have been activated to defend our nation. The GAO reports that forty-one percent (41%) of our Guard and Reserve personnel take pay cuts from their civilian jobs. Many employers voluntarily have helped to ease this burden by making up the "pay-gap" between the civilian and military pay of their activated employees. Since the nation will continue to rely on the Guard and Reserve for future deployments, these citizen-soldiers and their employers need and deserve some financial relief from the disruption of active military service.

H.R. 1779 would permit penalty-free withdrawals from reservists' civilian retirement plans to help them meet financial needs; allow activated Guardsmen and Reservists to contribute differential wage payments that may be paid by an employer to the employee's retirement plan; and, as amended by the Senate on October 11, 2004, would grant employers a tax credit on differential wage payments paid to an employee activated for military service.

The Military Coalition urges the House leadership to endorse the amended H.R. 1779, as soon as practicable under suspension of the rules in the remaining days of the 108th session of Congress. As the nation pauses to celebrate Veterans Day, passage of this bill will send a very strong signal to Guard and Reserve servicemembers, their families, and employers that Congress recognizes and supports the enormous sacrifices these future veterans make on behalf of our great nation.

Sincerely,

The Military Coalition
Signatures Enclosed