

NATIONAL PRESS CLUB LUNCHEON WITH GENERAL FRANK J. GRASS

SUBJECT: THE FUTURE OF THE NATIONAL GUARD

MODERATOR: ANGELA GREILING KEANE, PRESIDENT OF THE NATIONAL PRESS CLUB

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ANGELA GREILING KEANE: (Sounds gavel.) Good afternoon, and welcome to the National Press Club. My name is Angela Greiling Keane. I'm the 106th president of the National Press Club and a reporter for Bloomberg News. We are the world's leading professional organization for journalists committed to our profession's future with programming such as events like this while fostering a free press worldwide. For more information about the National Press Club, please visit our website at www.press.org. To donate to programs offered to the public through our National Press Club Journalism Institute, please visit press.org/institute.

On behalf of our members worldwide, I would like to welcome our speaker today as well as those of you in our audience. Our head table includes guests of our speaker as well as working journalists who are Club members. And if you hear applause from the audience, I'd also note that members of the general public are also attending, so it's not necessarily evidence of a lack of journalistic objectivity.

I'd also like to welcome our C-SPAN and Public Radio audiences. You can follow the action today on Twitter using the hashtag NPCLunch. After our guest's speech concludes, we'll have a question and answer period. I will ask as many questions as time permits. Now it's time to introduce our head table. I'd ask each of you to stand briefly as your name is announced.

From your right, Kevin Wensing, a committee member for the Vietnam War Commemoration; Glenn Marcus, a documentary filmmaker; Maureen Groppe, a Washington correspondent for Gannett; Colonel John O'Shea, U.S. Army Retired,

Congressional liaison, Office of the Secretary of the Air Force and a member of the National Press Club; Thomas Burr, senior Washington correspondent for the *Salt Lake Tribune* and chairman of the board of the National Press Club; Jim Michaels, military reporter for *USA Today*; Lieutenant General Bill Ingram, Director of the Army National Guard.

Skipping over the podium, Donna Leinwand Leger, a reporter for *USA Today*, the organizer of today's lunch, on our Speakers Committee, and the 2009 president of the National Press Club. Skipping over our speaker momentarily, Rachel Oswald, a reporter at NationalJournal's Global Security Newswire, and a vice chairwoman of the Club's Press Freedom Committee; Brigadier General James Witham, Deputy Director of the Air National Guard; Mary French, a recently retired, the recently retired, editor in chief of *Army* magazine; Chief Master Sergeant Mitch Brush, senior enlisted advisor to the chief of the National Guard Bureau; Will Watson, a retired daily newspaper editor, president of the Watson Group, a veteran of the South Carolina Air National Guard, and a member of the National Press Club's American Legion Post; and John Fales, better known as Sergeant Shaft, who is a columnist at Military.com. (Applause)

As the Defense Department ponders how to create a leaner, less costly military force without compromising capabilities and readiness, our guest today points to the National Guard as a key part of the solution. Today's National Guard, General Frank J. Grass says, is "the most competent, relevant and battle tested National Guard in the history of the nation." In testimony before the Senate Defense Appropriations Committee last year, he called the Guard a "cost effective, proven solution" that allows the nation "to maintain a robust military at the least possible cost to the taxpayer."

The September 11th, 2001, terror attacks on the World Trade Center in New York and the Pentagon in Washington, pushed the citizen warriors of the National Guard, more accustomed to responding to U.S. natural disasters, to the front lines of two foreign wars. In addition to Iraq and Afghanistan, National Guard personnel have deployed to Libya, Kosovo and other hot spots around the world.

But nothing illustrates the Guard's dual role better than Monday in Illinois when Governor Pat Quinn activated his state's National Guard to assist residents hit by a ferocious winter storm while another Illinois National Guard unit was activated for deployment to Kuwait.

Congress recognized the Guard's key role in the 2012 Defense Authorization Act when it elevated the head of the National Guard bureau to the Joint Chiefs of Staff, the military advisors to President Obama and his national security team. But the Guard's future is uncertain. This fall, as Congress tussled over the budget, the Guard faced potential sequestration cuts that would have pared the force by more than 10 percent. Such cuts, Army Chief of Staff Ray Odierno told Congress then, would make it challenging for the military to meet its goal of successfully operating in two theaters of war simultaneously.

And the Guard has also had to deal with complicated issues on the home front. In November, General Grass vowed to push uncooperative state National Guard bureaus to comply with Defense Department directives to extend equal benefits to all married couples, including same sex couples.

General Grass began his National Guard career in October 1969 when he enlisted in the Missouri Army National Guard. After graduating from officer candidate school, he was commissioned as an officer in the engineer corps in 1981.

General Grass earned his fourth star in 2012 when he became the 27th Chief of the National Guard Bureau. Besides advising the President, he was responsible for insuring that the more than 460,000 Army and Air National Guard personnel are accessible, trained and ready to protect the homeland and provide combat resources to the Army and Air Force.

To tell us how the National Guard transformation will continue, please join me in giving a warm National Press Club welcome to National Guard Bureau Chief General Frank J. Grass. (Applause)

GENERAL GRASS: Angela, thank you so much. Every time somebody says “you joined in ’69, you’re an old guy,” makes me feel old. Actually, and I’ll talk a little bit about that, the Guard today, from 1969 to today, it is pretty amazing. I know there’s a number of folks and friends in this room that have lived through this transition of the Guard going from what was truly a strategic reserve back in the ‘60s, ‘70s, ‘80s, to what became a premier force, a premier fighting force, both for at home and overseas.

And what I thought I would do today, first, talk about three things; one being where the Guard is today, a little bit about our homeland mission and the things that occur, and Angela just mentioned recently with the winter storm and how we were able to roll out quickly, like we do all the time, in the Guard. But then also talk about the Army and Air Force and our roles in the Army and Air Force on the federal mission, and then a little bit about our enduring partnerships that we do.

Before I do that, though, I want to thank you for what you do. You know, when I was a lieutenant, if I saw a reporter, I usually wanted to run the other direction. When I was a major, I was kind of like working at the Army Guard right in the center, it was like, “Do I have to deal with those folks?” When I was a lieutenant colonel, my next thought was, “I better get in this game. Where’s the public affairs office? What do they do?” As a general, and the staff here that I have, our public affairs staff, has been phenomenal. If you can’t tell your story, you’re no good at what you do. And so I want to applaud all of you and thank you for the opportunity to be here, first of all. But also for what you do to tell the story of the nation’s military defense in general.

This population of warriors that we have, men and women in the United States military today, which makes up about .73 percent of our population, less than one percent of our population serves in uniform any given day. And as I’ve got a chance in, what, 17

months now in the job, I've traveled to 25 states, 5 countries, some of those twice, some to the combat zone to visit our troops and our troops in general, active guard and reserve, every service. They are phenomenal. They are the best this nation has to offer.

And so as we move forward with the current budget crisis, we've got to make sure we don't break this. And I know General Odierno was here the other day, and I work very closely with him and with General Walsh and with Secretary Hagel and the Chairman of the Joint Chiefs. So we've got to get this right. We owe that to our nation. We, in uniform and our civilian leadership as well.

So, what is this Guard today? Well, for 377 years now, we've been rolling out of the gates of our armories whenever the governors call. In some cases, even before the governors call. I've seen situations where there's a disaster. I remember my first day of active duty in 1973 coming out-- actually, I was driving with my wife at the time, we were dating, and we were headed to a dinner. And on the local radio was, "Hey, flooding, 220th engineers get to your armory immediately." There was no governor order. We just turned and I said, "Hon, you're going to have to take the car and go to dinner by yourself because I've got to go somewhere."

That today is what our Guard men and women do still every day. Reading about in the last few days our daily update and looking at mechanics that went into Illinois to help repair snow plows, the civilians-- the state trucks. They went in to help out because the trucks were running so many hours, they didn't have enough mechanics. The highway systems teams in Indiana that went out to check on people that were broke down that couldn't get out to help them move along the interstate highway systems. And it goes on and on and on of these men and women that do this every day.

And just in the last 16 months since I've been here, Hurricane Sandy was the first event. Twelve thousand guardsmen rolled out the gate, out of 22 states total. Some states rolled in to help New York, New Jersey and West Virginia that was having a snow event during Sandy. And it was seamless. And sitting in my chair I thought, "I don't have to do anything. I just watch this occur. I go up and get to shake hands and visit the great men and women, see who they are." I'm in New Jersey in the small cell of about 20 soldiers and airmen, the sergeant in there, and the lieutenant, I meet them and talk to them a little bit. And the lieutenant is also a deputy sheriff in the town next door so he knew everyone in the community. And that is who your Guard is, how it's always been. And again, we don't want to break that.

Some folks in the room here have already been recognized from the Guard. I do want to recognize my counterpart here, who's been a Guardsman, and I'm not going to ask him how many state active duties he has had, the Director of the Air National Guard. Bill Ingram and I have worked together for years, even before he was at TAG at North Carolina. Bill could probably tell you all kinds of stories and knows more about fighting and responding to hurricanes probably than most of us ever even begin to think we would know. And Bill's going to be retiring here, well over 40 years of service here in the end of this month. And just been a great partner here both from his time working in the state

and also state active duty and mobilizations. Whatever we needed, he was there for us and now running the Army National Guard for well over two years. (Applause)

So I want to talk a little bit about the federal mission of the Guard because I get asked the question all the time about why does the National Guard need F16s? Why do you need F15s? Why do you need Apaches? Why do you need tanks? I will say we don't need tanks and we don't need Apaches and we don't need fighter jets. What we need is whatever the Air Force and the Army need in their reserve because our first mission, and our two missions are equal, is our mission to support the federal reserve of the Air Force, United States Air Force, and United States Army. So however the Army looks, or however the Air Force looks, we've got to be interchangeable. We'll never be identical to them, we're not going to be and not try to be. And they will never be identical to us because of that homeland mission where we roll out the gate.

But we've got to be complementary of each other so that when the Air Force needs additional capability in the fighter jets, or whether it's a support skill set, or the Army needs additional brigades, that we've got to be ready to move. That means being organized, trained and equipped the same. And I can honestly tell you today, our readiness is higher than it's ever been in the Army and Air National Guard and we are organized, trained and equipped at a level higher than I've ever seen it in my 44 years of service. That's because of a lot of great investment by the nation throughout the war.

The real challenge is how do you balance that now in this fiscal environment and not lose that edge, not lose that equipment? The Air Force mission, very unique. Within 72 hours, any Air National Guard unit can deploy today and they've got to be ready to deploy. That's overseas. But if you look at the homeland, where's my good friend J. C. Witham there, from the Air National Guard? We have 40 fighters and seven tankers sitting on alert right now that if something happens over the skies of the United States, there's pilots and jets, there's ground crews getting those jets up in the skies, six minutes, they're over the skies in the United States; 24/7, we've been doing that as a part of the North American Aerospace Defense Command mission.

So that mission of the Air Force is unique from an Army mission which takes more horsepower to get it up and going. But the Air Force does that mission very well and we've got a great partnership with Mark Welsh.

On the Army mission, depending on what skill set you need, if you need support personnel, my branch for example, if you need engineers, most of our engineers have got some civilian background in engineering in some way. I just visited during the Colorado floods, I went out and visited the-- during the crisis, I flew in some helicopters. We had a mix of active helicopters plugged into the Colorado Guard working with them, and the Wyoming Guard came in. I think we had 23 Chinooks and Black Hawk combinations at the peak pulling people off the sides of the mountains.

And I went back later, which you probably didn't see on the news, is after the floods went down, four states rolled in with National Guard out of the Air and Army, and

they were engineers and they reopened the road in record time between Lyons, Colorado, up to Estes Park. And I drove it a couple of times after they opened it. I thought when I first went out there, they finished the project about a month early, and the intent was get that road open so utility workers could get in so that people could get back to their lives and begin to recover.

So I thought I would drive that road and see maybe a gravel road up alongside the mountain. It was 25 miles long, there were 18 major washouts along the size of this room. Well, six weeks after the flood, I drove that road on a 24 foot wide paved road that was striped. Now, there's some areas, they'll come back in the spring, they'll have to rebuild, but the Guard came together and stayed active duty. The Federal Highway Administration funded it and the Colorado Department of Transportation did the paving. Pretty amazing.

So I go in and I say, "How do you make all this work?" So this lieutenant colonel comes up to me from the Colorado Guard and he's riding with the Colorado Department of Transportation. And I said, "So what'd you do?" He goes, "Well," he says, "I know I got a uniform on now, but," he says, "my civilian job, I'm a highway engineer for the Federal Highway Administration. So I gathered up the Colorado team and I gathered up the Department of Transportation and I said, 'Look, I can figure this out. If the governor will do this request, we can get this 100 percent financed and we can work together, bring the contractors in and make this thing go.' And the Guard can come in and do the rough work up front, we'll do the finish on top."

That's who your Guard is. So if you're going to deploy overseas, you bring that extra skill set in every job out there. And I just in November went to Afghanistan and while I was there I met with one of the generals. And he said, "I want to introduce you to somebody." And a colonel comes in the room and I look at the colonel and I see that he's got a National Guard patch from California. I said, "Oh, what unit?" He said, "40th ID." I said, "What do you do as a civilian?" He says, "I'm a lawyer." I said, "What do you do here?" He says, "I'm a provincial governor advisor on how to set up rule of law." And again, that's the two skill sets we always bring into every environment. So when we're talking about support skill sets, depending on what you want, what you need in conflict, the Guard can deliver.

If we're talking about brigade combat teams, fighting in combat, right now the standard that we're using, and it's an Army standard, is 50 to 80 days, we can have a brigade combat team ready to go. Now, some of those brigades are harder to train than others, to synchronize a combat brigade of tanks and Bradleys with air support, takes a bit longer. So we say the worst case especially as we go down and resources have become dwindling, we'll probably be 80 to 110 days, we can have a brigade combat team. And that's using the Army standard.

But today, most of them are certifying anywhere from 50 to 80 days of training. The engineer units I just talked about, most of those are going to go through 30 to 45

days training. The further we get away from the current conflict, that'll get stretched out a bit. But we want to make sure we don't lose that edge.

The unique thing about the Guard is the constitutional structure of how this started in 1636 with both being able to support the civilian government and support the president when called upon. And we've created some opportunities in the future that will continue to grow in the homeland response that are unique from what we had, if you remember Hurricane Katrina. We didn't have a unity of effort and a unity of command. We didn't have a structure.

I want to share that with you because today, we do have that unity of command, unity of structure and it's hinged in a concept called the dual status commander. So we pre-train and pre-certify a National Guard one star who then can command and control active Guard reserve forces.

I'll go back to the Colorado example. During the floods, when Fort Carson said, "Hey, we've got helicopters. We know people need to be rescued." Mike Edwards, the adjutant general of Colorado, he sends a note up to us and to General Jacoby at NORTHCOM and says, "I want to stand up a dual status command." General Jacoby sends in a staff for the Title X, the federal side of the mission. Colorado stood up their normal Title XXXII, their state mission. And this one commander commanded all of those 23 helicopters and gave them direction.

And we had to get that approval from Secretary of Defense, but that happens all the time now. We do that pretty routinely, both for crisis-- we've done it for years for planned events like a Democratic Convention or a Republican Convention or at an inauguration. But now we do it for crisis events.

That leads me to the last comment I just want to share with you and get to the questions. But this is all about partnerships. So much of this in the homeland's about partnerships. Because when we roll in to assist a community, we're not in charge. We're supporting somebody. It's an incident commander, it's a fire chief, it's a police chief. And we want to make sure that when we do roll in there that our soldiers, no matter whether they're-- Guard's going to be the first one in, if we bring in any active with us under that dual status construct, we want to make sure that everyone understands that we are in support of that first responder. And our job, and I've talked to administrator Fugate, he has relayed this over and over to me, that our job is to make that first responder successful. So whatever they need, that first responder, that governor's in charge and let's make them successful.

So, partnerships are what we focus on. And part of that partnership event occurs inside the Pentagon every day. Being a member of the Joint Chiefs, I have access now to organizations that I probably never would have had as a three star and just a chief and not a member of the Joint Chiefs. I get called in to all the sessions as a member of the Joint Chiefs. And I'll give you a couple of examples. During Boston bombings, I was called in immediately to sit with the Undersecretary of Defense and talk about what the Guard was

doing in Boston. What was Governor Patrick planning on, and how was he going to respond when they shut the city down?

Well, I already had information from the adjutant general at that point that he had 450 troops in the city at the start of the event. They were there for security for the marathon. Immediately, the Governor said, "I'm going to authorize you over a thousand, put them in the streets now and let's start building a plan to back up the police force. And then let's get some armored vehicles out there that can escort the SWAT teams around as we begin to look for these two gentlemen that did the terrorist acts." I was able to take that information immediately and get it to the Chairman and the Secretary.

During Hurricane Sandy, I probably spent eight to ten hours with Secretary Panetta over a two week period, three times where we actually briefed the President. It was usually on a call or he was on Air Force One. But I was able to bring that perspective directly from the adjutant general and the governor into the Pentagon. And about day three of this, when I was with Secretary Panetta and the Corps of Engineers who did a great job, the Defense Logistics Agency, who did a great job, and NORTHCOM working very closely with them in case we were short anything, they would back us up, but what I found about day three, I thought, "I wonder who was talking for the states in this meeting before we were on the Joint Chiefs?" Because there was nobody in the room that had ever done state active duty or even knew how it was organized.

So at that point, I realized the real value of being a member of the Joint Chiefs is bringing that information to that level of government. Because otherwise, if you don't have that level of information for all the right reasons, you're going to overreact. If you don't know what a governor needs, we're very proactive in responding to the homeland, all of our agencies are. So, that's a partnership, though, that we got to continue to build. That's the value added of having the chief on the National Guard.

Other partnerships, though, and I'll close with this, is our state partnerships. And we bring a very unique program called the State Partnership Program. Sixty-five state partners right now that exist for 71 countries where we team up a state with a relationship, a military to military relationship, with a country. And this started after the fall of the Soviet Union and eastern bloc countries and we aligned many of those countries with states 20 years ago. In fact, a number of them have just celebrated their 20th anniversary in 2013. We're continuing to add. I think in 2014, we'll probably add four more partnerships. We're working on those with combatant commands right now.

And we bring the teams together and we build long-term partnerships and we help those countries build capacity within their security enterprise. And I'll just leave you with one bit of this. I mean, the one I really like and really focus on, it just occurred not too long ago. An offshoot of the partnership program was as the war started, many of these countries wanted to assist. And the most recent one that just redeployed was a story out of Bosnia and Maryland. Bosnia and Maryland have a partnership, that's actually the second partnership for Maryland. And we started a thing after 2003 where we would bring partner nations, and we would plug units into them, or they would plug individuals

or units into our formations and then deploy to Iraq or Afghanistan together. Poland did I don't know how many deployments with Illinois.

But the one that was very unique that kind of summarizes how great this partnership has grown, partnerships, is Bosnia wanted to deploy-- they had been deploying some ordinance units into Iraq but they wanted to get in and deploy to Afghanistan to assist NATO and ISAF. And so 26 Bosnian military police embedded in a battalion, the 115th battalion out of the Maryland Guard, and they deployed together to Afghanistan.

And I sent my political advisor, Tom Nimlock [?], to Bosnia to be there for their welcome home this past fall. And the minister said, "This was a fabulous event. We were consumers of security in the past, now we feel we can produce security as a part of the international community and what's next for us? Where can we look to the future for support to peacekeeping operations in NATO and other organizations?"

So that kind of says a lot about what these partnerships have done over the years, and well over 700 events we're doing per year. We do that whole thing for a total dollar figure, the money we get in the National Guard, is about \$12 million a year. If you roll in some training dollars, it's about probably up to just less than \$20 million a year. And believe it or not, that's the one account nobody wants to mess with because it gives you so much great engagement.

And these countries that have deployed with us, 17 rotations, I think. Or no, it was actually 17 countries, 89 rotations into either Iraq or Afghanistan where we plugged together like that. We're building capacity and capability for the future that will be accountable to help NATO. Thank you. (Applause)

MS. GREILING KEANE: Thank you. What would you say is the biggest challenge the Guard faces right now; maintenance, recruiting, funding, something else?

GENERAL GRASS: You know, there's two challenges that I think of. One is on the federal side and one's on the state side. And let me start with the federal side. This is a tremendous force we have. I would encourage every one of you, and we will work with you, to get out and see this force. We have to keep this force employed. We have to find challenging missions for them. As I've traveled, and I mentioned 25 states and go out on drill weekend or annual training, these young men and women joined because they think they're going to deploy, or they're going to be challenged.

If we go back to the strategic reserve that I joined, these young men and women will not stay with us. They will go find something else to do. They want to take the skill sets they learn in the military and be able to apply them. So as the budgets get tighter, we've got to figure out how to get that right. And we have some ideas we're working on right now.

On the state side, one of the big challenges, and it worries me every day, is a major catastrophe in the homeland. We have gotten very, very good. If there was a regional event occur right now, regional being, say, another Hurricane Sandy, even up to a Katrina, our government, our response agencies, even working very closely with state governments, we've gotten very good, great connectivity between us, being able to respond, know what's needed, know where the gaps are. I can tell you right now from hurricane season every year where the gaps are from the Guard, what we might need help in. So we've gotten very good at that.

But when I think about, say, an 8.0 earthquake in the Cascadia reduction zone on the west coast or the Hayward fault in San Francisco, Oakland Bay, or the New Madrid, or a cat. 5 hitting New York City, those concern me and I know they concern NORTHCOM, they concern Administrator Fugate, and we are spending a lot of time thinking through that, how do we respond at that level that we can get there quick.

MS. GREILING KEANE: Do you consider the National Guard to be in direct competition with the active service branches for defense dollars?

GENERAL GRASS: Well, there's one defense budget so we all have to work off that one defense budget. And I tell the adjutants general that we're not immune, our appropriations, are not immune from the Budget Control Act. So as long as we have a Budget Control Act, we're going to take reductions. What we've worked on is a proposal with the adjutant generals that would show how we could pay those bills and try to maintain a quality opportunity for anyone that wants to join the Guard today.

MS. GREILING KEANE: It's been widely reported that the Army and the Guard disagree on the way forward for the Army National Guard and they've both put forward competing proposals for Secretary Hagel's consideration. Can you tell us about your plan and why you consider it the best course of action?

GENERAL GRASS: So if you look throughout history, go over the last probably since World War II, the Guard's been pretty stable about where we're at as far as the Army and Air Guard N strength. One of the issues we're looking at right now, though, is if we have to take reductions to pay those bills, what does that look like? And those are the numbers we've been working with with the Army and with the Air. I think we're in a pretty good place with the Air. We're still working through on discussions with the Army. And we know that we can take some reductions and maintain a quality force in the Guard and pay the Budget Control Act bill.

As we move forward, though, everything we do is tied to our two services. The reason we have our federal mission and our federal equipment is to do that federal mission when called upon. And as the active component loses money, we won't be able to modernize. We won't be able to send pilots to the schools that we need to as rapidly as we need to. We won't be able to get people into basic training and advance schools. So we got to work very closely with the two services and make sure that we could win the battle

and lose the opportunity to be able to train our folks because the training infrastructure comes from the Army and Air Force.

MS. GREILING KEANE: General Odierno was our speaker here on Tuesday and he indicated there's, in his opinion, there's currently a balance between the Army and the Reserves and that future cuts would likely come from the Guard and the Reserves. Do you agree with his assessment?

GENERAL GRASS: So, this is the hard part. This is the hard part. In fact, General Dempsey and I talked about this one day when I first came in the job when we were having, actually, a debate on the '13 budget with the Air Force. Said, "What is the right mix between your active component that you need sitting there 24/7 ready to go and your National Guard that is the bulk of your National Guard force is a traditional force and they're distributed in almost 3,000 communities. They roll out the gate quickly into their community, and they can be brought up to some standard pretty quickly. I mean, we train to the same standard, we're equipped the same. So what is that right balance?"

And that's what we're trying to find now. What is that right balance in there? You know, the Air Guard has been working with the Air Force and the Air Reserve on a metric to kind of get at that discussion. I think there's been a lot of studies, we're pulling a lot of the studies off the shelf to look at that. The Guard offers a great opportunity for the nation to get this right. And when you talk about an insurance policy in a very unstable world, I think we are a good opportunity to pursue for the future.

MS. GREILING KEANE: General Odierno also said on Tuesday that the National Guard trains only 39 days a year and is therefore not interchangeable with the Army. Would you like to have a chance to respond to that? (Laughter)

GENERAL GRASS: Well, I will tell you as I've traveled that I've been trying to find the person that trains. I did train 39 days a year for a few years in about '71 and '72. Once you become a leader, even as a sergeant, you may get paid 39 days a year, but I would tell you those Guard men and women are in the armory once a week, the leaders are twice a week. I remember in the summers, there wasn't a weekend that went by, hardly, that we weren't at a two or three or four hour meeting for something.

So the idea of training 39 days a year, I'm not finding that anymore. And then if you figure also the schools our folks have to go to, and many of them have been able-- the employers have been great to work with for most cases-- that they've been able to get off their professional development schools and go away for four months to a branch school or to an NCO development course. The Air Guard, holy cow, the change in technology that's going on and the requirements that we have to get our folks to school. People have been leaving their jobs to go keep qualified and technology's changing so rapidly.

Not only that, of course with the widespread use of electronic media and electronic education, a lot of our folks are doing work on their own. Sometimes they're

doing college classes online or attending college, just so they can be competitive for the next grade. So the idea of doing 39 days a year to me doesn't exist anymore.

MS. GREILING KEANE: The Army and the Guard are said to be in dispute over N strength. What do you see as an acceptable reduction for the Guard and how would you describe the status of discussions on that topic?

GENERAL GRASS: I think it starts with the debate and discussion we're having right now. And this really boils up to the leadership of the nation that will be working through this. Is if we can only afford a certain amount, whether it's active or guard, what can we accept on active duty and what can we put into the Guard and Reserve to be ready at some state of readiness? For the Guard, we have the opportunity to also have that constitutionally driven dual mission and be available to the governors.

So I think as we move forward here with the budget, we've got to figure that one out. And we can't get that wrong for the nation. If you put everything on the active more, and you draw down the Guard more, which we're not and there's no proposals to do that, but then you're paying a huge bill in compensation at some point in the future, is going to catch up with you where you'll be only paying salaries and you won't be able to modernize. If you put everything into the Guard, you won't have that 9/11 force that's ready to go and deploy overseas because people have jobs and things like that. So somewhere in there is the balance that we've got to find.

MS. GREILING KEANE: Do you expect to go to Congress with a unified plan with the Army or will there still be debate, dispute on that?

GENERAL GRASS: Looking at the Budget Control Act, and I was looking at some charts yesterday, we've got some relief here for a few years. So, what we don't want to do is rush into failure. We've got some relief with the 22 billion added and the 9 billion added. That gives us a few years to look at this. And we're tightening belts left and right. We're looking at the changes in units for the future. I don't know if General Odierno talked about it, but there's a potential that if we're designing a force for 20 years from now, that force may look a whole lot different than it does today. I mean, if you go back 15 years ago and you look at our force compared to what we fought the war with, totally different in how we're doing business.

So the threat gets a vote, but also I think there's opportunities to look at how we're headed forward, what types of capabilities do we need in the homeland and the Guard and we need for our support to the Air Force and Army. And then as we look to the future, how does that money shake out among that? When we get beyond the next two years, do we stay on path with the Budget Control Act? What's Congress going to do? Can we get to a point where we can find enough efficiencies and savings to do the missions, to do the strategy, to do the Asia Pacific shift and still do that within the budget? And I'm very mindful, our appropriations are being hit by the Budget Control Act, just as the other services are.

So, as we look out to at least for the next POM cycle, we're going to be looking very closely to get the best force we can for the money. And some of that's going to be reducing the size of the overhead.

MS. GREILING KEANE: What role do you see for the Army Reserves as a partner on the three component team?

GENERAL GRASS: This is an interesting one because I get criticized sometimes. But, actually Jeff Tally and I are good friends. I was a traditional Guardsman as a captain in the St. Louis district with the Corps of Engineers, civilian there, but then I worked in the Guard as a traditional. Jeff was an active duty captain as a project engineer, so we worked together way back then. And I think there's some opportunities here. The opportunity, I think, that we have with the Reserve right now is I'll give you the example of the dual status command. That dual status command, the reason that was designed, was to avoid confusion of unity of effort and unity of command in a crisis in the homeland. So you have one commander who sees the whole picture. That one commander, he or she, is answering to the governor on one hat and to the President and Secretary of Defense on the other hat.

I think as we shake out this discussion on a serious, serious incident in the United States, and I gave you some of the scenarios earlier, let's just say the New Madrid, if there's a New Madrid quake of 8.0, and if you study it back in 1811, 1812, for about three months, that fault line shook off and on with aftershocks. And it rang church bells in Philadelphia. That's how much potential disaster that this could bring. If you think about today, and I always think about this, the Mississippi, the Missouri, the Ohio Rivers, so much commerce goes up and down those. Even if the bridges don't collapse, they've all got to be inspected.

Guess where all the power is? There's mostly coal fired electric plants all up and down that river. There's locks and dams. There's so much commodities that go up and down those rivers that if we have a major disaster in using that New Madrid, I think we're going to need every force we can get our hands on to respond and take care of the people in the United States. And that's where the dual status commander comes in. And I think if we work with the Reserves, and we work with the department, we can figure out a way so that those local units can come in under a Title X when the governor requests. If the governor is short-- pick a topic-- if they're short engineers, and a governor requests, the last thing we want to do is to wait for somebody to get there, especially if they live right there.

But the key is the governor's out of assets, the governor can't get assets from the Guard any longer because we're out that he requested, or she requested, we want to be able to move in quickly. And that takes coordination in advance to do it right.

MS. GREILING KEANE: What's the potential for the Guard taking back the Sinai and Kosovo missions? And what's the value of having Guardsmen perform those versus soldiers?

GENERAL GRASS: Actually, in the first year of the job I've had a chance to visit Kosovo and I'd been there years ago, and visited the Sinai as well. And the mission there fits so well for our guardsmen. Most of our guardsmen are a bit older, they're mature. I was at one of the outposts in the Sinai and it's a great opportunity there to train a young squad leader. There's a seven person team out there on the top of this mountain and you had a staff sergeant there, and then you had a young E5 sergeant and the staff sergeant allowed the E5 to run that site. And we were grooming him for the future. He's going to go back home and that's going to pay us benefits in leadership for years because he knows how to work a mission. He knows how to form his team to respond to the needs there in the Sinai. Of course, we'll be doing that mission for a long time.

Kosovo, the same thing. Even goes above that, though, because now you get into working in an interagency coalition warfare organization and peacekeeping operation and the logistics it takes to support that. One of the things I saw in Kosovo was the civilian skill sets spinning out of what we do. And even before some of the humanitarian aid that has been provided and has been quite a bit assisting, we saw organizations coming in from the Guard and they would set up a humanitarian effort. And they would reach back to their home and bring forward, in one case it was the old-- remember the old 286 computers? Some of you don't, but some of the old computers. All they needed in some of these little towns were just computers that you could put an old floppy drive in and put a lesson on or something like that. So they had a bunch of those shipped over. So the humanitarian effort there, the Guard was able to reach in and they had folks in their unit that knew how to set up a network and things like that.

So there's opportunities there. General Odierno and I have talked about it. The off-ramping you heard about, which is always problematic. Most of that that has occurred was driven by two things. One was fiscal constraints last year. The second is a drawdown of forces. We have agreed that the Guard will stay engaged. Today, there's almost 20,000-- I think it's 19,800-- Guard men and women mobilized, Air and Army today, still mobilized. So when people say, "Oh, aren't you concerned about--" we're still almost 20,000. Who would have ever thought of that?

I think the right number is going to be around 5,000, maybe a brigade every year, that will keep us those opportunities. But what's even more important is that we have the opportunity to capitalize on our training periods, on our annual training especially. And some of that may require a three week annual training to do an overseas mission. The Air Guard has mastered this. In many cases, we've had missions where an exercise needed an Air Guard platform and support and we were able to pull that out and help the Air Force in a declining budget.

MS. GREILING KEANE: How have these frequent deployments and activations affected recruitment and retention in the Army and Air National Guards?

GENERAL GRASS: Well, with the two directors, deputy director and director here, could tell you our strength is doing great. Our strength is fabulous. Our readiness,

our personnel readiness, our medical readiness, dental readiness, is at a higher state than it's ever been in both the Air National Guard and the Army Guard. Now, a lot of that is because we've had the resources to do that, to make sure the medical and dental was always kept up every year. I've been out to visit some of the soldier readiness process and the Air Guard readiness processes. So, as those resources dry up, we're concerned that that will decline over time. But it's a priority we're going to have for the future.

The recruiting piece, one of the concerns I have for the future is are we going to be able to have opportunities for those Army and Air, Marines, Navy personnel coming off of active duty that want to continue to serve as the Army, especially the Army and Marines, draw down? Will we have opportunities to capitalize on their skills and get them into the Guard?

And why that's so important to us from a recruiting perspective, General Ingram and I know not so much on the Air side because they have continued to draw a pretty good number from active duty, but on the Army side, we were probably running closer to a 50 percent prior service and a 50 percent non-prior service when the war started. That meant 50 percent of our force was coming off of active duty into the Guard before the war started. As we went into the war and everyone saw the Guard deployments two, three, four deployments, 760,000 Army and Air Guard deployed, a lot of folks that got off of active duty, they were starting their careers, their families, they knew if they joined the Guard, they were just going to go on another rotation and they may have had two or three deployments already.

So what happened is we shifted and today we're probably sending in about 20 percent prior service and 80 percent non-prior service. That's very costly because if we can bring in a trained soldier or airman out of the service into our units, we save a lot of money and we've got experience there. If we can shift that back closer to 50/50, that will be a big help for the future. But right now, we're still setting close, I think Bill, it's close to about 20/80. And the other thing that will happen, though, is if we can shift closer to a 50 percent prior and 50 percent non-prior, we're going to save money in our recruiting and have to work-- if you look at the-- what was the population, I just read a report, three out of ten high school students graduating today fully meet the criteria for U.S. military without waivers. So that's the competition. And oh by the way, those same three are the same ones that are getting scholarships to big universities and things that we're going to compete with. So we've got to get that shift and try to draw more prior in.

MS. GREILING KEANE: Do you think that National Guard soldiers and airmen and their families are being treated differently than active duty soldiers on their return home?

GENERAL GRASS: You know, Chief Brush, my wingman and battle buddy there, of course I will say one thing real quick. Chief Brush is only here and is only as good as he is because Blair, his wife, makes sure that he gets up in the morning and gets his uniform on and he can serve. But Chief Brush will tell you, we've been out traveling together, working with the states and the Guard. And I think that I'm going to shift your

question for a minute, but I think what we're going to see as we move forward here, that this force that we have is going to leave us if we don't challenge them, first. And that we're going to find, we've already found some of, is an older force going back in time. And I think what Bill, you probably saw in the Army Guard, definitely, was the age as you get older, you have more physical problems and things. So the force declines in readiness and we can't let that happen.

But Chief and I are committed to making sure that every soldier we have is treated properly, no matter what age. And we see as we go around to some of the warrior transition units where people are recovering from an injury, or a wound, that the older folks, takes longer to heal. So a younger force is always going to be more healthy. When we hear about a treatment of a guardsman or woman different than an active, we are right on top of it.

Give you an example. We just had a state that returned. The adjutant general, and I won't go into the details or specifics, but he sends me a note and says, "Our guys got pushed off to the side. Said, 'Hey, move out of the way, we got another unit coming through. Guard, you're going to have to wait.'" And that was just one small incident by one person. We passed that up through the chain. That information gets to the Army, gets to forces command and they will have first Army commander, Mike Tucker, came out and spent some time with the adjutant generals. First thing he did, he will go out and make sure that that doesn't happen again. And our warrior transition units, I've asked Chief to go out and visit those warrior transition units and spend time with them to make sure our folks are being taken care of. And also to make sure that people are getting well and getting back to their civilian lives and getting back home.

So, something we're definitely concerned about, we're going to continue to watch. But it's not like it was when we first started mobilizing at all. It was pretty ugly when we first started mobilizing because we mobilized the support base at the same time we mobilized the forces.

MS. GREILING KEANE: Two related questions that I'll ask is, one, first, how were you able to persuade the five recalcitrant state National Guards to implement Secretary Hagel's directive to provide equal benefits to same sex military couples? And as a part two to that, what is the status of Governor Perry refusing to abide by that federal mandate?

GENERAL GRASS: Let me just talk about from when Secretary Hagel said, "Hey, you need to fix this." Something that hit home for me in the process was we had a soldier, a same sex marriage couple, and she was killed in Afghanistan fighting her nation. And I watched how that state handled it. Even though they didn't recognize same sex benefits, they didn't recognize marriage at that point, this as well before Secretary Hagel had said, "Hey, we got to make this work," after DOMO was overturned, and to me that was a soldier. And I don't care, it doesn't make any difference, it's a soldier and we got to take care of that soldier.

So, we called the adjutants general on the phone, brought them in and said, "Look, we got to fix this." We understand that we're kind of in the middle of this and there's state constitutional issues, there's statute issues, there's an Attorney General that's got to be involved, our legal framework within Defense has got to be involved. And we just worked every day to find a solution that did not violate state constitution and state laws. Now, I got to applaud the states because many of them worked really hard in very, very short order to make it work. So that we could extend benefits to whoever is serving in the military.

MS. GREILING KEANE: And what about Texas?

GENERAL GRASS: Actually, we've actually had a very good working relationship with them. And right now, we're not actually having any problems. I don't know any situation where we've denied benefits.

MS. GREILING KEANE: Can you bring us up to speed also on the military suicide issue that's, of course, affected all branches. How much of a problem is it in the Guard and do you think that the Guard and the military overall need to take more steps to address it?

GENERAL GRASS: You know, this is a problem and I have a-- it's a serious problem within our society and it just bothers me, really bothers me. I'm sure it bothers all of you. We've been working through with some of the school systems in where our armories are in hometown and what would drive someone to take their own life? I have a rear admiral who works on my staff as a liaison to health and human services. And she has done a fabulous job at reaching into the research community and trying to get a hold of what's happening here within the society.

And the problem for the Guard us we're so distributed out there that you don't see someone every day. You may see them once a week or on drill weekend. When you're deployed, you spend more time. But half of the suicides are not-- are folks who haven't even deployed. So what has happened in our society and how can we partner with the communities? And we have one state right now that is working that because of a couple of suicides that occurred both in a school district as well as in the Guard and they're working through to see how we can partner. But there is a problem within society that we've got to deal with. And, of course, we bring in that normal age group that brings-- whenever you touch America and you bring into the Guard America, you're going to have the same kind of issues.

We have psychological health professionals in every state and we're getting ready to make some changes. We've had contract psychological health to deal with this, make them available, make them available for hometown America, for the families as well as the service members. And then educate all their membership that these are available and if you see someone that's not acting right, or you see someone that's having a problem, and most of the issues we deal with are financial, relationships, or drug and alcohol, depression.

So what we try to do is make sure everyone knows there's healthcare professionals that can come and you can talk to and you can do it anonymously. The Air Guard, though, we just shifted right now, we're shifting some resources and we're going to change those from a contract to a civilian position within the Guard so that they are there all the time. They will begin to understand the community, they'll begin to understand the demographics, they'll have the connectivity with the healthcare professionals in the area. We're looking at doing some of the same for the long term.

I would tell you one of the concerns I have, and I think we partner very closely with the Veterans Administration, is that as we draw down the force, if we don't do anything else right now, the Army's going to come down 70,000 from the growth that they had for the surge, the Marines are coming down some, all those individuals, those great Americans that have served their nation in time of war, are coming back to hometown America. We don't know as a nation yet what 12 years of war does to people, or does to families. Twelve years of war? You have young 30 year olds out there that have had five years in combat. We won't know the impacts. So we got to be prepared to work that and we think our armories are a good place to start working that distribution network up through the state headquarters.

MS. GREILING KEANE: We are, unfortunately, almost out of time. But before asking one last question, I have a couple of housekeeping matters to take care of. First of all, I'd like to remind you about our upcoming speakers. Tomorrow, January 10th, we will have Joe Boardman, Chairman and CEO of Amtrak; January 15th, we will have Christine Lagarde, Managing Director of the IMF; and on January 21st, DeMaurice Smith, the Executive Director of the NFL Players Association.

Secondly, I would like to present our guest with the traditional National Press Club coffee mug, so now with two of the Joint Chiefs, you can bring these to the meetings and share. (Laughter)

GENERAL GRASS: Great. Thank you very much, I appreciate it.

MS. GREILING KEANE: Thank you. And, one last question. Our audience is curious about your first meeting once you got to the Joint Chiefs. It was a big deal to get the fourth star and be there. Was there any sort of hazing that went along with that?

GENERAL GRASS: As the Chairman reminds me every so often, he says, "You asked for this, right?" "Yes, Chairman, I did." I couldn't ask for a better reception by the Joint Chiefs. They deal with very, very difficult issues and the history behind the position and when they went to the Senate to testify. But, I have bounced things off of Chairman Dempsey, he's been a wonderful partner across the board. I've been welcomed, I've been to all the events of the Joint Chiefs. I think the thing that really catches you when you're sitting there the first time and you're thinking, "Okay, any issues in the homeland today? Anything on mobilization?" You're thinking through that, and then all of a sudden there's this, "So what's your thoughts on Syria?"

What really hits you at that point is that you have to make sure you've created an organization that can respond at that level and not just to the homeland. Because even though I'm advisor for the non-federalized, I have to vote, I have to give my opinion to the Secretary of Defense and President on all topics that involve defense. So you have to get your staff ready and it's an investment of time and resources and training and development. And I would applaud both the Army and Air because they're offering us opportunities to put people into positions that will help us grow for the future.

And I will leave you with one thought. I need to do this, if that's okay?

MS. GREILING KEANE: Of course.

GENERAL GRASS: Is this is who your Guard is today. And I'm just going to recognize-- there's a master sergeant, Michael Landsberry, and some of you have heard this on the news. This is truly who your Guard-- even though he lost his life, I could pick any master sergeant out there, or private, and it'd be the same response. But Michael Landsberry, Sparks Middle School teacher, Marine Corps veteran, Nevada Air National Guard master sergeant, lost his life protecting his students when a 12 year old walked in armed with a nine millimeter semiautomatic hand gun and opened fire on the school campus in October. That's who your Guard is today. Thank you. (Applause)

MS. GREILING KEANE: Thank you, General Grass, for coming today. I'd also like to thank the National Press Club staff including our Journalism Institute and Broadcast Center for helping organize today's event. Finally, here's a reminder. You can find more information about the National Press Club as well as transcript and video of today's program on our website at www.press.org. Thank you, we are adjourned.

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