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[H.A.S.C. No. 109–111]

SIGNIFICANT FORCE REALIGNMENT OF THE DEPARTMENT OF DEFENSE, INCLUDING BEDDOWN, SUPPORT, AND OTHER COSTS AND REQUIREMENTS RELATED TO THOSE REALIGNMENTS

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED NINTH CONGRESS
SECOND SESSION

HEARING HELD
JUNE 20, 2006

U.S. GOVERNMENT PRINTING OFFICE
33–792 WASHINGTON : 2007

For sale by the Superintendent of Documents, U.S. Government Printing Office
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TUESDAY, JUNE 20, 2006

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SIGNIFICANT FORCE REALIGNMENT OF THE DEPARTMENT OF DEFENSE, INCLUDING BEDDOWN, SUPPORT, AND OTHER COSTS AND REQUIREMENTS RELATED TO THOSE REALIGNMENTS

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Tuesday, June 20, 2006.

The committee met, pursuant to call, at 10:06 a.m., in room 2118, Rayburn House Office Building, Hon. Curt Weldon presiding.

OPENING STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE FROM CALIFORNIA, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. The committee will come to order.

Today the committee meets to receive an update on the Department of Defense's (DOD) efforts to realign its forces around the world.

Over the past few years, the committee has conducted several hearings and received additional briefings on three of the most significant components of the department's force realignment efforts: the global defense posture review, base realignment and closure, and the Army's transformation to a modular force.

Considering that each component of this realignment would be a significant effort in its own right, the Department of Defense has a daunting task ahead in attempting to implement all three parts over the same short period of time.

Today's hearing is an opportunity for the committee to review the department's force realignment plans and to assess whether it is prepared to address the many resulting requirements of those plans.

Some such requirements are obvious. For instance, bases in local communities need new schools, medical care, family housing or military construction to support an influx of personnel resulting from force realignment. What are the Federal and state governments' roles in providing for these needs?

Some requirements are less obvious. For instance, will the effect of having fewer personnel based on forward locations result in new mobility requirements for air and sea lift or perhaps additional needs for pre-positioned equipment?

And of course, it goes without saying that the requirements flowing from the department's force realignments will likely have substantial costs. Have such costs been fully thought through?

It is clear that the issues before the committee and the panel today are both significant and complex, so I look forward to hearing from our panel, which includes the Honorable Ryan Henry, Prin-

cipal Under Secretary of Defense for Policy; Honorable Philip W. Grone, Deputy Under Secretary of Defense for Installations and Environment; Rear Admiral William D. Sullivan, Vice Director for Strategic Plans and Policy, Joint Chiefs of Staff.

Before we receive a statement from Mr. Henry and any remarks each may have, let me first recognize the committee's ranking Democrat, my partner on this committee, the gentleman from Missouri, for any remarks that he wishes to make.

Mr. Skelton is recognized.

[The prepared statement of Mr. Hunter can be found in the Appendix on page 53.]

STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. SKELTON. Mr. Chairman, thank you.

And I also want to extend our welcome to the gentlemen and especially the gentleman down on the far right.

Mr. Grone, good to see you back, a familiar face on the other side of the table. It is good to see you.

Thank you very much, Mr. Henry and Admiral Sullivan.

I am pleased our committee is directing attention to the global repositioning. It is a movement of some 70,000 troops to the Continental United States (CONUS) and, of course, it is a massive undertaking.

Unfortunately, these moves are occurring while the Department of Defense is already under strain due to the war on terror, the war in Iraq, base realignment and closure (BRAC), and the Army's modularity program. And moving some 70,000 troops, in my opinion, presents a risk not only because of what is happening today but because of what may happen down the road.

Our military must be ready to deter or to counter any threat it faces, and they often come from unexpected places. We know this. I might point out to our witnesses that this is my 29th year in Congress, and during that time we have had 10 military confrontations, each of which has resulted in death or injury.

So our military must be ready to deter or counter any threat that it faces. We must have a strategic force and basing posture that is agile, that puts us in a position to deal with all range of potential threats.

The global repositioning must place the right forces and the right equipment in the correct locations, along with, of course, the strategic lift that is required to get them to the fight. Because we can't know when and where our military will next be needed, we must examine the strategic implications.

There is no question that the war on terror has required the Nation to reorient its global posture to meet the emerging threats that came about after 9/11, and I fully appreciate the complexity of managing so many pieces required to make these moves. It is like playing chess on a major scale.

That said, I must point out that it is very important that our troops and their families not be overlooked in the rush to reposition units. Troops must have barracks, motor pools, training areas.

Families must have housing, schools, medical facilities. And all of this has to work together.

Now, when the music stops we can't afford to have our troops or their families—or their families—left without a chair. The Department of Defense initial estimates for the cost of these global moves were $9 billion to $12 billion.

Now, I would appreciate during your testimony your best judgment on what you think those moves may be, and added to BRAC and the modularity transformation, you know, the cost could very well run up to $100 billion.

Because of this cost and the enormous strategic implications, the Department of Defense must very closely manage the moves. Congress must receive clear time lines, cost estimates that will allow us to evaluate the progress.

We must also be kept fully informed on how global repositioning will answer the threats to our nation—enormous undertaking. And Congress must ensure that these moves will leave us with a stronger global posture—a real challenge.

And I thank you for testifying before us and giving us your best thoughts today. Thank you.

The CHAIRMAN. I thank the gentleman.

The entirety of our witnesses' prepared statements will be entered into the record without objection.

Secretary Henry, the floor is yours.

STATEMENT OF RYAN HENRY, PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE FOR POLICY

Secretary HENRY. Thank you, sir.

Chairman Weldon, Representative Skelton and members of the committee, thank you for the opportunity to appear before you today to discuss the department's continuing effort to realign our global defense posture for a new era.

Joining me today, as you mentioned, are Deputy under secretary Phil Grone and Vice Director of the policy shop on the joint staff Rear Admiral William Sullivan.

I would like to submit my full statement for the record and make a few brief remarks at this time.

First of all, we share your concerns, Mr. Chairman and Representative Skelton, and we hope to demonstrate today the department's initiatives to adequately address them.

We have regularly discussed the global defense posture with Members of Congress and this committee throughout the review that we have been conducting over the last several years and providing over 50 briefings here to the Congress.

Most recently, we provided you with a comprehensive update in response to the fiscal year 2006 National Defense Authorization Act's reporting requirement.

And I would like to emphasize, Mr. Chairman, as I suggested in my letter to Chairman Hunter for that report, that the global defense posture is not one dimensional, nor may it be accurately characterized as a single initiative.

Rather, the strategy is a forcing mechanism for multiple initiatives that collectively enable this administration's defense trans-

formations agenda at home and, specifically in the case of global defense posture, abroad.

As we continue to progress in implementing this strategy, we update our posture plans, and we will continue to infuse the policy priorities reflected in the global posture realignment into the daily operations of the department.

Mr. Chairman, this multidimensional strengthening of America's global defense posture is resulting in profound and overdue reordering of America's military forces.

Prior to this realignment, much of our in-place posture reflected the Cold War structure—forward-stationed forces configured to fight from where they were currently based.

Now, nearly 16 years after the end of the Cold War, we have a body of operational experience that clearly demonstrates that the premises underlying our posture have changed fundamentally.

In the future, our forces need to be able to rapidly project power into operating theaters far from where they are based. Operations Enduring Freedom (OEF) and Iraqi Freedom (OIF) and the 2004 tsunami relief and the 2005 Pakistan relief confirm these principles.

In response to President Bush's August 2004 announcement that we would begin this realignment effort, the department has begun establishing a diverse network of relationships and capability better suited to contending with the dynamic and uncertain geopolitical landscape of today.

Mr. Chairman, through the implementation of these posture plans, we are reshaping our ability to support diplomacy and build stronger partnerships to contend with uncertainty and project the necessary military power in and across theaters.

Many of these posture changes are already under way. In Europe, we no longer need heavy maneuver forces as the central element of our defense posture. We are transforming to a posture characterized by lighter, more deployable ground capabilities that better supports NATO's own transformation goals.

And we have leading-edge air and naval power and advanced training facilities in place. Our presence in Europe is also shifting south and east in orientation with the beefing up of the 173rd Airborne Brigade in Italy, the strengthening of ground and air rotations in southern and southeastern Europe, and increased access to facilities and training sites in the Romanian and Bulgarian areas as part of establishing the Eastern European task force.

Additionally, we are redeploying two legacy maneuver divisions from Europe to the United States and replacing them with our transformational Striker capability. These posture changes, many of which are in motion already, will allow for a more rapid deployment to the Middle East, Africa and other potential hot spots.

In the Asia-Pacific region, we are improving our ability to meet our alliance commitments by strengthening our forces' deterrent effect and our capability for rapid response with forward deployment of additional expeditionary maritime capabilities and long-range strike assets in Alaska, Hawaii and Guam.

We also seek to help allies in the region strengthen their own military capabilities and to solidify relationships with newer partners who can help in the prosecution of the Global War on Terror.

On the Korean peninsula, our planned enhancements include the reallocation and consolidation of stationed forces from the Seoul area to two hubs in the central and southern sections of the country. We are strengthening our overall military effectiveness for the combined defense of the Republic of Korea.

And through the defense policy review initiative, we have consulted closely with Japan on several important force realignment initiatives that will have far-reaching beneficial impact for the U.S.-Japanese alliance.

Among these initiatives is a significant realignment and reogranization of the Marine Corps posture in Okinawa to include relocating approximately 8,000 Marines and 9,000 dependents from Okinawa to Guam.

In the Middle East, we seek a posture that builds on the cooperation and access provided by host nations during Operations Enduring Freedom and Iraqi Freedom as the basis of our long-term cooperative relationship in the region and our ability to prosecution the Global War on Terror.

We also aim to strengthen our capabilities in other parts of the Central Command (CENTCOM) area of responsibility, including the Horn of Africa and central Asia.

In Africa and the western hemisphere our aim is to broaden the relationships, build partnership capability, develop contingency access and facilitate practical security activities without creating new bases or permanent military structure.

Let me take a moment to address key aspects of our global defense posture—the quality of life of our soldiers, sailors, Marines and airmen. The president and secretary have made it a top priority to relieve the stress on our military forces and their families.

Changing the way in which we posture U.S. forces globally was driven in large part by the president's desire to keep faith with our service members and their families.

He directed that rotations of our military forces into forward areas be balanced by providing more stability at home, with fewer overseas moves, less disruptions for families and stronger support mechanisms.

Plan changes also support service transformation initiatives such as the Army's modularity and unit rotation concepts, the Navy's fleet response concept and the Air Force's ongoing efforts to improve its air expeditionary force.

Mr. Chairman, the multidimensional aspects of this undertaking to our global defense posture encapsulates numerous supporting efforts being executed every day across the Department of Defense and State.

These include our consultation negotiations with allies and partners, our ongoing deliberations with Congress, the interagency process, the base realignment and closure process, and the implementation of service transformation initiatives described earlier. These processes are independent, each informing, supporting and reinforcing the others.

Mr. Chairman, I appreciate this committee's vision and support as we seek to transform our defense relationships, our presence and footprint overseas to better deal with the post–9/11 strategic landscape we find ourselves in.

We will continue to consult with this committee and Members of Congress as we seek your support to implement these needed adaptations to strengthen America's global defense posture. Thank you.

[The joint prepared statement of Secretary Henry, Secretary Grone, and Admiral Sullivan can be found in the Appendix on page 56.]

The CHAIRMAN. Thank you for your statement.

Secretary Grone.

STATEMENT OF PHILIP W. GRONE, DEPUTY UNDER SECRETARY OF DEFENSE FOR INSTALLATIONS AND ENVIRONMENT

Secretary GRONE. Chairman Weldon, Mr. Skelton and distinguished members of the Committee on Armed Services, I am pleased to appear before you this morning with my colleagues to discuss the status of the department's efforts to implement the realignment of the nation's global defense posture, including those aspects associated with the 2005 round of base realignment and closure.

From an infrastructure perspective, the president's budget request and the department's management approach continue the effort to reposition, to reshape and to sustain the nation's military infrastructure installation assets.

From a strategic perspective, the implementation of the 2005 base realignment and closure round as well as the department's global defense posture review serve as key elements in the transformation of the armed forces.

The department developed over 220 base realignment and closure recommendations for consideration by the independent BRAC Commission, with emphasis on those actions that would support mission transformation across the total force, enhanced efficiency in the business and support operations of the department, improved jointness in interoperability and the conversion of unneeded assets to war fighting requirements.

The department will carry out 25 major base closures, 24 major realignments and 765 other actions. The scope of implementation in terms of the actions to be undertaken and the number of installations affected is nearly twice those undertaken in all prior rounds of BRAC combined.

In addition, 40 percent of the recommendations affect more than one component, placing a premium on coordination and joint approaches. Through BRAC the department will also facilitate the return of forces stationed abroad to new permanent stationing in the United States.

Our efforts in BRAC and the broader global defense posture initiative are linked and the department's BRAC recommendations were fully informed by that global defense posture review.

Nowhere is that more true than for the Army, which will have fully one-third of the Army in motion due to repositioning through BRAC, global defense posture realignment and the Army's modular force initiative.

After BRAC implementation is complete, we expect approximately $4 billion in annual recurring savings to accrue from BRAC

and another $1 billion from the BRAC-related global defense posture moves.

Through BRAC and all of our global defense posture efforts, we will shed assets amounting to approximately $45 billion in plant replacement value, most of which are overseas.

The investment required in fiscal year 2007 for BRAC is significant and, when combined with the funds provided by Congress in fiscal year 2006, this investment will permit us to complete planning and to initiate construction activities to ensure facilities are ready in a timely manner for the extraordinary transformation of military infrastructure in which we are now engaged and for which we have a legal obligation to complete by September 2011.

The department appreciates the support of this committee for the funds necessary in the coming fiscal year to carry out the BRAC recommendations and related global defense posture initiatives, including $883 million supporting the return of forces from Germany to Fort Bliss, Texas, and Fort Riley, Kansas.

And combined with the $338 million in the current fiscal year, this investment will keep the Army's plans on track.

We also appreciate the support of the committee for the funds requested by the president to reposition the 173rd Infantry Brigade Combat Team (IBCT) to northern Italy. This initiative is a critical portion of the combatant commander's theater transformation plan.

Mr. Chairman, again, we are grateful for your support and the support of the committee, and we look forward to continuing to work with this committee to conclude these initiatives successfully. Thank you, Mr. Chairman.

[The joint prepared statement of Secretary Grone, Secretary Henry, and Admiral Sullivan can be found in the Appendix on page 56.]

The CHAIRMAN. Thank you.

Admiral Sullivan.

STATEMENT OF REAR ADM. WILLIAM D. SULLIVAN, VICE DIRECTOR FOR STRATEGIC PLANS AND POLICY, JOINT CHIEFS OF STAFF, U.S. NAVY

Admiral SULLIVAN. Chairman Weldon, Representative Skelton, distinguished members of the committee, on behalf of General Pace let me first thank you for the support that this committee provides to our men and women in uniform.

Mr. Henry has clearly laid out the strategic rationale for the realignment of our global defense posture. Let me add to what Mr. Henry has said by making the point that this effort has been operational from the beginning.

By that, I mean that the specific recommendations for force posture changes have come from our geographic combatant commanders and have been informed by inputs from our functional combatant commanders, most notably the U.S. Transportation Command, U.S. Special Operations Command and the Joint Forces Command, which serves as our joint force provider.

In formulating the force posture for our future, our combatant commanders have carefully considered the impacts on operational contingencies that might occur in their areas of responsibility on their ability to train forces assigned and forces operating within

their areas of responsibility and their responsibilities for conducting theater security cooperation.

In each case, the risks to their ability to execute these responsibilities were carefully considered before their proposal were put forth to the chairman and secretary of defense for consideration and for synchronization across all combatant commands and services.

Finally, I would emphasize that this is an iterative process that will evolve over time as the world's situation evolves. In some cases, changes have already been set in motion or have been completed.

In other cases, the recommended changes are further in the future and will be continually evaluated and updated as necessary. I look forward to your questions. Thank you, sir.

[The joint prepared statement of Admiral Sullivan, Secretary Henry, and Secretary Grone can be found in the Appendix on page 56.]

The CHAIRMAN. Thank you, Admiral.

Mr. Grone, in your statement verbally, you mentioned, I think, that in ridding ourselves of primarily overseas assets—you assigned a dollar figure to it. What was the dollar figure?

Secretary GRONE. The combination of our closure and realignment recommendations as well as the assets that we would return over time to host governments—the combination of those is $45 billion worth of——

The CHAIRMAN. Forty-five?

Secretary GRONE [continuing]. Forty-five, sir, plant replacement value of the assets.

The CHAIRMAN. Forty-five what, million or billion?

Secretary GRONE. Billion.

The CHAIRMAN. Billion dollars.

Secretary GRONE. Yes.

The CHAIRMAN. What return do we get for that turning over? Do we get credits? Do we get actual dollars? Do we get good will? What do we get for that $45 billion that we are turning over?

Secretary GRONE. Well, it will, frankly, vary by the host nation concerned. I mean, a good deal of the funds that are being expended to reposition United States air forces, for example, in Germany to Ramstein and to Spangdahlem from the former Rhein-Main air base.

A good portion of those funds are payment in kind contributions as a result of negotiation between the United States and the German government over facilities that were returned prior to this initiative. And a similar process will go forward as we return assets in Germany under the current initiative.

In Japan, for example, the status-of-forces agreement (SOFA) doesn't provide for residual value, and so the opportunity there is a bit different, but also in the case of Japan we get significant contributions from Japan for the support of our forces in terms of hard assets in support.

And we just concluded a set of discussions with the Japanese on how we will reposition Marines from Okinawa to Guam that provides for a fairly significant Japanese contribution to facilities on U.S. soil.

So it will vary by location, but the important thing from our perspective and from a management perspective is that assets we no longer require are being returned and assets that we no longer need to support we will not be spending money on.

The CHAIRMAN. We have just gone through—are going through right now a process that was very difficult in the Congress that you referred to in your testimony of BRAC. When do you envision, if at all, the next round of BRAC to be proposed by the administration or the next administration?

Secretary GRONE. Well, we currently have no pending proposal for an additional round of base closure, and it certainly would be beyond my authority to try to represent the views of a future administration.

But the secretary's view is that we should periodically come back every five years or ten years or so to this question of looking at our infrastructure on a comprehensive basis, but wee have no current proposal pending to initiate a new round.

The CHAIRMAN. Do either of you have any comments on that long term?

Secretary HENRY. Yes, sir. As far as BRAC does, this last round of BRAC we think put us in the right position we need to be for the world's strategic environment that we find ourselves in today.

If it were to adapt and change, then we would want to, working with Congress, come back and look at that. But we think that we have both the steady state capacity and the surge capacity to meet what our current needs are.

You also asked Secretary Grone regarding what do we get in return. And while this process has been fiscally informed it was driven by capabilities. And the real return in investment we get is the capabilities of our force.

And we find those capabilities in the partnership that we are developing with the nations, not only the host nation that we are working with but nations in the region, where we are sharing training opportunities.

We think that it improves our steady state operating capabilities as far as we move to new operating patterns. And we think that it allows us to respond much quicker in a surge response capability to some sort of crisis.

So what drove this, as Admiral Sullivan said, were the operational commanders coming forward, saying that we were mal-positioned for the world that we found ourselves in, and we needed to look at that realignment.

The CHAIRMAN. Admiral, anything?

Admiral SULLIVAN. All I would add, Mr. Chairman, on the subject of BRAC is that all of the service chiefs have testified on the importance of BRAC and on the importance of the ability to eliminate unnecessary infrastructure.

The CHAIRMAN. And I would just say—and this has been a topic since I have been here on this committee—what we are constantly looking for is the actual dollar payback after the fact of closing military bases.

We always talk about what the proposed savings are, but what this committee has consistently asked for is, after the fact, show us what actual savings have occurred.

Now, you can't answer that question today, but that is something this committee will continue to ask, certainly for the time that you are all in office and for the foreseeable future.

Secretary GRONE. Mr. Weldon, if I might on that point, we continue to believe that the annual recurring savings, certainly from BRAC, as well as from our overseas realignments are as I stated them in my oral statement.

As a matter of management initiative, we recognize the department in the past has been criticized for its inability to track savings over time.

And we are putting into place the management discipline that is necessary to track those savings over time so that we can provide some surety to the Congress and to the Government Accountability Office (GAO), as well as other commentators and people who are observing this process, the savings that we assert are there are there, and that we are expending those resources wisely.

The CHAIRMAN. The distinguished gentleman, the ranking member, is recognized.

Mr. SKELTON. Thank you, Mr. Chairman.

Secretary Henry, overall, can you give us a picture overall of the reason for the changes? And my judgment is that since the Cold War has disappeared that is one reason for a good number of the realignments.

Can you, in a nutshell, give us a few examples of the ending of the Cold War—what that has brought about in the realignment process?

Secretary HENRY. Yes, Congressman. When we look at Europe, we don't see ourselves in the foreseeable future fighting a conflict in Europe.

But we had heavy forces stationed there for that contingency, which was a result of where the battle lines stopped at the end of World War II and where they needed to be positioned and places they needed to fight from, from their garrisons, during the Cold War. That is what we anticipated.

The circumstances we find ourselves in are significantly different. We see the operating areas in which we are interested in working with partners moving both to the east and to the south, and so that is what the realignment has done with the Eastern European task force and also the buildup of the 173rd brigade in Italy.

As we look to Asia, in the area of Asia, as part of the QDR and the global force posture, there is a realignment, more of an emphasis on a deterrent capability. We are building up capabilities in Alaska, in Hawaii and Guam.

And then we are repositioning our forces—realignment in the Japanese islands and specifically moving some of our headquarter Marine forces from Okinawa down to the Guam area.

We are repositioning ourselves, we think, more in an operational aspect on the Korean peninsula, where we had many bases scattered throughout the peninsula, going to two major hubs.

Mr. SKELTON. I understand that one.

Secretary HENRY. Yes, sir. So those are a number of the steps that we are taking.

Mr. SKELTON. We are leaving Iceland.

Secretary HENRY. Yes, sir. We will be out of Iceland by the 30th of September of this year.

Mr. SKELTON. In light of just what you said, we are leaving or taking considerable forces out of Japan, is that correct?

Secretary HENRY. Out of Okinawa. We are moving 8,000 Marines to Guam. Out of Japan, we are actually repositioning forces to be better situated. But the other islands, the four main islands, we are not moving that many forces.

Mr. SKELTON. So we will be moving some into the other islands, is that correct, in Japan?

Secretary HENRY. We are switching the alignment between—for noise abatement purposes on some of the aircraft we have going from Atsugi down to Iwakuni, and so we are moving forces around so they are better aligned to be able to work better with the local populace.

Mr. SKELTON. Thank you.

I have one question for Secretary Grone. In visiting various Army installations in particular, we notice that the old wooden structures that housed World War II soldiers have been torn down, and I think most of them are probably gone by now.

But I also understand that there will be a number of temporary facilities that will be built to train and to maintain the force. Would you explain the dichotomy as I see that, Mr. Secretary?

Secretary GRONE. Well, Mr. Skelton, the approach we are trying to take with temporary facilities—the approach the Army has taken is to use temporary facilities only where they are absolutely necessary, with an emphasis on the word "temporary."

The Army has no intention and certainly the secretary has no desire to see the emergence of a new generation of World War II wood. In fact, in this year's budget request, the Army has requested $276 million worth of military construction facilities to replace and make permanent facilities that for management reasons and missions reasons required temporary facilities within recent years.

And for fiscal year 2007 the Army currently has no plans to utilize temporary facility solutions in lieu of a permanent construction solution. So we do need the flexibility to use temporaries where necessary, but the Army is quite aware of the legacy that temporary facilities—and the cost of those over time that those require.

And so we are doing everything we can to strictly limit the use of them and, as I say, we are taking some management approaches here in the very near years to begin to make permanent those things which require temporary facilities in the recent past.

Mr. SKELTON. Thank you, sir.

The CHAIRMAN. I thank the gentleman.

The gentleman from New Jersey is recognized, Mr. Saxton.

Mr. SAXTON. Thank you, Mr. Chairman.

Gentlemen, I have two questions, one that has to do with overseas basing and one that has to do with basing here at home.

One of the key tenets of the Department of Defense's plans to reposition U.S. military forces includes a conceptual shift away from larger and more static bases to ones comprised of smaller, more agile units where deployments on a rotational basis would take place.

With a significant increased dependence on a rotational presence, forward operating sites and cooperative security locations and cooperative and forward operating sites would all be employed.

Now, I guess what I am curious about is the type of—what kind of input did we get from combatant commanders in arriving at the decision to use this formula?

And on the CONUS side—let me just ask these both and then let you guys answer them. On the CONUS side, I understand that we have a concept where we will employ six new power projection platforms, and I am not quite sure that is the right word or the right title.

And the reason that I am, of course, interested in this is that Fort Dix may very well be one of them, and I wondered if you would describe the concept and give us your thoughts on that subject as well. Thank you.

Secretary HENRY. Thank you, Congressman. I will go ahead and start specifically on the roles of the combatant commanders, and I am sure Admiral Sullivan will want to supplement my remarks, and I will leave it to Mr. Grone to talk about the CONUS structure.

In regards to the inputs and the structures that we came up with, this was something that over a series of about 18 months we had a series of individual meetings and collective meetings at the combatant commanders conferences with the combatant commanders.

All the decisions that we operated on were inputs that we received from the combatant commands. They were the ones that initiated the plans. The role actually that we played at headquarters was one of harmonizing them to be able to work together.

But they were all initiated from the regional combatant commands that have the expertise. And it was their realization that our operating patters were going to change We kind of grouped them into two different fundamental ones.

One is the steady state operations, which is one where we are doing security cooperation, and we are trying to build partnership capability rather than just being garrisoned in one place.

The other one is our ability to surge, and in looking at that we found out that most times we could generate force from the United States, where there were no political encumbrances, quicker than we could from overseas locations.

But the specific lay-down came from the combatant commanders.

Admiral SULLIVAN. I think all I would add to that is that the concept between those two different types of facilities that Mr. Henry described is that we want access to be able to train and to deploy in the event of contingencies to various regions around the world without having to bear the burden of major operating bases with all of the infrastructure and support facilities that go along with that.

So the idea behind the forward operating site is a little bit more robust than a cooperative security location. We might have a small U.S. military presence there, not likely with families and so forth that would require infrastructure in order to be able to train and operate when necessary.

A cooperative security location is even more austere, and we may not even have any U.S. personnel permanently assigned there, but we would have arrangements in place with the host nation to have a warm base, if you will, so that if forces needed to flow in there for exercises or contingencies there would be fuel arrangements in place and an airport—Air Force or air—runway facilities and so forth that could support those kinds of operations.

And so the combatant commanders' input was really to look at all of that across their areas of responsibility (AOR) and figure out what made the most sense in terms of potential contingencies in their AOR as well as cooperation with other nations.

Secretary GRONE. Mr. Saxton, the question of power projection platforms—we have had a number of different ways of referring to those over the years, and frankly, I would like to take back for the record sort of the way the Army is thinking about that now in terms of the six that you referred to.

But certainly in the case of power projection and mobilization, one of the key things that we have attempted to do with this round of BRAC is to, as you know, at Fort Dix, create joint mobilization centers that would be able to support the projection of power, the organization of the forces.

As I understand it, the Army is still trying to think a little bit through this question of the power projection platform mobilization piece, and so I would prefer to come back and get that to you for the record, if we could.

[The information referred to can be found in the Appendix beginning on page 65.]

The CHAIRMAN. I thank the gentleman.

The gentleman from Texas is recognized, Mr. Ortiz, for five minutes.

Mr. ORTIZ. Thank you, Mr. Chairman.

I want to thank our witnesses for being with us this morning.

Secretary Henry, you know, since the beginning of Operation Enduring Freedom and Iraqi Freedom, over the past three years, there has been a heavily—reliance on the transportation and pre-position capabilities.

And I can remember during the first war, Desert Storm, you know, it took at least six months, seven months to pre-position our troops, our equipment, and in fact, some of us traveled to many countries—I traveled to Egypt, I traveled to South Korea and Japan—trying to see if we could get monetary support for troop support.

What concerns me is that as I look at your recommendations as to moving the troops, you know, moving some to Guam, and maybe utilizing Romania and Italy, I am concerned, I mean, I just want to know, is this being done now? I know some troop movement is being done now.

Is it wise to do it right in the middle when we are fighting two wars? And I go back to the first Gulf war. It took us 6 months to be ready to go against Saddam Hussein.

And the other thing that worries me is you mention that funding requested in fiscal year 2007, the president's budget for overseas changes supports many of the initiatives.

Now, when you say many, I was just wondering which one does he support and which one does he not recommend. You know, we want to work with you. We want to help you. But there is so much going on. There is so much on our plate. Maybe you can answer what is in the president's budget and what he supports.

And the other concern that I have is is this in conjunction with the Overseas Base Closing Commission that we have? Because I know that the Base Closing Commission and the Overseas Base Closing Commission were not synchronized. They weren't talking to one another.

Maybe you can at least respond to some of the concerns that I have.

Secretary HENRY. Thank you, Congressman. As far as the transportation burden and the use of pre-positioning, we share your concerns, and that is actually—in looking at what happened in the Gulf War, and taking the lessons learned that we had from Enduring Freedom and Iraqi Freedom, that is largely what motivated the strategic re-look.

As you are probably aware, we had what we called the iron mountain of all this equipment that we put into theater, much of which we never brought back. So the combatant commanders looked and said is there a different way to operate. And one of the things that we have started to emphasize is reach back.

What are the things in an information age, things that you do here in CONUS to support operations that you don't necessarily have to put forward? And so we have looked at opportunities to be able to do that.

Additionally, we looked at how we had to move materiel and some of the problems we had in moving especially some of our forces out of Europe. In taking all those, that is what drove a lot of the considerations that we came up with.

You also asked the question of why now, basically, is this a good time to do it, there are many things that we are doing operationally. Any change is not without risk, but we think the risk of not doing this far exceeds the risk of what we are doing.

And so, in looking at how we operate today and the challenges that we have for the foreseeable future, we have tried to do what we can to position ourselves in the very best way we can operationally.

We have been sensitive to the issue of the transportation burden. Over the two years leading up to the Quadrennial Defense Review, we did what we call the mobility-capability study, a major study, primarily led by the transportation command, to look at what the burden would be, what our transportation needs would be.

And we specifically looked at, as we implement the global force posture, would that increase the burden. And for steady state operations it appears that we are well within the capabilities that we have to be able to meet our transportation needs.

And for surge operations, in many ways we are able to make the operational time lines much quicker by being able to be stationed and have the majority of the force here in CONUS.

So we have taken those considerations on board. You are correct in saying that there are a lot of tasks that we are doing simultaneously. It is requiring some people to work harder than they have

in the past. But we think that we owe it to our soldiers and sailors and airmen that are forward on the front lines to give them the very best global posture that we can.

Mr. ORTIZ. You know, Chairman Weldon and I, we took a tour right before 9/11. We went to visit 25 of the worst bases in the United States, the worst. One of them was where I went through basic training. That was Fort Hood, where they were still using some of the same facilities that I went through basic training back in the middle 1960's.

I don't know whether those bases have been renovated, but when I hear about bringing hundreds of troops back to the United States, my question is, where are we going to put them? And I am pretty sure you all have looked at that.

At the same time, equipment that is being left behind either by the National Guard, the Reserves, because the equipment is not working anymore—it is, you know, completely destroyed—bring them back.

And when we talk about moving all this equipment, I mean, I am just concerned. I know that you gentlemen are doing your planning, but I am just very, very concerned about what I see now.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Maryland, Mr. Bartlett, is recognized for 5 minutes.

Mr. BARTLETT. Thank you very much. Mr. Chairman, remembering all those years I sat in the lower rows as time ran out and I never got to ask my questions, I yield my time to Mr. Conaway, who was the lowest-ranking member here at gavel fall.

Mr. CONAWAY. Well, I thank my colleague from Maryland for those—and also yielding his time. It is kind of like putting Fort Hood in the worst places on the Earth. I am not sure I would do that either.

But thank you, gentlemen. As we bring all these troops back from Europe and their families, it seems to me there is going to be potential for a tremendous impact on local communities. The Appropriations Committee had testimony from Fort Bragg, people around Fort Bragg, on the impact there on the local school systems and the other infrastructure pieces that I guess would be off post.

Mr. Grone, can you visit with us about what the role of the government will be in terms of assisting school districts and other local entities with their infrastructure as well as how do we not overbuild in those circumstances when, you know, 5 years from now we decide to move them somewhere else?

Secretary GRONE. Well, Mr. Conaway, that is a very important question that you raise, and it goes to the heart of the question of how we intend to implement, and the relationship between the department, our interagency partners and the local communities.

We have moved out fairly aggressively after the BRAC recommendations became law in November to begin the appropriate dialogues at all levels of government—federal, state, local—on how communities are going to work in the transition, both those communities that are going to experience a closure or a major realignment.

And certainly, as your question suggests, those communities are going to experience significant growth. The president, pursuant to executive order, has designated or tasked the Economic Adjustment Committee, which is chaired by the secretary of defense, and which I chair the sub-Cabinet level, to take some critical looks at those questions.

There are 22 Federal agencies that sit on the economic adjustment committee, and we are working a series of actions to coordinate responses in that regard.

We had a major conference in the beginning of May with 900 people from all across the country, communities affected by BRAC, with members of the Federal interagency, to talk through the planning and the requirements and how we get from A to B.

And it was a first initiative, certainly will not be the only initiative. But the level of cooperation and coordination is fairly extraordinary this early in a BRAC round.

As to the specific question of how we are going to handle the schools question, the department as well as the Department of Education, both departments owe the Congress reports here in the very near term. I believe a report that we are working on will be delivered to the Hill in July which talks about the education question.

And the pattern of movement of forces, the expectation for the number of families and dependents that will be flowing into a region in any given particular year pursuant to the recommendations, and the management approaches that we as well as the Department of Education and our interagency partners are going to take to work with the communities on this question.

So this is a dialogue that we are going to continue to have over time. The housing question, the overbuild question is a not unimportant one, either.

Our policy is to rely on the private sector first, and we are working very carefully and particularly in Texas and in Kansas, where we have the first full brunt of forces returning from overseas to work with those local communities to ensure that we have the housing market calibrated about right, our understanding of it is about right, and that the private sector can respond.

In nearly all cases, the private sector is responding, and where it can't, we will fill in with our housing privatization efforts to ensure that we have the right assets and the right choices for our people as they need them.

So it is something that we are working fairly comprehensively. We are going to be in dialogue with the committee over the coming years—weeks, months, years—as a matter of continuing management dialogue to give you surety that we have, you know, the appropriate programs in place and that the assets are available for the local communities to move forward.

Mr. CONAWAY. Thank you.

Admiral, you started talking a little bit about forward operating sites versus cooperative security locations. Would you flesh that out just a little bit in the remaining time?

Admiral SULLIVAN. Sure. The most austere of those two types of installations—and they will all be a little bit different. It will just

depend on circumstances. But the most austere is something called a cooperative security location.

And the idea there is that you have a facility, if you will, that our forces can fall in on, whether it is for training or for a real world contingency, and have enough of an infrastructure in place that we can operate from that facility.

And it relies very heavily on the support of the host nation. We may or may not even have any U.S. military personnel at any given cooperative security location on a routine basis.

A forward operating site is a little bit more robust in that it has some permanent U.S. military presence, but it doesn't bring with it all of the infrastructure that goes along with a main operating base, such as schools, commissaries, the facilities for dependents and so forth that you would expect at a place like Yokuska, Japan.

But it is the same basic concept as a Communications Support Organization (CSO), only it is a little bit more robust and a more permanent presence.

Mr. CONAWAY. Thank you, Mr. Chairman. I also want to thank Mr. Bartlett for yielding his time.

The CHAIRMAN. I thank the gentleman.

The gentleman from El Paso is recognized for five minutes.

Mr. REYES. Thank you, Mr. Chairman.

And, gentlemen, thank you for being here with us at this very pivotal time in our ability to understand the future plans.

Fort Bliss is in my district, and part of the plan for accommodating the incoming troops from overseas and from other CONUS facilities is based in part on the rotation of troops in and out of Iraq.

It is the sort of game that has been described as maybe similar to musical chairs, where as one unit deploys another unit comes in from theater to take their facilities.

There is no doubt that this may be an efficient use of resources. However, I have a number of concerns in two different areas, and I want to make an additional point. And this concerns the Army's ability to execute the moves while at the same time constantly shifting soldier and units.

The first question is what happens if the schedule for moving in and out of Iraq changes. Units may go into theater earlier or come out either earlier or later. And rotations sometimes, as we have seen, may be eliminated entirely.

Has the Army and the Office of the Secretary of Defense (OSD) consulted with the combatant commanders so that they get the earliest possible notice of schedule changes—and sometimes affected by unscheduled events? Also, have contingency plans been drawn up to deal with potential OIF deployment schedule changes?

The second question is if we consider this indeed a game of musical chairs, how do we ensure that at the end of the game no one is left without a place to sit. I am concerned that the last units to return from Iraq may end up with nowhere to land.

At Fort Bliss, we have seen the Army, BRAC and IGPBS military construction plans do not include all of the facilities to relocate the 1st Armored Division coming in to El Paso from Europe.

Have OSD and the Army programmed the funds for the out years to ensure that all phases of the projects, not just incidentally

mandated by BRAC, but the funds for all phases are there to be executed?

The final point I wanted to make concerns the base operating support budget, because we are seeing this year a shortage of funds, and as all of you probably know, this committee took exception with the Army funding at just 69 percent in the current funding cycle.

But the concerns are besides affecting critical services for military members and their families, the shortfall is having a major impact on the post's ability to accommodate the influx of troops. This shortfall is coupled with an ongoing hiring freeze.

And so I am hoping that you, Secretary Grone, can enlighten us on how you are working to ensure that the bases have both the personnel and the funds that they need to plan for the troops coming in from overseas.

This is very critical, at a time, as my colleagues have already made the point, when we are fighting two wars. We just passed the BRAC law. And so all of these things are swirling, and at the same time we are having to explain layoffs in our facilities, because I know Fort Bliss isn't the only one that is affected by the layoffs or hiring freezes.

So if you could answer those questions, and as we go through this I will be glad to repeat any that you need. Thank you.

Secretary HENRY. Thank you, Congressman. Let me go ahead and take the one about the apportionment of force which you referred to as the scheduling, and let Mr. Grone handle the resourcing ones, and Admiral Sullivan might also want to amplify my comments.

You are right, it is a very complicated process. It is a very dynamic process. One of the aspects of our global force posture was to change the way that we manage the force, the way that we made those decisions on who would go where. And we refer to that as global force management.

I want to emphasize first of all a major change here is going from regional coordination to looking at the force in a global perspective, and we have made a lot of investment, put a lot of effort in, over the last two and a half years to develop this global force management.

It is a process that currently is managed out of the joint staff, but we are in the process of turning that over to Joint Forces Command, which has the visibility over all the forces. They use their service component commanders from the four services to understand what all the forces are available.

And as a request for forces comes in from an operational commander, they make the decision on what is the best utilization and which force is best to go. That is put against, in the case of Iraqi Freedom and Enduring Freedom, a plan developed by CENTCOM on the forces they project that they will need.

But as the president has pointed out, those number of forces are going to be condition-based. So as we look to the future, we understand that there is going to be a certain degree of flexibility depending upon the conditions on the ground.

Part of the decision process is not only who is ready in the training cycle but the impact that it is going to have on that unit and

returning units. So that is all calculated in. It is a process which—when we first started, we were used to a mobilization and an employment concept where it was a surge and everyone in and out.

Now that we are fighting this long war, prolonged irregular conflict, we understand that we have to really give a lot of attention to the rotation of the force. We think that we have learned lots of lessons over the last three and a half years of employing that force.

We are able to project out at least 12 months in advance now and make adaptations as the operational situations demand. It is still not a perfect system.

We think it is a very good system. It is much better than it has been in the past, and we believe that we have eliminated a lot of these disruptions to both units and individuals.

Secretary GRONE. Sir, the question of the facilitization of the moves to Fort Bliss is an important one, and as you know, it is a fairly sizeable part of BRAC recommendations to provide for the realignment of Fort Bliss and the facilities that are required to support the return of forces from abroad.

Based on where we are in the planning process, and we are in, you know, just the very end stages of the business planning process for all of these recommendations, I am confident that over the course of the program the facilities are going to be there to support the forces returning to Fort Bliss from overseas.

The funds that we requested, as I indicated in my oral statement, for 2006 and 2007 are critical to that because they allow us to get facilities on the ground. And in fact, in the 2007, as you know, there is about $456 million of construction inside the BRAC account itself to support facilitization of the return of forces from abroad to Fort Bliss.

So as we look at this from a planning perspective—and the Army, as they bring forces back from abroad—the notion is that they will not be bringing them back to facilities that are not capable of supporting their mission.

So the key question that you raised about the timing of forces, schedules and its relationship to facilities is critically important, but it is one that the Army has a very detailed set of planning constructs to implement.

And from a funding perspective—and I know this question arises in the minds of a number of members—you know, will the full program be funded, will we undertake all BRAC actions by the legal deadline, and the answer is that we will.

The leadership has directed, the deputy secretary has directed that as we bring the O.E. program forward, it will be fully funded and account for the costs associated with those moves. And we will do so.

The base operating support question is an important one. I recognize and understand your perspective on the Army's current budget profile in relation to base operating support. It is a key question.

The Army leadership is examining the full range of their base operations support (BOS) requirements as a part of their ongoing business transformation exercise.

We have an initiative within the department itself on a larger basis to define standards on a common basis, to try to find a way to build a programming model and a budget model that will be pre-

dictive in terms of the costs that we should expect to see in any given year, so that we can actually make the kind of budget trades up front in terms of what it is that we want to buy in any given year.

I would have to sort of take for the record a more detailed response from the Army, but we do recognize that there is an issue in that area and we are taking some management initiatives to try to deal with it.

[The information referred to can be found in the Appendix beginning on page 65.]

The CHAIRMAN. I thank the gentleman.

The gentleman from Minnesota, Mr. Kline, is recognized for five minutes.

Mr. KLINE. Thank you, Mr. Chairman.

Thank you, gentlemen, for being here. I would like to talk about the Okinawa move. I would probably like to talk about the Guam portion, but I know the gentlelady from Guam is eagerly awaiting her opportunity to talk about that.

So let's just talk about the Okinawa end of that. What would be the state of forces in Okinawa at the end of this proposed move? What would be there? What is left?

Secretary HENRY. I would have to get back to you, Congressman, on the specific numbers. It is in excess of 10,000. I believe the number is 12,000, but I would have to go back and check my numbers on that. What will be there are pretty much the maneuver forces. Many of the headquarter forces are what we are moving to Guam.

So many of the key operational forces that if we were to get in a conflict on the peninsula, and we would need to move in rapidly, will be geographically in the proximity.

Mr. KLINE. So the bases on Okinawa—and I spent many happy months earlier in my life living on Okinawa. The bases would still be the same? You would have Fatima and Hansen and Schwab? Would all the bases still be there? There would just be fewer Marines on them, or what would that look like?

Secretary GRONE. Well, the key aspect of the realignment on the island itself is——

Mr. KLINE. That is what I am talking about, the island of Okinawa.

Secretary GRONE [continuing]. Is to finally, after we reached agreement in 1996, but to actually provide for a replacement facility and to do some additional consolidations that will provide and free up land area that we no longer require, but to get our forces into a realigned position on the island that provides a better way of operating out of that location.

So there will be some not inconsequential movement of forces around on the island itself. The key piece of that, and certainly not to the exclusion of any others, is a replacement facility for the current——

Mr. KLINE. A replacement facility on Okinawa, so you would close Fatima and have another one open up?

Secretary GRONE. Yes.

Mr. KLINE. And we would end up, generally speaking, with exactly the same number of bases that we have there now?

Secretary GRONE. I wouldn't say that it would be exactly, the same number of assets that we have there now, because we will be relocating a sizeable portion of the Marines off of Okinawa to Guam itself.

And those facilities that we no longer require will be returned to the Japanese.

Mr. KLINE. Okay. That makes sense. I am just having a hard time envisioning what those would be. If you are going to keep maneuver forces there, you would still presumably need the northern training area and Schwab and Hansen.

So I am just having a hard time seeing it. But I would like to think that if we are going to do it, we would, in fact, close down some bases and not just remove people.

And with that, Mr. Chairman, I will yield back to make sure that my colleague from Guam has plenty of time to talk about Guam.

The CHAIRMAN. I thank the gentleman.

Secretary HENRY. If we can, let us take that for the record and get back to you—the specifics—and give you an exact lay-down on which facilities we will be changing.

[The information referred to can be found in the Appendix beginning on page 65.]

The CHAIRMAN. I thank the gentleman.

The gentleman from Arkansas is recognized, Dr. Snyder.

Dr. SNYDER. Thank you, Mr. Chairman.

Over the last several years, when we started activating the guard and reserve forces for work in Iraq, primarily Iraq, but also in Afghanistan and other areas, one of the things that came up was we had—I guess at Fort Stewart we ended up with a lot of people on medical holds.

There was kind of some stormy press for a while about some of our policies, but also a lot of it was on the places where they were kept. And I have heard the opinion expressed that well, since we used to have a Cold War level military in terms of numbers, that it will be easy to somehow bring people back home and find a place for them to stay that is the quality that we would want our folks to have.

That is not an accurate statement, is it?

Secretary HENRY. I mean, it is going to take hard work. It is going to take some resources. We think that we are going to be saving at the other end, at the overseas end, but it is something that takes a lot of management effort, and it is going to take a lot of work on behalf of the different services that are going to implement the plans.

Dr. SNYDER. Now, when you talk about the plans, what is the date that you have in mind for the completion of the plan?

Secretary HENRY. That is one of the big lessons we think that we learned in looking back on the way we have done things in the past, and it has a general—of the way that we approach transformation.

Transformation is not a goal, a place you end up in. It is a process of continual change and adaptation to the circumstances you find yourselves in. We do not believe that the world will become static geopolitically or strategically in the future, but that we will continue to need to adapt at all times.

We are still fine-tuning the plan today. So to say that there is a specific end state, what we are trying to do is have a force that is very adaptable. We think that we will work our way through the major disruptions. That is a combination of not only the global force posture changes but the BRAC changes.

But we will continue to need to fine-tune this as strategic circumstances change in the future, so there is no——

Dr. SNYDER. But that is always true. I mean, that is always the situation, Mr. Secretary. I mean, what we are talking about is the movement of troops from South Korea, from Japan, from Iraq, from Europe—I mean, there is a certain finite number, is there not, that people have in mind for when you are going to want to have this completed?

I mean, I assume we want to—Mr. Grone mentioned a while ago that we want to have them come back and be capable of supporting their mission, so that means not just housing and barracks and family housing, but also ranges and all kinds of training facilities.

I mean, you must have a thought in mind about when you want those folks to be back from these overseas places and when it is going to be up and running. I mean, you are leaving it open-ended. For all of the 21st century, I mean, we are going to be adapting.

But surely somebody has got a thought in mind by the end of five years, six years, eight years we expect to have all those people back and have the kind of facilities we want for them to be trained in.

Secretary HENRY. The major changes are done, as you point out, in the next five years, and I will turn it to Mr. Grone to give you specific time lines. But we are continually reevaluating.

As we look to our changes overseas, different of our partner nations are increasing in capability. As they increase in capability, perhaps our percentage then for certain different operational plans will start to change.

So I would be disingenuous if I didn't say it is a process of continual evaluation. There is no specific end state. The plans that we have in train right now, though—there is a sequence of events keyed, again, by the BRAC process and when we have different agreements to bring different forces back.

Dr. SNYDER. Mr. Grone, what is kind of a date, a time certain, for when you think most of this is going to be done, given Secretary Henry's thoughts that there is always going to be some rubbing around the gray areas as things change?

Secretary GRONE. Well, certainly, Mr. Snyder, we already have some of those moves and some of those efforts are already in the process of execution.

Dr. SNYDER. But what is the end point?

Secretary GRONE. Well, I mean, looking at it sort of in big chunks, the BRAC moves themselves, and certainly for the return of forces from abroad and facilitizing, that has to be done by September 15, 2011. So there is a six-year BRAC window for the large portion of this involving the Army, which involves return of forces from overseas.

For the most recently announced set of moves in relation to the Guam-Okinawa question, that is the early part of the next decade, so in the 2012, 2014 area, and the overall realignments within Japan itself will be accomplished shortly after that window.

So for the major and significant changes that we are already talking about here today, that is the window that we are talking about, and certainly Mr. Henry is correct.

I mean, on some of these moves the status of negotiations with a foreign government may shift, either the site, the location, the country itself in question. It could stretch time lines out. It could compress them.

But for the large initiatives that involve large forces, the plans in place are the plans as they have been described for you, which talk about 2011, 2012, 2013, 2014. It is that six-year, seven-year, eight-year window from where we are today when most of this will be accomplished.

Dr. SNYDER. Mr. Chairman, may I ask one more question?

So as you look, let's say, at the end of the eight-year window, what is the total cost of that, do you think?

Secretary GRONE. Our current estimate for cost is in the $9 billion to $12 billion range.

Dr. SNYDER. That seems lower than what other people are estimating.

But thank you, Mr. Chairman.

Secretary HENRY. If I can just speak to—we are very sensitive to that, too, the fact that there is a number of different estimates out there. And we find that it basically comes down to the way that people do accounting.

If they say that you are starting with a clean sheet and what would it cost to implement this entirely, they come up with one set of costs. It depends on whether they include things as part of Army modulization, what is in and what is out when they do the costs. The accounting process that we use is what is the incremental cost associated with this.

We also look at that, as we redo this realignment, there are also savings that one realizes, too, and so it depends if you are looking at what the gross cost is or what the net cost is going to be.

The CHAIRMAN. The gentleman's time has expired.

The gentleman from Texas, Mr. Conaway, is recognized for his regular five minutes.

Mr. CONAWAY. Mr. Chairman, I will yield to the next guy on line, please.

The CHAIRMAN. Well, that is kind of you.

Then the gentleman yields to—Mr. Hostettler is not here. Dr. Schwarz is gone. Mr. Hayes is recognized for five minutes.

Mr. HAYES. Thank you, Mr. Chairman.

Gentlemen, thank you for being here today.

Question, specifically, if you will relate as best you can the relationship between BRAC overseas coming back to the states, Riley, Leavenworth. Others have mentioned—my friend Mr. Conaway mentioned Fort Bragg.

Mr. Grone, I know you are very familiar with my interest there. Just speak in as specific terms as you can of what steps are being taken to particularly meet the needs of the school requirements.

Now, domestic BRAC is going to add over 1,000 young people to come into the system in the first year. With that in mind—and also touch on the idea of, are any funds available overseas to be repro-

grammed for Department of Defense Education Activity (DODEA) or school needs such as Impact Aid?

With that as a beginning, kind of fill me in on how you all are working this issue.

Secretary GRONE. Well, Mr. Hayes, it is a very complicated question, and by that I don't mean that it doesn't have an answer. It is just that there are a number of players involved in this, to include Federal Department of Education, the state of North Carolina, the local school districts and the like.

As I indicated earlier, and I don't know whether you were—I can't recall whether you were here for that—we owe the Congress a report specifically on the schools question next month.

And we expect that report to be on time, and we expect it will lay out four locations—the growth locations, including Fort Bragg, what we expect to be the population shifts over time, when we expect families to be coming.

And some of that is science and some of that is art, because depending on when units move, families make elective choices about whether the family comes immediately or whether it comes later. So we are working through all that with the Army right now.

We are working through with Department of Education and our colleagues in the under secretary of defense for personnel and readiness who have the main lead on education for the department—they will be working through a series of summits with local districts here this summer to work on the comprehensive planning piece.

It has also struck me, as I have engaged a number of superintendents in the last weeks and months—I assumed, incorrectly, that a number of those folks would understand all of the Federal assets to which they have access—grant programs, planning programs, and the like, some of which are administered by the department through the Office of Economic Adjustment, some of which are managed by other departments of the government.

What has struck me is the assets that people are not aware that they have access to, so what we have tried to do is we have simply tried to make that information as available as we can, as widely broadcast as we can. It is up on our BRAC Web site. It is on the Office of Economic Adjustment's Web site.

We are doing everything we can to put information in the hands of local people to get them access to resources that will help them plan and to also work on the school construction question. And we are looking at a number of options with that, with the private sector, with state and local government.

We don't have an answer today in terms of a one-size-fits-all solution for every location. But it is something we are working very hard on, and I expect we will be talking about that in the coming weeks, particularly after the report that we owe the Congress comes up next month.

Mr. HAYES. I appreciate that, and as we all know, families, particularly with school-age children, are vitally concerned, and the folks who are waiting to receive these young folks are anxious.

I had a very productive meeting with Dr. Chu in the Department of Education. I am encouraging you to keep that at the top of the list of issues.

Secretary Henry, the question about will there be funds available to reprogram that will, with the reduction in force overseas, transfer to domestic—either DODEA or local school systems through Impact Aid or other possibilities?

Secretary HENRY. I apologize. I can't give you that specific answer right now. That is not actually my area of expertise. We can take that question for the record.

I do know that the way that we have approached this is that there will be savings in the operation and maintenance in the facilities accounts. The services are the ones that are the keepers of those funds, and they do the adjustment to it. But we can get back to you with a specific answer.

Mr. HAYES. I appreciate that. Keep her on top of the stack. Thank you, gentlemen.

Mr. Chairman, I yield back.

[The information referred to can be found in the Appendix beginning on page 65.]

The CHAIRMAN. I thank the gentleman. His time has expired.

The gentlelady from Guam is recognized, Ms. Bordallo, for five minutes.

Ms. BORDALLO. Thank you very much, Mr. Chairman.

And I would like to welcome the secretaries and also Admiral Sullivan this morning. I have a couple of questions here that I would like to ask.

Secretary Henry, first let me express my congratulations to you and your policy team, but especially the deputy under secretary for East Asia and Pacific affairs, Mr. Richard Lawless, for completing a truly challenging set of negotiations on modernizing U.S. and Japanese defense posture in the Pacific.

Gaining agreement with the Japanese government along with cost-sharing agreement necessary for implementing all 13 of the individual agreements made as part of a committee document signed by the Japanese and the United States was truly a remarkable achievement.

On Futenma, I know that the U.S. negotiators have been seeking agreement with the Japanese since 1988, was that correct?

So this being said, it is the reality that even with the Japanese assuming the majority of the costs of this realignment, including nearly $6.3 billion of investment on Guam, the United States has also made a large financial commitment to enable this realignment.

And most of this financial commitment will be associated with projects on my island of Guam, where 8,000 U.S. Marines and their family members will move.

And I know that U.S. Pacific Command is working at a tremendous pace to complete a joint Guam military master plan that will present an integrated and comprehensive plan for progress, with all of the projects necessary to welcome the Marines home to Guam, to establish an ISR strike capacity at Anderson Air Force Base and to prepare Apra Harbor for greater naval presence, whether rotational or permanent.

I have led nine congressional delegations to Guam. There is nothing like visiting Guam when it comes to displaying for members of this body Guam's strategic location, our magnificent military bases and the patriotism of our people, themselves liberated from occupa-

tion by the imperial Japanese forces in World War II, by the same, I might add, Marine unit, the 3rd Expeditionary Force, that will now return to Guam. And this was 62 years ago. And I might add that we warmly welcomes the Marines.

I might note that I am hopeful that given the scale of defense posture changes in the Pacific and growing threats in the region—of course, most recently the threat from North Korea, that Chairman Hunter will soon lead a Congressional Delegation (CODEL) himself to the region. He has expressed a desire to do so.

So, Secretary Henry, can you speak in greater detail about posture changes being made in the Asia-Pacific region, and why these changes are important, and how they will enable a more robust and responsive U.S. security posture, given the current and potential future threats in the region?

And of course, I would love for you to talk about what Guam in particular offers within this strategy and therefore why the investment our nation is being asked to make in Guam's military facilities is both important and worthwhile.

Secretary HENRY. Thank you. Thank you for the opportunity to be able to address that. We are appreciative of the people of Guam and the way that they have welcomed these changes.

Guam, obviously, as you are well aware, more than most, is strategically situated in the Pacific. It tends to be the forward line of presence for U.S. sovereign territory, which makes a significant difference when it comes to having freedom of action in the area.

As we looked at what the challenges are that we have before us on a global basis, we saw the need to shift an emphasis toward the Pacific. That is an area where there is a lot of growth.

We don't have an overlying multilateral alliance in the Pacific like we do in the Atlantic with the NATO alliance. We tend to have alliances with individual countries. The geopolitical construct tends to be much more complex there.

And the United States has been a presence there, obviously, for most of the last century and we plan to be for the coming century. And so that has a lot to do with how we position ourselves.

We have a number of interests there. One is, first and foremost, pursuing the Global War on Terror. And in Southeast Asia there are different theaters of operation that we are currently involved in.

We have the humanitarian response that we have found so important, not only the response to the tsunami but then most recently the response to the earthquake. And we see ourselves doing those sort of operations in the future.

There is the general need to have a dissuasive capability. We would like to have enough capability forward and to be able to provide enough stability in the region that other countries won't feel that it is necessary for them to build up their militaries for either defense purposes—and we want to have a certain deterrent capability so they won't build up their military for perhaps offensive purposes also.

So it is a very strategic region. It is a shift in emphasis. That was one of the more significant things coming out of the Quadrennial Defense Review, and the global force posture realignment supports that.

Ms. BORDALLO. Thank you. Thank you very much, Secretary.

I have one other quick question to both Secretary Henry and Admiral Sullivan, or Secretary Grone, if you would like to comment.

Can you talk about the training opportunities and advantages that Guam will offer us compared to Okinawa?

It is my understanding that moving Marines to Guam will enable more robust and less restricted training, including comprehensive training at the former housing area at Anderson South Air Force Base and that a full littoral war fighting center will be established both on Guam and the CNMI.

So can you please discuss such advantages for training that Guam will provide for U.S. forces? Can you also discuss the types of joint training with the Navy, Marine and Air Force forces that Guam enables and also in inclusion of foreign forces such as Japanese forces in this training program?

Secretary HENRY. Well, you correctly pointed out many of the initiatives that we are investigating to be able to do. The principal advantage is that we will not be butting up against a local population that—the problems that we have in Okinawa.

So we need to be mindful of that, though, as we move to Guam and how we position the forces there. The training opportunities we think are more robust in Guam and in the local operating area. We think that specifically from the aviation capability it is not as dense as far as the commercial airways go.

And not only the—as we move further south, we will be better able not only to work with the Japanese but our Southeast Asian allies also. And not only do we have the training capability that we have in Guam, but we are also working with the Australians to have some capability there, so we will be able to use both of those capabilities.

So we feel that it is a significant plus not only in the positioning of our forces but the on-station readiness that they will be able to have.

Admiral SULLIVAN. I think Mr. Henry covered that quite well. I mean, we have a lot—five of our treaty partners are in Asia, the Philippines, Thailand, Japan, South Korea and Australia, and the opportunity to cooperatively train together in the area around Guam is very good, especially with the co-location of our Air Force, Marine Corps and naval forces in the same location.

Ms. BORDALLO. Secretary Grone, do you have any comments to make?

Secretary GRONE. I have nothing to add.

Ms. BORDALLO. Thank you very much, Mr. Chairman.

The CHAIRMAN. The gentlelady's time has expired.

The gentleman from North Carolina is recognized for five minutes.

Mr. JONES. Mr. Chairman, thank you very much, and I have got to take a point of personal privilege. I think the committee knows that the great state of North Carolina is proud of its military, its NASCAR, its basketball, college basketball, and now the Carolina Hurricanes have become the winner of the Stanley Cup.

And Don Imus said he didn't know that they even played hockey in North Carolina, so anyway.

The CHAIRMAN. There is a battle between Guam and North Carolina here today.

Mr. JONES. Mr. Chairman, thank you, and it is good to see the panel.

Mr. Grone, you might have said this in answering the question from the chairman at the time, but what are the projected savings after this round of BRAC is finished—I mean, the bottom line projections?

Secretary GRONE. The projection in annual recurring savings as we left the commission process was approximately $4.4 billion in annual recurring savings.

Mr. JONES. $4.4 billion?

Secretary GRONE. Yes, sir.

Mr. JONES. Okay. The reason I ask that, when I came to Congress, we were $4.9 trillion in debt as a nation. And the first time that Secretary Rumsfeld appeared before this committee after he had been nominated and confirmed, he said to this committee—and I know he was very sincere; I don't question that at all. And certainly, he didn't know we would be in Iraq or Afghanistan or anything at that time.

But he was going to do everything—and I know that from some of these programs that you all are talking about today and projections that probably he is on course—but that he would do everything he could to save the taxpayers money.

The reason I bring this up—I have two questions. They will be short questions with short answers, actually.

But, Mr. Henry, I wanted to ask you, you know, the people in my district—and we are proud of Camp Lejeune and Cherry Point and Seymour Johnson Air Force Base, and we love our military just like the whole state does.

But when I go back home and my people read in the paper that we lost $8 billion in Iraq—and I know there is waste, fraud and abuse, and that is true right here in Washington, so please understand, I am not—I have got to make the point.

The point is that Mr. Grone is talking about saving $4.4 billion, is that right? And we are spending $10 billion, and we lost $8 billion in Iraq. And sometimes it is hard for me to explain to a rotary club or a civic club exactly what kind of job we are doing handling the taxpayers' money.

So I guess maybe it is fair or unfair to ask you this, but what at the Department of Defense—what type of mechanisms are in place—I mean, I am impressed with what you are saying today about we are going to start, you know, being more efficient, we have to be, the world we live in.

But what are we doing with the Department of Defense with all these contractors and all this waste, fraud and abuse that is going on in Iraq? Are we making any progress at all?

Secretary HENRY. Well, first of all, probably the better people to speak to that would be the comptroller or the inspector general who is also looking into that.

Let me talk a little bit to the culture, though, if I might.

Mr. JONES. Okay.

Secretary HENRY. And you correctly pointed out Secretary Rumsfeld, who, while he had a long, distinguished career in government,

also was the chief executive officer (CEO) of two corporations prior to coming back to the Department of Defense—and he learned cost saving and fiscal oversight there.

And for those of us that work with him day in and day out, this is a common theme, that we are guardians of the taxpayers' dollars, and we really have to look at every time that we spend something. And I can't emphasize enough that it emanates from his office outward.

Sometimes it doesn't get out as far as we could. You know, we have had some procurement problems. When we found out about those, we addressed them, we think, very rapidly. Some of them have gotten into the court system.

Additionally, a change that we have now is with Secretary England, our new deputy. He acts as the chief operating officer. He is the one who runs the day-to-day management.

We have meetings several times a week where we bring in the vice chiefs of the joint staff and the five undersecretaries to look at the operations, to look at the decision-making, to make sure that fiscally we are making the right decisions.

So there is a real concern and stewardship over the taxpayers' dollars. We have a very large budget, and, I mean, mistakes are made. I think the thing that sets—we think sets the military apart and, we would hope, the Department of Defense is we are a learning organization.

We do make mistakes, but when we make them we think we internalize them. We adjust. And we do everything we can to make sure that we don't do them again. And it is because of the operational world that we live in that the cost in blood and treasure—those mistakes are so expensive.

And then I would just say that especially in the first few months after the Iraq War, if someone had to choose between what was going to support the troops and what was the most fiscally conservative way to do things, the vote went for the troops.

And in the heat of combat, or immediately following combat, sometimes you don't have the checks and balances in place that you need to have. We have done everything we can to get them in as rapidly as we could.

As someone who was a little bit involved in that at the beginning, we did everything we could to embed members of the General Accounting Office to go over with the team that went over with the Coalition Provisional Authority, put in inspector generals.

We knew that these sort of things would happen. But I think one of the things we wanted to do was make sure that they became visible as soon as they possibly could. So the down side of that is it is something that is out there in the press, but that is the way we do things in America.

We feel comfortable talking about our mistakes because we know we are going to try to correct them.

Mr. JONES. Thank you.

May I make one quick statement?

The CHAIRMAN. Sure.

Mr. JONES. Mr. Grone, I want to piggyback on my good friend from North Carolina, Mr. Hayes, about the school systems. And I hope that as long as we need a military that we will always—I tell

you, the schools at Camp Lejeune, to have the privilege to visit those schools and to see these kids whose parents are in Afghanistan and Iraq and, in some cases, both parents—there is an environment there that you will not get in the public schools.

And God knows the schools in Onslow County are excellent. But I have actually had the superintendent of the school system in Onslow County, Jacksonville, Camp Lejeune, to tell me, he said, "Congressman, the school at Camp Lejeune is special. We can give them the same education, we can give them the same love, but there is just something different."

So I hope that as time goes forward and we are part of that, hopefully, let's keep that in mind. That is a quality-of-life issue. Thank you.

The CHAIRMAN. The gentleman's time has expired.

The gentlelady from California, Ms. Davis, is recognized.

Ms. DAVIS OF CALIFORNIA. Thank you. Thank you, Mr. Chairman.

Thank you all for being here and for your service. I wanted to follow up for a second as well on the school issue, because I think that it is critical.

We fight constantly to be certain that schools have the kind of Impact Aid that they need. Could you tell me—I understand there is a report coming to the Congress here, and we appreciate that and I will look forward to that—how much integration is being done right now with the school system itself?

You may not have all the answers of how many students are going to that school, but I am interested in knowing how many sit-down conversations there have already been roughly with the schools that will likely be impacted so that they can begin at least to have a sense of what is in store, what kind of funding they need to be seeking, course construction, what kind of family support systems are really going to be required there.

Can you give me a sense of that? Are they integrated into the planning? And I guess following up with that, what kind of performance metrics do you have in place? And are those also part of the planning as we move forward?

Secretary GRONE. Well, certainly, quality schools—and echo the comments a number of members have made—are critically important to military families as they are to any family.

But certainly, when you are planning for moves of this consequence, with the population shifts that we see, the relationship of those population shifts to quality education is obviously on the minds of service personnel and their families, and it is something we take quite seriously.

There have been a number of discussions—and I couldn't put a number on them, but since the service most affected here is the Army, I will just put this in Army terms, but it applies to any base where we have growth.

The Army has fairly aggressively reached out at the garrison commander level to engage local units of government in the discussion about the planning process in relation to schools and other facilities that will be necessary to support the moves.

So the dialogue at the local level is not just about schools, but it is about the entire array of support systems and services that military families will need as they come to those areas.

As I indicated earlier, we have been having at the Federal interagency level a series of discussions on this question, and we convened a conference in May where a very significant module of that related to education.

There is going to be further education-specific summits—I hesitate to use the word "summit," but very intensive gatherings between the Department of Education and local school administrators this summer to talk through the question of the population changes as we see them, the rate at which the change will occur, the requirements that are necessary at the local level, in order to assist people with the planning that is necessary and that the construction can be teed up appropriately, if that necessary.

And so all of the tools that may be available, from developer-provided schools in the context of other initiatives, to traditional local bonding authority, to other initiatives that may be out there—I mean, people are looking at a number of different solutions, as school districts are across the country, to the options that they have available.

But the population numbers, the schedule, will drive a number of those discussions, as you know.

Ms. DAVIS OF CALIFORNIA. If I could just interrupt you for a second. Can you assure them of a time frame of planning so that they may know that if they have to have——

Secretary GRONE. Oh, yes.

Ms. DAVIS OF CALIFORNIA [continuing]. Kids, you know, in seats that they have how much time in order to do that?

Secretary GRONE. Oh, yes. No, I mean, we will be able to, particularly as we build the data that is required for the report to the Congress, be able to provide surety about schedule.

The most significant stabilizing factor in those plans, of course, are if we are able to secure the funds that have been requested from the Congress to carry out the recommendations. Failure to do that will throw the schedule into adjustment, with cascading effects on everything.

Ms. DAVIS OF CALIFORNIA. Okay.

Secretary GRONE. So the ability to secure the funds requested is integrally important to exactly the question that you have raised, which is the stability of schedule, which from a local planning perspective is absolutely critical.

Ms. DAVIS OF CALIFORNIA. Yes, it is. Thank you. I appreciate that.

I wonder, Secretary Henry, just quickly, before my time is up, you mentioned the interagency process. And as we go through this change in terms of global posturing as well, how involved is the State Department, the Department of Commerce and other appropriate agencies in the planning today—the impact of those changes?

Secretary HENRY. Yes, ma'am. Secretary Grone talked on the domestic aspect of Department of Education. I am not sure to what degree we have had the Department of Commerce, but then that is not my portfolio.

Let me speak to the Department of State, who we have worked with hand in glove from the very beginning. As we first started the process, they were part of the deliberations team.

Normally, when we come to testify there is a member of the Department of State with us. It was our understanding that the committee was mainly interested in the defense aspects of it today, so we didn't ask one to come along. But normally, when we come up to the Congress we come up here together.

It is mutual reinforcing, what we are doing for each other here. We are helping them be able—on the diplomacy end by being able to do the security cooperation out there, and then we are utterly dependent upon them when it comes to the negotiation of the different agreements that we have with the host nations.

So it has been truly an integrated effort. Each step of the way we have gone back to the interagency process, which would be the broader interagency, but between the two departments, again, we have work extremely close.

Ms. DAVIS OF CALIFORNIA. Thank you. My time is up. I appreciate it.

The CHAIRMAN. I thank the gentlelady.

The gentleman from Michigan, Dr. Schwarz, is recognized for five minutes.

Dr. SCHWARZ. Thank you, Mr. Chairman.

Admiral Sullivan, Subic hasn't been around for a long time. Okinawa will be no more, and the Marines will be transferred to Guam. We have a basing agreement with Singapore. I am not sure just what their capacity is.

You know, I am not sure how much is being done at Yokuska anymore, yet it is not without the realm of possibility that in the next decade or so there could be some disturbances on the Pac Rim.

And I am just wondering what, with the repositioning, the transformation, from the standpoint of the Navy and the Marine Corps, our capabilities now are to respond to any sort of aggressive action by a country bordering upon the Pacific Rim or an eastern hemisphere country which shall go unnamed at this time.

But how does the new basing structure in the far East for the Navy and the Marine Corps comport with what our capabilities would have to be if there were an emergency in that part of the world?

Admiral SULLIVAN. Thank you, Congressman. First of all, of course, we are not abandoning Okinawa. Significant forces will remain on Okinawa.

But let me just kind of take you around the region, as you took me a second ago, starting with Singapore, where we do have some arrangements with the government of Singapore, where the Singaporeans, at their own expense, have created a fort facility that is capable of handling nuclear-powered aircraft carriers.

They have, at their own expense, developed a command and control center which is intended for regional maritime domain awareness, if you will, with the nations in the region, particularly in that area, that critical area, of the Strait of Malacca, which you enter close to Singapore.

Yokuska—likewise, the Japanese are undertaking the efforts to make that port facility capable of handling a nuclear-powered air-

craft carrier. And as you know, we will in the next several years be replacing the USS Kitty Hawk with USS George Washington, a more capable, more modern nuclear powered aircraft carrier, in that region.

So I think we are getting excellent support from those nations in terms of enhancing our capabilities in the region.

The move to Guam also enhances our capabilities in that, as Mr. Henry described, it provides us with the flexibility to operate our forces as we see fit and use them in any kind of contingency that might come up.

And that is one of the key tenets of this approach, is to enter into the appropriate agreements with host nations so that our forces are deployable where they need to go. It is one of the key themes of this effort. Of course, with Guam being U.S. territory, that is not a consideration.

So it actually enhances our flexibility in the region, and as we already talked, it is strategically located and could be very useful—any scenario that you might envision in the future.

Secretary HENRY. Congressman, I might add to that that this summer we are going to be demonstrating that with a major naval exercise, with multiple carriers, in that region, and we have invited many of the nations from the region, including the Chinese, to come and witness and actually to be aboard the ships.

So we will have a visible demonstration this summer of the type of capability that Admiral Sullivan spoke to.

Dr. SCHWARZ. —very briefly, have there been any negotiations with Indonesia to use any port facilities there, such as Tanjung Priok, which is a port of Jakarta, or Surabaya, which is the former Indonesian and Dutch naval base there and has naval facilities?

Secretary HENRY. Well, as you may be aware, until recently, our mil-to-mil relationships with the country of Indonesia have been limited by congressional legislation. We are in the process now of building personnel bridges, and we now have the ability to use the International Military Education and Training (IMET) accounts to be able to start to bring them in.

But for the purposes that—we want to work with the Indonesians for their own internal security needs, and we are just now starting to work out relationships where we can come in in the area of disaster relief. We have the experience of the end of 2004 in Banda Aceh and then most recently here in the volcano.

We think that the infrastructure that Admiral Sullivan talked to meets our needs, and we haven't seen a need in that area of Asia to go beyond that at the current time.

Dr. SCHWARZ. Thank you very much.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Udall—from Colorado, Mr. Udall, is recognized.

Mr. UDALL. Thank you, Mr. Chairman. I don't know that you want a state named after the Udalls, Mr. Chairman. That could be really problematic.

I want to thank the panel for being here. And I am, at some risk, going to paraphrase the author Robert Kaplan, who wrote a book called "Imperial Grunts," and I think he in there shared the old

aphorism that strategy is for amateurs, tactics are for general officers, with all due respect to the admiral, and logistics are reserved for the true professionals.

And in other words, I think he was saying function follows form, and I want to thank you all for what you are doing to position us to be ready for the threats and challenges, and opportunities, we face in this century.

Secretary Grone, too, I would like to thank you for your tremendous work on the environmental front and the energy front. And I think everybody on the committee here today is banking on the advances that we are going to see come out of the DOD that will lead us to greater energy independence, because there is such motivation among your ranks to make us more agile, less dependent, on the traditional sources of fuel and energy.

If I might, I would like to just focus locally, and if I have some time left I will focus more internationally, but we have talked about specific sites. Mr. Hefley was here earlier. We are undergoing some real changes at Fort Carson and in the Colorado Springs area.

I think the numbers suggest we are going to have close to 10,000 new personnel over the next five years, primarily in the 4th I.D. move to that area.

But I would like to get a sense of the preparations that are being made and any interactions you are having with the local community and what we ought to know in Colorado as this change looms on the horizon, which, incidentally, we are very eager to see unfold.

Secretary GRONE. Well, certainly, at Fort Carson, the process as I described for other members in terms of the interaction between, in this case, the Army and local units of government continues. We are prepared to engage with the state and local governments at any time in the planning that is necessary to support forces.

One of the key and critical questions over time is not just—we are going through a fairly significant set of changes in relation to domestic infrastructure, and they are principally BRAC driven and they need to be done by a time certain, September 15, 2011. The long-term question is the sustainability of those assets which are now enduring assets for the long term.

And so the question of partnership and collaboration, certainly at the Federal level, but particularly with state and local government and non-governmental organizations—local land trusts and the like—on how to sustain installations over time, so that they are not just integral parts of the community but that their mission can be accomplished and accommodated over time—that is a key component of the forward planning and the forward thinking we are trying to give to the post-BRAC environment.

So the notion of—and certainly not all of it will be run out of OSD. An enormous amount of emphasis is put on the components and on local management at the garrison commander level to ensure that those relationships with the communities are strong enough and supportive enough over time to sustain those installations over the long term.

So I know the Army will probably be able to speak specifically about what they are doing with Fort Carson, but we view those

local relationships as a key component not just of BRAC implementation but of sustaining the installation for the future.

Mr. UDALL. Any other comments on that particular question?

I think that is a tremendous way to approach what I think are opportunities, and obviously not just the communities in Colorado but all around the country. Again, I just want to emphasize how eager we are to see this transformation take place in Colorado.

If I could go much farther afield, the status of forces agreement, the SOFA, that we have in Korea states that we wouldn't remediate land unless there are known imminent and substantial endangerment to human health and safety due to environmental contamination.

And I am curious how we are going to respond if the Republic of Korea continues its request for environmental standards at closed U.S. installations that exceed those agreed-upon by the SOFA.

Secretary HENRY. Well, I will start that, and maybe Secretary Grone has something to add to that. We do have the SOFA that lays out what the criteria is for turning over those sites. We think that that is operative.

We are in discussions currently with the government of Korea, who is a key ally of ours, and we are trying to come to an agreement on exactly what will be involved in the turnover. We think that we have a bottom line that we are given in the SOFA agreement, but we want to be able to do this on an amicable basis.

We are partners. We do have a common threat to the north that we are trying to address, and so you hit a point that is part of ongoing negotiations.

Mr. UDALL. Thanks again to the three of you for being here.

The CHAIRMAN. I thank the gentleman.

The gentleman from Pennsylvania, Mr. Shuster, is recognized for five minutes.

Mr. SHUSTER. Thank you, Mr. Chairman. Three times is a charm.

And thank you, gentlemen, for being here today.

As we begin to shift our bases around and better balance our forces around the world, I wondered, first of all, are we going to change the ratios of overseas-based assets versus CONUS-based assets? And that would be—personnel and I guess hardware would be two different numbers. Can you address that?

Secretary HENRY. Well, what we end up doing in some of these shifts—there is a significant shift in the European theater. It is, all told, in the neighborhood of 70,000 military are going to be coming back and being stationed from CONUS.

And their equipment sets largely would come back with them. We are putting forward more agile, lighter, what we believe transformational capabilities specifically in Europe with the Striker capability for the ground forces, and similar, a Striker capability in Korea.

There is a number of major aspects to global force posture. Many times people just look at the footprint or the infrastructure aspect of it. That is one. We have spoken in another question about the management of the force and how we do the rotation. There is also one of a military presence in the security cooperation we have.

Another critical one is pre-positioning, and so we are in the process of re-looking the pre-positioning based on the global force posture and our operating patterns. The Transportation Command is looking at some innovative ideas as we come to realize how we need to operate in a post–9/11 world that we are looking for new ways to be able to do that.

So this is all sort of a process—that is why I was a little hesitant about saying there is a specific end state, because each month we are learning there is new applications. There is new ways to think about the problem.

One of the things we have been very sensitive to is the fact that the taxpayer dollars that the Congress lets us use to be able to build this capability—that we make sure that we don't jump out ahead of ourselves and start to make investments that will not be able to be sustainable over a long term. So we go through a very careful scrub on that.

There will be a change in equipment sets as we bring some of those forces back. I guess another shift that we are seeing, and it was addressed in the QDR, especially one that has to do with the naval presence, is a shift toward the Pacific, where we look at—for the submarine force and carrier force, that we start to shift toward about like a 60 percent weighting in the Pacific.

Mr. SHUSTER. What presently percent of our troops are based abroad versus in CONUS, roughly?

Secretary HENRY. Yes, I am sorry, I can't give you the actual basing numbers. At any one time, in the current operations, we have in the neighborhood of 300,000 forces forward. But the majority of those are rotational. That percentage will become larger and larger, a rotational rather than a forward stationed.

One of the issues that are driving us there on the quality of life aspect is as we have this operations that we are doing in Iraq and Afghanistan, we have a double separation problem when we rotate troops from Europe, because they are home away from their support structure in the U.S., and then they rotate away from their families, so we are hoping to get away from that.

Mr. SHUSTER. And we are at war right now, I know, in Iraq and Afghanistan, but bases in Europe—what percentage are Europe and Japan and South Korea? What would you say in non-war time, what percentage would we have of our troops based abroad, 20 percent, 25 percent?

Secretary HENRY. Well, we have about 1.2 million people under arms, active duty, and close to a like number in the Reserve component. I believe we will be at about 25,000 in Europe, and I don't have the specific number in my head, but it will be a very small percentage that will be permanently forward.

Mr. SHUSTER. And two assumptions I have—maybe you can straighten me out if they are incorrect—is, one, it is less hardship if they are based in the United States; two, it is less expensive to base people here. Is that accurate?

Secretary HENRY. Yes, it is. There are some costs that tend to be higher, but the majority of costs that you are going to incur are going to tend to be lower. Some of the things—I just really want to emphasize the president has been the leader in looking and making sure that we look at quality of life of our service members.

Some of the benefits you get is not just the cost, but for the service member, they are stationed—they have longer tours of duty, somewhat of a homesteading in a certain geographical area. The spouse is able to have a longer term employment. They are able to have support mechanisms in the local community outside just the military community.

So as we have looked at this, we have made a real emphasis to make sure that we are actually improving the quality of life, much more stability, predictability in their professional life.

Mr. SHUSTER. I see my time has expired, but if I could ask one more question; it is actually a two-part question. One is the strategic ports that we went through a process a year, 18 months ago, and the strategic ports, agile ports, where are we in that process? Are we moving forward with that, is the first part of the question.

And the second is the Port of Philadelphia is one that—of course, the strategic ports. I believe DOD identified Philadelphia as well as several others around the country. Where are we in that process of utilizing those ports and what is the plan on utilizing them, first?

And second, are there any technological advancements in the transportation field—bigger aircraft, things we can sealift or airlift, use, that may be coming online to utilize in getting our troops to theater quicker if need be?

Secretary HENRY. Let me address the second part. That is the part I am knowledgeable on. The CONUS things—let me give that to Secretary Grone, if I can.

In the area of technology, we have a very capable force to meet our needs now, but we are seeing some new technologies coming on board. One is the high-speed surface ship that is able to move at 50 knots-plus. We are bringing those on board in the littoral combat ship.

But we are also looking at ways that we can use them for transportation modes and rapid resupply, plus the draft is significantly shallower, so that it is able to almost triple the number of ports that it is able to get into.

Transportation Command is looking at different technologies that will allow us—with the same precision that we deliver weapons, we would also be able to deliver logistics, airborne, so there are some technology demonstrations going on in that area.

And then there is a lot of—I don't know that it is necessarily technology, but in process and innovation, especially from the logistics support end. We have gone to what we call a joint distribution process owner, where Transportation Command oversees the process from the time it leaves the U.S. until it gets to the distribution point in theater. And that has given us remarkable savings.

Again, we really looked at the lessons from the Gulf War, where we put a tremendous amount of materiel over in theater, more than we needed, and a lot of it became stranded, and so to talk but, you know, being stewards of the taxpayers' money, that is a large area where we can do a better job, and we have been applying those lessons.

And technology is happening—another area significant in technology is the radio frequency identification tag, so that we are able to remotely know what materiel is in what boxes and to be able

to track that to have instantaneous knowledge of where something is in the process.

It is allowing us to move toward just-in-time inventory, not all the way to do that, because you can't do that with operations—a number of various technologies making a difference.

Secretary GRONE. And, sir, on the other part of the question, I frankly will have to get you an answer for the record. It is just not something I know immediately.

[The information referred to can be found in the Appendix beginning on page 66.]

Mr. SHUSTER. I would appreciate that.

Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired.

The gentleman from Washington, Mr. Larsen, is recognized.

Mr. LARSEN. Thank you, Mr. Chairman.

Thanks, gentlemen, for coming here. I am going to put my oar in the water on impact date as well, because it is a good—as you look at your report in July—I think you mentioned we will see something in July that looks at a variety of issues—the DOD contribution to the impact date budget, I think, has been pretty much static over the last 5 years.

It was after in 2001 where there was an effort to cut the DOD contribution, and many of us, in a bipartisan approach, opposed that, and was able to stop that cut.

So with 70,000 or so individuals, active duty individuals, coming home, presumably some with families, and presumably some of those—that is, some with spouses, presumably some of those with kids, they are going to have an impact, a larger impact, on our local schools that I believe I would argue that the DOD has an obligation to help the local schools pay for and not strictly put it on the backs of the local property taxpayers.

So I would hope that you would consider those thoughts as we move forward.

The second point I want to make or second set of things I want to discuss has to do with the estimates, the $9 billion to $12 billion estimate, because as you probably—if you are tracking what we are doing on the committee here, we have been looking at acquisition reform as well as a variety of other issues.

And one of the things that is really, I think, coming to a head sooner rather than later for many of us on this committee is a clash between weapons and warriors; that is, a choice here that is going to pit how we support our men and women in the military and their families versus what we do with major defense acquisition programs.

And we are starting to see some of those haircuts take place in the budget and the appropriations bills that we have addressed in the last couple years, and certainly the one we are taking a look at today.

So those costs are really starting to—I think we are really starting to see those costs get squeezed in the defense budget, which is why the GAO study here, of May 2006 on defense management, the unclassified summary, does bring up the question about the initial cost estimate of the $9 billion to $12 billion estimate.

In fact, in your testimony as well, you indicate that as negotiations with host nations progress, our global defense posture plans mature. This estimate, the $9 billion to $12 billion estimate, is, in fact, subject to change. Where necessary, the department revisits those plans, the posture plans, if cost-sharing with key host nations does not materialize.

I just want to get your thoughts on something that Delegate Bordallo and Representative Udall both brought up, when she said do we consider Guam—the master plan is not yet done on Guam.

So I would ask do those $9 billion to $12 billion cost estimates consider the outcome of the master plan for development on Guam for receiving Marines and the other things that we are doing there as well.

I am glad your both eager to answer this question.

Secretary HENRY. The answer is yes, it did consider it. We talked in there about what the exact cost was going to be. It is predicated upon what our negotiations are with host nations and third-party nations, and Guam is an excellent example.

We wouldn't have made the moves if we didn't have the participation from Japan, which is approaching 60 percent of the cost, as we did. That is an example.

As we go to look at what the specific lay-down will be in the implementation of the master plan in Central Command, a lot of that will have to do on host nation participation. So it does specifically make a difference.

Mr. LARSEN. On the issue of Japan at 60 percent of the cost, it is 60 percent of Guam?

Secretary HENRY. Of the Guam cost, yes, sir.

Mr. LARSEN. Which is what, how much?

Secretary HENRY. It is approaching $11 billion.

Mr. LARSEN. So then the other $4.5 billion is U.S. cost.

Secretary HENRY. Yes, and that is part of the—that is part of the $9 billion to $12 billion.

Mr. LARSEN. $9 billion to $12 billion.

Secretary HENRY. Yes. That has been factored in there.

Mr. LARSEN. Okay. But it is almost half of the $9 billion to $12 billion—well, it is half of the low-end estimate.

Secretary HENRY. Of the Guam, yes. Guam is the major——

Mr. LARSEN. Guam is half of the low-end estimate.

Secretary HENRY [continuing]. Is the major new investment in infrastructure that we will be doing as part of this.

Mr. LARSEN. Something that Congressman Udall addressed, as the light turns yellow, has to do with ongoing negotiations with the Republic of Korea, and it seems from his question and your answer that there is still some fungibility in that number. Would that be accurate?

Secretary HENRY. We wouldn't extrapolate it that far. There are discussions as far as what exactly are the environmental criteria for the turnover of the bases. From our perspective, we do not see that impacting in any significant way the cost of implementing global force posture.

Secretary GRONE. On the question of the master plan and the reliability of the cost estimates, the master plan is principally, although not exclusively, about siting and other issues.

As we are looking at the facility cost of moving Marines from Okinawa to Guam, in consultation and discussion with the government of Japan, a number of those assets—almost all of those assets do not currently exist on the island of Guam.

So you are fundamentally working with cost estimation procedures that we would use for it if we were building new MILCON. So I am quite confident about the cost estimation for the facilities piece of the move from Okinawa to Guam, because it is more or less along the standard process that we would use to cost estimate new facilities anywhere.

The master plan is an important part of that process, but it will not significantly alter the cost relationships. It is an overall master plan, integration of all the activities that have to go on on the island.

But in terms of whether or not the—because the master plan is not formally completed, that that means that the cost estimates are soft—I am not sure that I would extrapolate it that far.

Mr. LARSEN. Okay.

If I can just conclude, Mr. Chairman.

The reason I wanted to put those questions into some context is just to let you know—to give you some context to what we are hearing in other committee hearings from your colleagues in the Pentagon about some of the challenges we are going to be facing.

GAO was up here a few weeks ago. David Walker was up here a few weeks ago with an overall study about the defense budget and how it fits into the overall Federal budget.

There is going to be, at least according to GAO, some squeezes put upon the Pentagon budget and every other budget in the Federal Government.

And so, you know, I hate to say we are going to be looking at nickels and dimes, but it almost comes down to being sure that every dime spent is a dime well spent in the Pentagon budget.

Secretary HENRY. We couldn't agree with you more. We are very aware of that tension. We are also aware of cost growth that we don't have a—as added benefits are put on that maybe we don't get the same performance from, so those are things that we are concerned about.

But we understand the tension between, as you put it, the warrior and the weapons. We are very cautious of that. We are sensitive to the way that some of the European militaries have gone when they have skewed that investment in one direction and we think that maybe have overcompensated, and they really don't have the capability to get out there and to make a difference in the world.

So that is something we will have to work in partnership with the Congress on.

Mr. LARSEN. And I will just conclude by saying—and I am not bringing up these questions because I am opposed to the global posture realignment. I think it is a good idea. It is the right way to go. We have just got to watch it very closely.

The CHAIRMAN. The gentleman's time has expired.

The gentlelady from Michigan is recognized, Ms. Miller.

Mrs. MILLER OF MICHIGAN. Thank you, Mr. Chairman.

And I appreciate all of our witnesses today. I appreciate your service to our nation and I appreciate your patience waiting till those of us on the lower tier here get an opportunity to ask a question.

But it has been, I think, a fascinating hearing for me, listening to all of you talk about some of the various parts of your decision-making as you talk about re-basing and changing some of the—listening to Okinawa and Guam has been very interesting to me.

I mean, you have the Japanese who built those hangars apparently 20 years ago on Okinawa and now on Guam principally most of the investment is ours, I guess. So I think there is a lot, obviously, on your plate to consider when you are thinking about some of these things.

But with all the different various parts of that, first and foremost, of course, national security and strategically where we need to be and how we need to invest as we go into the transformation that Secretary of Defense Rumsfeld has articulated during the time that he has been there.

And so on a number of different things—obviously, cost as well, and I appreciate, Secretary Henry, your saying that Secretary of Defense Rumsfeld is constantly saying we need to be guardians of the taxpayers' dollars.

I would like to ask a specific question about Iceland. And perhaps you could flesh out for me a little bit about what went into our decision-making to get out of Iceland, how much generally we have spent in Iceland over the years. It has got to be billions and billions of dollars.

Certainly, it was a strategic critical component during the Cold War—no longer the case, and I am sure that all part of it. But what is going to happen to the troops that are there? Where are they sort of going to be going?

And what is going to happen to the inventory that is there? What happens with the infrastructure that is there? I would be interested to know a little more about Iceland, Reykjavik.

Secretary HENRY. Well, let me take that at a top line, and maybe the other two will want to amplify my remarks. We have a security agreement with Iceland from 1951, as we realized that we were going to need that capability in the Cold War.

And so that has driven a lot with the rapidity with which we have been able to change. The analysis basically looked at what the strategic situation was. Iceland does not have its own defense capability, so it in the past had relied on the United States.

We had a number of fighter aircraft out there to provide them air cover. We had some antisubmarine warfare capability due to the—during the Cold War the Soviets were going to have to come through that choke point of the Greenland-Iceland-United Kingdom area, so that was a very strategic area.

The world we find ourselves in today—it is not as important to have forces there permanently, so the change that we are making is that we are moving permanent forces out of Iceland. We will be bringing back all the transportable elements.

There is going to be infrastructure left there. That is part of the final negotiations we have with the government of Iceland as far

as determining—which are ongoing presently, determining exactly what the disposition of that is.

We are not leaving Iceland permanently. We are just taking out the permanent stationed forces. We plan on going back. It will be a security cooperation location, one of those that Admiral Sullivan talked to where we can fall in. We can do exercises from there, operate from there.

So we plan on a periodic basis going back and operating from there. It is just that we will not have permanent forces forward. But it is somewhat indicative of how the world has changed. It is also, for us—internally, in the process, it is indicative sometimes of how difficult it is, though, to generate change.

This has been an item of discussion between us and the Icelandic government for the last five years. And change for some of us that have been involved in it has been fairly slow in coming. But persistence and working with the host governments, we eventually get there.

Mrs. MILLER OF MICHIGAN. Shifting gears here, another question that I have—I sometimes think that we expect so much from the Army Corps of Engineers in so many ways, and of course they will be responsible in many ways for all of this construction capability that has got to be happening with the conversions of BRAC, with modularity, with overseas re-basing, et cetera.

We are got them down in the Gulf building a levee that has to withstand something that—Hurricane five and people that want to live under the sea level, and if it doesn't work, it is not God's fault, it is the Army Corps of Engineers' fault.

Do you have any comment on whether or not you think the Army Corps of Engineers is going to be able to handle everything that we have put before them?

Secretary GRONE. I think the short answer to that is yes. General Strock and General Temple and the Corps leadership have undertaken a very aggressive look at how to transform their organic business practices and, I might add, the Naval Facilities Engineering Command is doing similarly. The Air Force Civil Engineers are also positioning themselves for executing BRAC.

All of the construction—the two major construction agents in the department, the Corps and NAVFEC are looking aggressively at their organic business practices, how we do acquisition, how we think about design, how we think about engagement with the private sector to ensure cost schedule performance for the assets that we desire to acquire through this process.

And the Corps specifically has, in looking at their business processes—is of the firm belief that they can deliver facilities in 30 percent less time, 15 percent less cost, based on the changes that they are putting into place that will, I think, change the way in which we think about and how we do military construction in the components.

It is my personal observation, having sat as a member of the staff of this committee at the last round of BRAC, there was a lot of discussion in the department about how we would change the acquisition process, how we would change the MILCON process.

And a lot of our business practices were changed for the better in learning things from BRAC. And fundamentally, that didn't happen.

What I see in the department today is an interest from the construction side of the house as a business enterprise to look at the changes that are required in BRAC for global posture and other initiatives, to ask ourselves some very fundamental questions about how we are organized and how we conduct the business.

And so the context and the context of the secretary's ongoing transformation requirements, frankly, the pressures that exist fiscally in that environment, and just the desire to become more efficient and competitive and to be able to deliver product to the customer at lowest cost to the taxpayer is driving a lot of these business process changes.

And the Corps has situated themselves in a way where they are in a position, working with their sister services, to be able to execute the program, and I have very high confidence in that.

Mrs. MILLER OF MICHIGAN. Thank you very much, gentlemen.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentlelady for her questions.

And the gentleman from Mississippi is recognized for five minutes, Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Chairman.

I want to thank our witnesses for sticking around this long. My question is to Secretary Ryan. This weekend's Washington Post was, I thought, one of the most disturbing articles I have ever read about our nation's acquisition process.

It talks about not only the arming of the humvees but in particular the arming of our troops. It made some very strong allegations that the folks in Point Blank were given a sole source contract when other firms could have made the same product, and the more people you have making the same product, the quicker we could have got it to the troops.

It also has an allegation that in the course of this sole source contract, a guy by the name of David Brooks went from making a very respectable $570,000 a year in 2001 to $70 million a year in 2004.

Given the gravity of this article, I would like to ask you, as our policy director, what is your policy on sole sourcing when the troops need something that other people can make and need it in a hurry.

My second question is what is your policy on war profiteering? Apparently about 30 percent of the money we spent with this firm went into one man's pocket.

Secretary HENRY. Thank you, Congressman. Just like the committee structure up here on the Congress, you have different areas that you focus on. We do similar down in the department. We have five undersecretaries that work policy. I represent the one that works our international and security policy.

The area of acquisition comes under the under secretary for acquisition, technology and logistics, and so he would be the one that would specifically develop the policies that you refer to. Obviously, though——

Mr. TAYLOR. But if I may, Mr. Secretary, not just a few minutes ago I thought I heard you say that for all of you, that the big

boss—that would be Secretary Rumsfeld—said that you have to be guardians of the taxpayers' dollars.

Now, with this in mind, I would like to know—and I think I also heard you talk about getting the material to the troops as quickly as possible. So again, with this in mind, since you gave me, I think, that opening, I think this is a more than fair question.

And I would really prefer if you answer it instead of dodging it.

Secretary HENRY. If I might continue——

Mr. TAYLOR. Sure.

Secretary HENRY [continuing]. I just want you to understand that I am not the one that develops the policy or gives the secretary policy advice in this specific area. We do that in the area of international security. Nonetheless——

Mr. TAYLOR. The secretary is not here today, and the other guy is not here today. You are here today. I am asking you a direct question. I would very much like an answer.

Secretary HENRY. Nonetheless, I can tell you that the secretary does put out that we are stewards of the taxpayers' money. Obviously, there is no one in the Department of Defense that condones war profiteering.

We live and work with the individuals that are on the front lines. We very acutely feel our responsibility to give them the very best value we can.

We are human beings. And from time to time, individuals make mistakes. When they do, if they are culpable mistakes, then we have a disciplinary process or a legal process we take them through, and we do it, we think, as rapidly as the law will allow us.

So there is no one that I have ever come in contact with that comes anywhere close to condoning war profiteering.

In the area of sole sourcing, sometimes one has to make a decision of whether I want to get something to the troops rapidly or do I want to use a contract vehicle that I currently have in place or someone that can deliver it more rapidly.

There is a process by which we go through. Again, that is not something that falls under my area of responsibility, so I am not a subject matter expert on that. But I am aware that there is a process one goes through in making a decision on whether to sole source a contract.

That is subject to review from within the functional components within the Department of Defense. It is also subject to review from the inspector general. And it is also subject to review from congressional oversight.

Mr. TAYLOR. According to this article that DOD is now looking at a replacement for the Interceptor body vests——

Secretary HENRY. I am sorry I didn't——

Mr. TAYLOR. According to this article in Sunday's Washington Post, a very widely read publication, the first allegation is that Point Blank was given a sole source when, according to a former employee, a retired Marine lieutenant colonel by the name of McGee, said that roughly 20 companies in the country were qualified to make the Interceptor's outer vest.

Yet the time when the troops drastically needed this, they were given a sole source contract. The reason I think this is very current

is that according to this document, we are looking at a replacement for the Interceptor.

As we go through this competition, is that competition being written in a way so that when the product that is going to be purchased is determined, we can have multiple suppliers make this, or are we going to have the same mistake and rely on one person to make it and pretty well be at their mercy as to whether or not—when they feel like delivering it?

Secretary HENRY. Again, I do not have knowledge of the specific case which you are bringing up. I can talk to you about the way we approach things in the Department of Defense. And when it is feasible——

Mr. TAYLOR. For the record, I have asked the question. If you can't give me an answer today, I would like an answer for the record in a timely manner. That is a fair question to one of the undersecretaries of defense of this nation.

Secretary HENRY. We will get in touch with the people that are the subject matter experts and get back to you with an answer, Congressman.

[The information referred to can be found in the Appendix beginning on page 65.]

Mr. TAYLOR. For the record, what does this administration—what does our secretary of defense, Donald Rumsfeld, think constitutes war profiteering? What is the margin? Is a guy making $70 million a year on something the GI's have to have profiteering? I mean, what is the threshold?

I realize we want to encourage people to do things, and we are a free market economy. But I think this guy crossed that line.

Secretary HENRY. Well, we would believe that we have statutory laws in place that prohibit war profiteering. You used the number $70 million as being excessive. To me, the salary started at in 2001 of $500,000, to some of us that are government servants, seems to be excessive.

Mr. TAYLOR. Well, if I may, sir, that is an excellent point. So why were they then given a contract in 2001 when he was making $500,000 a year?

Secretary HENRY. Well, first of all, I would like to stipulate that I don't know the facts in that article are actually accurate. I am not familiar with them. That is one of the things we would like to get back to you on.

There might be another set of facts, you know. They are not held to the same standards of accuracy that we are when we do our investigations. So let us get back to you with the best information we have.

While I can't give you the specific answer, I can tell you that your gut feeling about this is an alignment not only with the secretary, not only with myself, but everyone that is there as a public servant or serving in uniform in the department.

And if something like that were to be happening, and someone were profiting to that extent, we would find it more than distasteful.

Mr. TAYLOR. Secretary Ryan, seeing as how my turnaround time with the Department of Homeland Security on profiteering related

to Hurricane Katrina is averaging about 120 days—so my question is what would be a fair amount of time to expect an answer on this.

Secretary HENRY. We will get back to—I will get back to you within a week of the best information we currently have available.

Mr. TAYLOR. Okay.

Secretary HENRY. Okay? That probably won't be perfect. It probably won't answer all your questions. We will give you the best response we can by the end of the week and give you an estimate of what it will take to give you a more definitive answer.

[The information referred to can be found in the Appendix beginning on page 65.]

Mr. TAYLOR. Thank you very much.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman for his questions.

I thank the witnesses for their appearance and for their diligence in staying for the entire time and for your service to the country. We have a number of questions that we will submit for the record that we would ask you to get back to us on.

I do have one question I would like to ask verbally, because there has been some rhetoric as we approach the election season that there is some secret plan to establish permanent military bases in Iraq.

So would whoever wants to answer tell us, are there any plans for a permanent military base in Iraq that you are aware of? And if so, would you detail and outline those plans for us today? Are there any plans for permanent military basing in Iraq?

Secretary HENRY. I can tell you from the point of view of the Department of Defense that we just have put in place in Iraq sovereign government. We think it would be premature to be starting to develop plans when we don't even have a government in place.

Just like we worked with the government of Afghanistan, they came forward and said that they would like to have a strategic relationship with us, at some point in the future the government of Iraq might feel similar, and we would enter into those discussions, and that the Congress would be witting of what we were doing.

To date, none of that has taken place. One of the tenets of our global force posture that the secretary laid out from the very beginning is we will not be somewhere that we are not wanted. And so that would hold true in Iraq also.

The CHAIRMAN. So the point is we—cut you to the chase—that there are no plans today to establish a permanent military base in Iraq, is that correct?

Secretary HENRY. I cannot tell you what every single individual in the Department of Defense is thinking or planning. I can tell you what officially gets done and what raises up to the level and what would come before the senior-level decision-making in the department. And nothing like that has come forward.

The CHAIRMAN. Do you have anything you want to add to that, Secretary Grone?

Secretary GRONE. No, sir. I am not aware of any plan.

The CHAIRMAN. I thank you.

Mr. TAYLOR. Mr. Chairman?

The CHAIRMAN. Yes.

Mr. TAYLOR. I think a fair follow-up question, if you would yield.

The CHAIRMAN. I will yield.

Mr. TAYLOR. To the panel, I remember visiting the troops in Bosnia, and almost everything that we constructed in Bosnia was made out of plywood—plywood movie theaters, plywood gymnasiums, plywood C-huts, plywood latrines.

And I think the message, you know, that—I was hoping the message to the people of that region was we are going to be here, we are going to take care of our guys, we are going to keep them warm in the winter, we are going to keep them cool in the summer, but you can see from this wooden construction this is temporary, we are not here forever.

Interestingly enough, when you visit the Balad Air Base, you see a lot of things being made out of concrete. Now, as somebody who is having to dabble with that himself, concrete is a lot more permanent than plywood.

So my question is is there a financial reason for doing this. Is, for some reason, concrete a heck of a lot cheaper in Iraq than it is in Bosnia, or is wood a heck of a lot more expensive in Iraq than Bosnia, or, to the gentleman's question, is it a sign of a permanence of the buildings?

Secretary HENRY. I think you will find that the—and you probably, in your travels, saw this, too—the security situation in Bosnia versus—the security situation and force protection needs are different in Iraq than they were in Bosnia.

The other issue is the Middle East can be a very difficult neighborhood. The Iraqis are going to need to be able to defend themselves when we leave. And so when we build, one of the things that we take into account is what will be the long-term use of that. And we want to have something that is going to be available and of us to the Iraqis.

I can't tell you what, again, every single individual does when they make a decision. I can tell you what the policy process has been and what the decision process has been at the Department of Defense and the Office of the Secretary of Defense. And that is the thought process—has gone into the facilities that we put in place.

The CHAIRMAN. Reclaiming my time—did the gentleman have a follow-up?

Mr. TAYLOR. I think Secretary Grone was hoping to say something, if you don't mind, Mr. Chairman.

The CHAIRMAN. Sure, go ahead.

Secretary GRONE. Just from the raw perspective of construction technique, the two cases are not comparable in the sense that what is locally available and what is sufficient for that particular environment is what generally we use.

As a matter of just expense, wood doesn't sustain itself well in the desert. It wouldn't sustain itself well at Balad. And concrete is comparatively cheaper.

Now, in many of these instances where we have had air strips, facilities and things that we have been building, even if we are using what is perceptually a harder, more permanent structure, the design of it is such that it is not as if we were building a similar facility back here in the states.

In many cases—and we have had these projects and repair projects come up where we have had air strips and air fields, where

we have had to come up for repair projects, seeking authority from the Congress to expend funds—because of the way in which they were originally designed, were intended to be temporary.

And as we have used them, they have required additional repairs as the mission continues. So I think it is a reasonable question to ask, but the technique itself is not necessarily——

Mr. TAYLOR. For the record, Mr. Grone, I would like to know what we are paying per cubic yard for concrete at the Balad Air Base. I know you are not going to know off the top of your head. I would like to know for the record.

Thank you, Mr. Chairman.

[The information referred to can be found in the Appendix beginning on page 65.]

The CHAIRMAN. The gentleman's request has been made.

Again, I want to thank you all for your appearance today and for your testimony, and we will look forward to the additional follow-up and response to questions that we will submit to you in writing.

With that, this hearing stands adjourned.

[Whereupon, at 12:31 p.m., the committee was adjourned.]

A P P E N D I X

JUNE 20, 2006

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

JUNE 20, 2006

OPENING REMARKS OF CHAIRMAN

Significant Force Realignments of the Department of Defense, including Beddown, Support, and other Costs/Requirements

June 20, 2006

The committee will come to order.

Today, the committee meets to receive an update on the Department of Defense's efforts to realign its forces around the world.

Over the past few years, the committee has conducted several hearings and received additional briefings on three of the most significant components of the Department's force realignment efforts – the global defense posture review, base realignment and closure, and the Army's transformation into a modular force.

Considering that each component of this realignment would be a significant effort in its own right, the Department of Defense has a daunting task ahead in attempting to implement all three parts over the same short period of time.

Today's hearing is an opportunity for the committee to review the Department's force realignment plans and to assess whether it is prepared to address the many resulting requirements of those plans.

Some such requirements are obvious – for instance, will bases and local communities need new schools, medical care, family housing, or military construction to support an influx of personnel resulting from force realignments? What are the federal and state government roles in providing for these needs?

Some requirements are less obvious – for instance, will the effect of having fewer personnel based in forward locations result in new mobility requirements for air- and sea-lift, or perhaps additional needs for pre-positioned equipment?

And of course, it goes without saying that the requirements flowing from the Department's force realignments will likely have substantial costs. Have such costs been fully thought through?

It is clear that the issues before the committee and the panel today are both significant and complex, so I look forward to hearing from our panel, which includes:

Honorable Ryan Henry
Principal Under Secretary of Defense for Policy

Honorable Philip W. Grone
Deputy Undersecretary of Defense for Installations and Environment

Rear Admiral William D. Sullivan
Vice Director for Strategic Plans and Policy, Joint Chiefs of Staff

Before we receive a statement from Mr. Henry, and any remarks each may have, let me first recognize the committee's ranking Democrat and my partner on this committee, the gentleman from Missouri, for any remarks he may wish to make.

[Following Mr. Skelton's remarks]

The entirety of our witnesses' prepared statements will be entered into the record.

Secretary Henry, the floor is yours.

Statement to the House Armed Services Committee

Ryan Henry
Principal Deputy Under Secretary of Defense for Policy

Philip Grone
Deputy Under Secretary of Defense for Installations and Environment

RADM William Sullivan
Vice Director, Strategic Plans & Policy, Joint Staff/J-5

June 20, 2006

Chairman Hunter, Representative Skelton, and distinguished members of the committee, we appreciate the opportunity to appear before you today to discuss the Department of Defense's continuing efforts to realign U.S. global defense posture.

Global Defense Posture Strategy

Mr. Chairman, the Administration's efforts to strengthen America's global defense posture will result in the most profound re-ordering of U.S. military forces overseas since the end of World War II and the Korean War.

Much of our in-place posture still reflects a Cold War structure – forward stationed forces configured to fight near where they are based. Now, nearly 16 years after the end of the Cold War, we know that the premises underlying our posture have changed fundamentally: our forces need to be able to rapidly project power into theaters that may be far from where they are based. Events like Operations ENDURING FREEDOM and IRAQI FREEDOM and the 2004 tsunami relief effort have confirmed this principle. In concert with the Administration's approval of the global defense posture strategy and President Bush's August 2004 announcement that the U.S. would begin its realignment effort, the Department has begun establishing a diverse network of relationships and capabilities better suited to contending with a dynamic and uncertain geo-political landscape.

Mr. Chairman, shaping this realignment strategy have been five key themes the Department uses to guide its thinking on force posture changes:

First is the need to strengthen allied roles and build new partnerships. We want to ensure that our allies and friends recognize that we are strengthening our commitment to secure common interests. Changes to our global posture aim to help our allies and friends modernize their own forces, strategies, and doctrines. We are exploring ways in which we and they together can transform our

partnership to best enhance our collective defense capabilities. At the same time, we seek to tailor our military's overseas "footprint" to address local conditions. Ultimately, we aim to ensure that our alliances and partnerships are affordable, sustainable, and relevant.

Second is the need to improve flexibility to contend with uncertainty. Much of our existing overseas posture was established during the Cold War, when we thought we knew where we would fight. Today, however, we are operating in places that few, if any, would have predicted. Thus, we should recognize the limits of our ability to predict future security challenges and plan in ways that mitigate surprise. Our goal is to have forces positioned forward on a continual basis in areas with access and facilities that enable our forces to reach any potential crisis spots quickly.

Third is creating the capacity to act both within and across regions. During the Cold War, we tailored our military presence to fight within specific regions. Now we are dealing with challenges that are global in nature, and our relationships and capabilities must address those challenges accordingly. NATO's International Security Assistance Force in Afghanistan is an excellent example of how our alliance is adapting to meet threats that lie beyond regional boundaries. Global force management allows us to adapt to these increasingly global challenges, relationships, and capability needs by establishing cross-regional priorities.

Fourth, we must develop rapidly deployable capabilities. Our forces must move smoothly into, through, and out of host nations, which puts a premium on establishing flexible legal and support arrangements with our allies and partners. We must also develop capabilities with global reach - such as expeditionary operational units like the Army's Stryker brigade combat teams, or the worldwide disposition of key prepositioned materials and equipment.

Finally, we need to focus on effective military capabilities, not numbers of personnel, units, or equipment. In the Cold War, the number of personnel in an administrative region was considered to be the most important indication of our ability to succeed in anticipated conflicts. But this is no longer the case. Capabilities matter, not numbers. We now can have far greater capabilities forward than in the past, with smaller numbers of permanently stationed forces.

Key Posture Changes and Implementation Status

Mr. Chairman, through implementation of our posture plans, we are reshaping our ability to support diplomacy and project necessary military power in and across all theaters. Many of these posture changes are already well underway.

Peace in Europe is no longer threatened by an enemy with tens of thousands of armored vehicles poised to invade across the North German plains. We no longer need heavy maneuver forces as the central element of our defense posture in Europe. Our future posture in the region will thus be characterized by lighter and more deployable ground capabilities that support NATO's own transformation goals, and by having leading-edge air and naval power and advanced training facilities.

Our presence in Europe will increasingly shift south and east in orientation. In Italy, we are transforming the 173rd Airborne Brigade in Vicenza and Commander, U.S. Naval Forces Europe is consolidating in Naples. We are strengthening ground and air rotations to Southern and Southeastern Europe. The United States has signed agreements with the Governments of Romania and Bulgaria that will allow the U.S. access to facilities and training sites in those countries as part of establishing the Eastern European Task Force (EETAF). These posture changes will allow for more rapid deployment to the Middle East, Africa, and other potential hot spots. Another major change will be the return of the two legacy maneuver divisions from Europe to the United States, replacing them with our transformational Stryker capability. In July 2005, we announced the return of eleven Army bases to Germany as part of plans for the redeployment of the 1st Infantry Division headquarters, scheduled to occur this summer. Redeployment of major elements of the 1st Armored Division is expected to occur in summer of 2007. To support future operations, however, we also are retaining our advanced mobility infrastructure in places like Ramstein in Germany.

In the Asia-Pacific region, we are improving our ability to meet alliance commitments by strengthening our deterrent against threats, such as that posed by North Korea, while helping allies strengthen their own military capabilities. We also seek to solidify relationships with newer partners who can help prosecute and win the Global War on Terrorism. We are building upon our traditional ground, air, and naval access in Northeast Asia to operate effectively throughout the theater. The forward deployment of additional expeditionary maritime capabilities and long-range strike assets in Alaska, Hawaii, and Guam will increase both our deterrent effect and our capacity for rapid response. We are consolidating facilities and headquarters in Japan and Korea to better enable regional and global action. Key to this effort is reducing the number of American forces in host nations where those forces abut large urban populations. Our plans also include developing access, logistical, and training arrangements and opportunities in Southeast Asia.

As is the case in Europe, implementation of our posture plans in the Asia-Pacific region is well underway. On the Korean peninsula, our planned enhancements are intended to strengthen our overall military effectiveness for the

combined defense of the Republic of Korea. Stationed forces are relocating away from the increasing congestion of the Seoul area and will be consolidated into two major hubs in the central and southern sections of the country. The first units to leave South Korea have already redeployed from the peninsula. We are planning for rotational and rapidly deployable combat capabilities such as Stryker units and air expeditionary forces to complement remaining permanently stationed units.

Over the past two years we have engaged with our Japanese hosts in a series of sustained security consultations aimed at strengthening the U.S.-Japan security alliance to better address today's rapidly changing global security environment. Through the Defense Policy Review Initiative, we have consulted with Japan on several important force realignment initiatives designed to improve our security relationship with Japan while strengthening deterrence and global flexibility. These changes will have far-reaching, beneficial impacts for the U.S.-Japanese alliance. Among these initiatives are the relocation of carrier air wing jet aircraft based on mainland Japan to facilities less encroached by surrounding communities, and a significant reduction and reorganization of the Marine Corps posture on Okinawa, to include relocating approximately 8,000 Marines and their approximately 9,000 dependents from Okinawa to Guam. The Government of Japan has agreed to fund a significant portion (approximately 60%) of the estimated facilities development costs associated with the Marine Corps relocation from Okinawa to Guam, as well as all costs associated with the relocation of U.S. forces within Japan.

In the Middle East, we seek to have a posture that strengthens our ability to prosecute the Global War on Terrorism and to assure allies and partners, but without unduly heavy military footprints. Cooperation and access provided by host nations during Operations ENDURING FREEDOM and IRAQI FREEDOM provide us with a solid basis for long-term, cooperative relationships in this region. Our posture also aims to strengthen our capabilities in other parts of the CENTCOM area of responsibility, including in the Horn of Africa and in Central Asia.

In Africa and the Western Hemisphere, our aim is to broaden relationships, build partnership capacity, obtain contingency access, and facilitate practical security cooperation activities, without creating new bases or permanent military presence.

Generally, our posture plans seek to consolidate facilities and headquarters for more streamlined command and control and increased jointness. We will retain critical Main Operating Bases (MOBs) where we have permanently-stationed operating forces, maintaining and upgrading key existing infrastructure at these locations. In addition, we are seeking strengthened access to two other types of facilities: Forward Operating Sites (FOSs), which are expandable "warm

facilities" for use by rotational forces and maintained with limited U.S. military support presence; and Cooperative Security Locations (CSLs), which are facilities with little or no permanent U.S. presence and maintained with periodic contractor or host-nation support. The use of and moderate investment in FOSs and CSLs will decrease the need for large supporting overseas infrastructure. In our changing world, diversified access is critical for enabling military activities and operations, especially in non-traditional areas.

Funding requested in the FY 2007 President's Budget for overseas changes supports many of the initiatives in our posture plans:

- Establishment of EETAF headquarters and rotational presence in Southeastern Europe;
- Transformation of the 173rd Airborne Brigade and Southern European Task Force (SETAF);
- Transformation of Army, Navy, and Air Force Headquarters in Europe;
- Establishment of a Stryker brigade in Germany;
- Consolidation and reduction of forces in Korea;
- Establishment of the ISR/Strike Task Force on Guam; and,
- Redeployment of Army units from Germany to the U.S.

The current cost estimate for implementing global defense posture realignment remains between $9-$12 billion. This estimate includes not only posture changes reflected in the FY 2007 President's Budget, but also accounts for other posture changes where individual estimates are still maturing through negotiations or updates to the plans, e.g.: further consolidations in Korea, Japan/Okinawa realignments, and the establishment of an airborne Brigade Combat Team in Alaska. As negotiations with host nations progress or as global defense posture plans mature, this estimate is subject to change.

Importantly, posture changes are subject to the same resource constraints as other defense initiatives. The Department carefully assesses the value-to-cost ratio of its posture plans because they compete for the same resources as other key DoD programs. Where necessary, the Department revisits those plans, for example, if cost-sharing with key host nations does not materialize.

Focused Attention to Quality of Life

The Secretary of Defense has made it a top priority to relieve the stresses on our military forces and their families. Accompanied overseas tours that were designed in an era of static deployments have become an increasing hardship for families as service members deploy more frequently from their forward stations. Changing the way in which we posture US forces globally was therefore driven in large part by our desire to keep faith with our people.

As President Bush has emphasized, the new global defense posture will have a positive effect on our military forces and their families. Rotations of our military forces into forward areas will be balanced by providing more stability at home, with fewer overseas moves and less disruption for families. Specifically, posture changes will help to address the issue of family members often finding themselves in states of "double separation" – separated both from the service member and from their loved ones and extended support networks back in the U.S. Additionally, our posture changes are phased over several years to help ensure qualify of life is sustained.

Planned changes to our posture also support Service initiatives aimed at keeping faith with our military personnel – such as the Army's modularity and unit rotation concepts, the Navy's Fleet Response Concept, and the Air Force's ongoing force management improvements. These initiatives, along with the Department's move to a global force management system, have been designed into the global defense posture strategy to help strengthen personnel management, provide greater predictability in scheduling, and offer more stability at home.

A Complex Undertaking

Mr. Chairman, this undertaking to strengthen U.S. global defense posture is incredibly complex. The global posture effort involves not only transforming our footprint of facilities overseas, but also strengthening our relationships and legal arrangements with key host nations, and dynamically managing our military activities to support security cooperation and contingency response through a global force management process.

Numerous supporting efforts are critical to transforming our global defense posture. These include: our consultations and negotiations with allies and partners, our continuous deliberations with Congress and the interagency, the Base Realignment and Closure (BRAC) process, and the implementation of the Service transformation initiatives described earlier. These processes are interdependent, each informing the others.

Notably, the BRAC 2005 process was fully informed by our posture realignment; the two processes are key, interdependent components of the administration's defense transformation agenda. This linkage is most relevant for the Army, which will be realigning fully one-third of its force structure due to relocations from implementation of the Army Modular Force initiative, BRAC, and global defense posture changes. Once complete, the Department expects more than $4 billion in annual recurring savings to accrue from BRAC, and another $1 billion from the BRAC-related global defense posture changes overseas. Additionally, BRAC implementation will maximize joint utilization of facilities at

locations like Guam by reducing overhead, improving cross-Service efficiencies, and facilitating joint training and operations. Through both BRAC and global defense posture realignment, the Department will shed assets amounting to approximately $45 billion in plant replacement value.

We conducted our global defense posture review thoroughly and deliberately. We collaborated with our interagency partners through broad, sustained deliberations – particularly with the State Department – early in the process. We also have consulted extensively with our allies and partners to incorporate their views, beginning in December 2003 and continuing on a sustained basis since then.

Mr. Chairman, we also have regularly briefed Members of Congress and personal and committee staffs throughout the review and implementation of posture changes, with over 50 such briefings from July 2003 to present. Secretary Rumsfeld, the Combatant Commanders, and others have all testified on our posture realignment effort. Additionally, we provided a detailed Report to Congress in September 2004, followed by submission of comprehensive master plans for changing infrastructure requirements at overseas facilities in 2005 and 2006. Most recently, we provided you another report in response to an FY2006 National Defense Authorization Act reporting requirement, providing cost and negotiations updates and insights into our decision-making criteria for posture changes.

Our global defense posture strategy truly is a complex endeavor. We are implementing aspects of global defense posture realignment or its supporting processes every day across the Department of Defense – in the Office of the Secretary of Defense, the military Services, the Combatant Commands, the Joint Staff, and other areas – and in the Department of State. This activity is overseen by the senior civilian and military officials of the Departments of State and Defense, including by Secretary Rumsfeld. These efforts are integrated and managed systematically and at the highest levels of government.

Conclusion

The Department appreciates this Committee's vision and support as we seek to transform our defense relationships, presence, and footprint overseas to better contend with uncertainties in the new strategic landscape.

We will continue to consult with Members of Congress and their staff and will further seek your support as we work to implement these far-reaching and enduring changes to strengthen America's global defense posture.

QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD

JUNE 20, 2006

QUESTIONS SUBMITTED BY MR. SAXTON

Mr. SAXTON. I guess what I am curious about is the type of—what kind of input did we get from combatant commanders in arriving at the decision to use this formula? And on the CONUS side—let me just ask these both and then let you guys answer them. On the CONUS side, I understand that we have a concept where we will employ six new power projection platforms, and I am not quite sure that is the right word or the right title.

And the reason that I am, of course, interested in this is that Fort Dix may very well be one of them, and I wondered if you would describe the concept and give us your thoughts on that subject as well.

Secretary GRONE. [The information was not available at the time of printing.]

QUESTIONS SUBMITTED BY MR. REYES

Mr. REYES. I wanted to make concerns the base operating support budget, because we are seeing this year a shortage of funds, and as all of you probably know, this committee took exception with the Army funding at just 69 percent in the current funding cycle.

But the concerns are besides affecting critical services for military members and their families, the shortfall is having a major impact on the post's ability to accommodate the influx of troops. This shortfall is coupled with an ongoing hiring freeze.

And so I am hoping that you, Secretary Grone, can enlighten us on how you are working to ensure that the bases have both the personnel and the funds that they need to plan for the troops coming in from overseas.

Secretary GRONE. [The information was not available at the time of printing.]

QUESTIONS SUBMITTED BY MR. KLINE

Mr. KLINE. So the bases on Okinawa would still be the same? You would have Fatima and Hansen and Schwab? Would all the bases still be there, there would just be fewer Marines on them, or what would that look like? And we would end up, generally speaking, with exactly the same number of bases that we have there now?

Secretary HENRY. [The information was not available at the time of printing.]

QUESTIONS SUBMITTED BY MR. HAYES

Mr. HAYES. What steps are being taken to particularly meet the needs of the school requirements? Are any funds available overseas to be reprogrammed for DODEA or school needs such as Impact Aid?

Secretary HENRY. [The information was not available at the time of printing.]

QUESTIONS SUBMITTED BY MR. TAYLOR

Mr. TAYLOR. As we go through this competition, is that competition being written in a way so that when the product that is going to be purchased is determined, we can have multiple suppliers make this, or are we going to have the same mistake and rely on one person to make it and pretty well be at their mercy as to whether or not—when they feel like delivering it?

Secretary HENRY. [The information was not available at the time of printing.]

Mr. TAYLOR. I would like to know what we are paying per cubic yard for concrete at the Balad Air Base? I know you are not going to know off the top of your head. I would like to know for the record.

Secretary GRONE. [The information was not available at the time of printing.]

QUESTIONS SUBMITTED BY MR. SHUSTER

The Port of Philadelphia is one that—of course, the strategic ports. I believe DOD identified Philadelphia as well as several others around the country. Where are we in that process of utilizing those ports and what is the plan on utilizing them, first? And second, are there any technological advancements in the transportation field—bigger aircraft, things we can sealift or airlift, use, that may be coming online to utilize in getting our troops to theater quicker if need be?

Secretary GRONE. [The information was not available at the time of printing.]

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