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HEARING

ON

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2010

AND

OVERSIGHT OF PREVIOUSLY AUTHORIZED PROGRAMS

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

FULL COMMITTEE HEARING

ON

BUDGET REQUEST FROM THE DEPARTMENT OF DEFENSE

HEARING HELD
MAY 13, 2009

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FISCAL YEAR 2010 NATIONAL DEFENSE AUTHORIZATION ACT—BUDGET REQUEST FROM THE DEPARTMENT OF DEFENSE

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, May 13, 2009.

The committee met, pursuant to call, at 10:03 a.m., in room 2118, Rayburn House Office Building, Hon. Ike Skelton (chairman of the committee) presiding.

OPENING STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. Ladies and gentlemen, we welcome you to today's hearing to review the budget request of the Department of Defense for fiscal year 2010.

Appearing before us today are the Secretary of Defense, Honorable Robert M. Gates, and the chairman of the Joint Chiefs of Staff, Admiral Michael G. Mullen.

We welcome you and appreciate your service and your being with us. Good to see you.

Let me take a moment to thank you for what you are doing for our Nation. I am sure I speak for all the members of this committee when I express the respect, the admiration and appreciation that we have for both of you.

You are doing a fantastic job for the young men and young women in uniform. We thank you for your service.

There is always something special about the annual budget request hearing. It is symbolic of the principal of the separation of powers, and it signals the start of a very important process.

Congress will give due consideration to this request from the executive branch and we will work with you to make sure that it reflects the national security priorities correctly.

The challenges before us are great, and we have two wars to fight and to win. We have the spread of violent extremism to roll back. We have what seems to be an ever increasing array of new challenges to deal with from high-tech cyber attacks to old-fashioned pirates.

Last Thursday, President Obama submitted his budget request, which includes $533 billion for the Department of Defense, which represents an increase of 4 percent from last year.

These are tough economic times. Everyone knows that. And so I am encouraged to see some modest growth in the defense spending, even as the President attempts to strike a fiscally responsible balance.

Still, I expect that we will find that the Department of Defense will have serious and compelling unmet requirements. It will be incumbent upon us to recognize them and mitigate the risks that they represent.

But before we talk about that, first, let me commend you on delivering a bold product. Back in April, you said you would reorient the Department of Defense's strategic posture toward what you perceive as the most pressing needs—the wars we are fighting today and hybrid or irregular wars of tomorrow—all while retaining the superiority of our conventional, on the one hand, and strategic forces, on the other.

That is not an easy task. And while I have some questions about your underlying assumptions, I applaud your effort.

I am especially pleased to see that even as you do begin this process of reorientation, you have remained focused on the most critical component of our national security—our people. And I think the news media misses that.

I think it is important and I am sure that you will point that out today, taking care of the people and the troops and their families.

An increase of 8.9 percent in the military personnel accounts, 2.9-percent pay raise, all these are important examples of taking care of the service members and their families.

You also have—you fully funded the defense health program, have not tried to reduce health care costs by raising TRICARE fees.

The question that now faces us is what approach will the Department of Defense take to address the growing cost of providing health care.

I remain concerned about the current readiness of our forces. Continuous combat operations over the past seven years have consumed readiness as quickly as it has gained.

Repeated deployments, with limited dwell time, have reduced the ability of the forces to train across the full spectrum of conflict, putting the Nation at risk.

Equipment shortfalls hinder the force's ability to train for and respond to other contingencies.

In spite of this, the fiscal year 2010 budget, operation and maintenance request, basically leaves training at a steady state, in the case the Army tank miles reduces funding.

I also worry about the ability of the Navy to rebuild their fleet. The fleet today is as small as it has been since the beginning of World War II.

For the last few years, we have heard that the Navy's goal was at least 313 ships. Every year, there is a plan which shows increased ship construction in later years. Every year, those increased construction plans shift even further to the right.

Today, we have before us a request for the construction of nine ships, but see no plan for future construction to guide our deliberations.

It is not just ships that concerns me. It is very concerning that the Navy and Marine Corps strike-fighter shortfall is with us and when I do my math, simple arithmetic tells me that the Navy and the Marine Corps will be some 300 strike-fighters short in the middle of next decade.

On a more positive note, the request for missile defense provides our warfighters with real capabilities to meet the real threats faced by our country as deployed forces and as friends and our allies.

It increases funding for the Aegis ballistic missile defense and the terminal high altitude area defense systems by some $900 million, and also increases funding for testing facilities.

Regarding the wars we are fighting today, it is good to see a renewed focus on the challenge of Afghanistan and Pakistan. The President's new strategy for this region is well considered and supported here in Congress.

Still, we do have some questions about it, especially in light of the leadership decision that you announced Monday. Now, you may wish to touch on that today.

What are you going to need to get the job done? How are you going to go about it? Above all, how are you going to know if you have succeeded?

Let me return for a minute to your attempt to reorient the strategic direction of the department. I know you have said that only about 10 percent of this budget represents funding for those new capabilities, while 50 percent goes toward additional war fighting needs and the remaining 40 percent of the budget supports dual-purpose capabilities that work in any scenario.

But how do we get there?

I repeatedly took the last administration to task for lacking an overall strategy, and I have been encouraging the Obama Administration to begin a holistic process of developing one.

I need not go through the litany, which you have heard me before talk about how President Truman came up with an overall strategy and how President Eisenhower followed in the same footsteps.

On top of that, we have heard that you have postponed some decisions until report of this year's quadrennial defense review (QDR), which will be released early next year.

So help us understand the analysis you used to come up with this budget. We understand that those things deferred to the QDR need more analysis, but what about the decisions that were made now? And I hope you will touch on that, Mr. Secretary.

Last, I would like to make two quick points. The first is to note that Congress still has significant concerns regarding the planned move of the Marines from Okinawa to Guam. At over $10 billion, it is an enormous project and I am concerned that the thinking behind it is not yet sufficiently mature.

We need to do this, but this move needs to be done right. We can't undo what we have done, and that is why we need to do it right in the first place.

The second is I would like to commend President Obama and you, Mr. Secretary, for your commitment to close the detention facility at Guantanamo and to review the legal process for bringing accused terrorists to justice.

Please take a moment today hopefully to tell us where that review effort stands and what plan there is for detainees.

Before I turn to my friend, my colleague, Mr. McHugh, John McHugh of New York, who is the ranking member of our committee, let me make a few quick administrative announcements.

We will rigorously adhere to the five-minute rule. We have nearly everyone here today and it is important that we do our very best so that everyone can ask questions.

We are starting today, we will have a noon short recess for approximately 30 minutes. The Secretary and the Admiral must leave at three o'clock this afternoon.

So that is why we must do our best to adhere to the five-minute rule. Of course, it goes without saying, there will be no outbursts or disruptive behavior from the gallery at any time.

So, John McHugh, you are on.

STATEMENT OF HON. JOHN M. MCHUGH, A REPRESENTATIVE FROM NEW YORK, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. MCHUGH. Thank you, Mr. Chairman. And thank you for your leadership, particularly for lunch. I know I speak for all the members. That is not something we normally schedule in and it sounds a bit flippant, but I am sure all of us appreciate that.

I want to add my words of welcome to our most distinguished guests. I have said before, and I know we all believe very strongly, we are blessed as Americans to have such incredibly brave and sacrificing, in large measure, young men and women in uniform serving our interests across the planet.

But they become that way because of great leadership, and we have with us today two truly great leaders, the head of our military on both the military and the civilian side.

And I have found ups and downs with some of the things the new Administration has done. I have supported a lot of what they have attempted to do, but, clearly, in my judgment, two of the wisest decisions that are made is to keep these two gentlemen endeavoring on behalf of our United States military.

And I agree with you, Mr. Chairman, we are indeed fortunate that they are with us and endeavoring so hard in all of our interests.

As I have mentioned before, balancing has become a buzzword of late. It appears in Secretary Gates' very popular article in Foreign Affairs magazine, and it is really what I think can be fairly described as the animating principle behind the 2008 national defense strategy.

Certainly, balancing is not only unobjectionable, it is a good idea. I think it is important to note it is a lot easier to say than it is to do. And I guess the rub, gentlemen, is how we implement that balance, and that is where we do find ourselves today, of course, as we consider the president's fiscal year 2010 budget request.

Just over a month ago, Mr. Secretary, at your April 6 press conference, you took what you described as the "unorthodox," your word, I would agree, approach of announcing the department's request in advance of the President's budget going to the Congress.

This was done on the grounds that, in your description, you were reshaping the priorities of America's defense establishment.

As the chairman noted, that, too, as an objective, is certainly not objectionable and, in fact, has much that holds it for praise. But some of what you proposed, I think, can widely be agreed is appropriate, in particular, your efforts to make the entire department

focus on and contribute to the wars we are in today, your careful stewardship of the wars in Iraq and Afghanistan, are highly commendable.

But that said, as the chairman indicated in his statement, we are all interested in your decision to have Lieutenant General Stanley McChrystal and Lieutenant General David Rodriguez lead our efforts in Afghanistan, and I know many of us look forward to hearing your comments on that decision during this hearing.

Mr. Secretary, it is the tradeoffs that come along with your April 6 announcement that give me, certainly, some concern. They were bold, they were dramatic. You heard the chairman's commendation for that quality.

The programmatic and funding decisions in the budget, according to your prepared remarks at that press conference, were the product of a holistic assessment of capabilities, requirements, risks and needs for the purpose of shifting the department in a different direction.

Now, it is undeniable you are taking the department in a different direction. The problem, Mr. Secretary, is, from my perspective, the Congress really hasn't had yet the benefit of reviewing the analysis and data to determine how those decisions will take the department in the best direction possible.

In the view of many, this budget process has really not been holistic. The delayed release of the budget request, the infamous prohibition on providing briefs to Congress ahead of that release, and the absence of a future years defense program has left an undeniable vacuum of analysis and justification.

Sadly, those circumstances help breed the very conclusion I suspect you wanted to avoid, that this proposal is a series of decisions whose only unifying theme is the aggregate fits within the top line.

I hope we today can help dispose of some of these serious questions, because, as I said, Mr. Secretary, I know that was not your intent.

I know there is going to be discussion that any effort to try to add back portions of this budget will be dismissed as simply the Congress attempting to protect big ticket defense programs. But I do think that perspective overlooks what gives many solid grounds for legitimate pause on some of these specifics.

Importantly, the rationale offered for those proposals in April were not simply cuts to particular platforms, but there were major reductions to military requirements, as well.

Longstanding assumptions about the capabilities needed to hedge against the risks we face were holistically changed. By way of example, we were told last month that additional F–22s are not required and, beyond that, the Air Force and Navy now require fewer strike-fighters to accomplish their missions under the national military strategy.

Another example, the quadrennial roles and missions report, which made intra-theater lift a key focus in January of this year, has now become a requirement, apparently worthy of cuts in April 2009, less than four months later.

Conversely, the budget funds other capabilities that are not yet formally validated requirements, such as the replacement for the

Ohio class ballistic missile submarine and the *Ticonderoga* class cruiser.

As we all know, Congress has a mandated process for attempting to reform and alter and restructure the requirements and capabilities of the department. That process, of course, is the QDR, the quadrennial defense review.

The very significant changes in this request not only occurred outside the QDR process, but arrived at our door without a commensurate level of analysis or intellectual rigor.

This committee has emphasized the need for this type of analysis. In the fiscal year 2008 National Defense Authorization Act (NDAA), we required the chairman of the Joint Chiefs of Staff to establish and assign priority levels for joint military requirements.

These decisions seemed to be have been made outside that process. And the questions that arise out of all of this are simply these.

Did the world change so much since the last QDR that we are somehow at less risk and require less capability?

Can we really say that the threat of nuclear missile proliferation is now lower than it was four years ago to warrant such significant reductions to missile defense?

Are we so confident in our diplomatic efforts with Iran and North Korea that we can afford a nearly 90-percent cut in the European missile defense and a 35-percent cut to our U.S. missile defenses in Alaska and California?

Some of us, to say the least, are dubious. I worry we are tying both our arms behind our backs by reducing our defensive capabilities, while also reducing our nuclear forces, as the Administration plans to do in the context of the strategic arms reduction treaty (START) currently negotiating with Russia.

As President Reagan quipped, "Trust, but verify."

Your distinguished record, Mr. Secretary, has earned our trust, but you have not yet given us the analysis and the background that we need to verify those decisions.

That leads me back to where I started, and that is at the top line in this budget. This budget is not a four-percent increase. At best, it is treading water. In real terms, it is a two-percent increase. And when you consider the migration into the base budget of items previously funded in the supplemental, the growth is closer to one percent.

In an environment of bailouts and stimulus packages, when the federal budget has a $634 billion placeholder for health care without a program for spending the money, the message seems to be fiscal restraint for defense and fiscal largess for everything else.

I think we can do better. That is our job, as the chairman noted.

I would, Mr. Chairman, ask that the rest of my statement be entered in the record in its entirety.

And just let me close by saying this. There is much that commends this proposal we have before us, with little time to do the analysis we need. That said, we stand ready to work with the Administration and, of course, as always, with you and the other members of the committee, Mr. Chairman, in doing the best we can by the men and women in uniform who serve us so ably and who these two gentlemen work so hard day in and day out to try to better the lives of.

So with that, Mr. Chairman, I will yield back, and I look forward to the questions and answers.

The CHAIRMAN. Without objection, your statement is placed in the record in total.

Let me announce that I am told there will be one vote on the rule at 11:15. We will make that a very, very quick turnaround and, hopefully, everyone can be back in their seats immediately after that.

We are pleased to have Secretary Gates, Secretary of Defense, with us today, and Chairman of the Joint Chiefs of Staff, Admiral Michael Mullen, to testify before us.

The comptroller, Bob Hale will be here for questions, as I understand it.

With that said, we look forward to your testimony, Mr. Secretary.

STATEMENT OF HON. ROBERT M. GATES, SECRETARY OF DEFENSE

Secretary GATES. Thank you, Mr. Chairman.

Mr. Chairman, Representative McHugh, members of the committee, thank you for inviting me to discuss the details of the President's fiscal year 2010 defense budget.

There is a tremendous amount of material here and I know you have questions, so I will try to keep my opening remarks brief and focus on the strategy and thinking behind many of these recommendations.

My submitted testimony has more detailed information on specific programmatic decisions.

First and foremost, this is a reform budget, reflecting lessons learned in Iraq and Afghanistan, yet also addressing the range of other potential threats around the world now and in the future.

As you may know, I was in Afghanistan last week. As we increase our focus there and refocus our efforts with a new strategy, I wanted to get a sense from the ground level of the challenges and needs so that we can give our troops the equipment and support to be successful and come home safely.

Indeed, listening to our troops and commanders, unvarnished and unscripted, has, from the moment I took this job, been the greatest single source for ideas on what the department needs to do both operationally and institutionally.

As I told a group of soldiers on Thursday, they have done their job. Now, it is time for us in Washington to do ours.

In many respects, this budget builds on all the meetings I have had with troops and commanders and all that I have learned over the past 2.5 years, all underpinning the budget's 3 principal objectives.

First, to reaffirm our commitment to take care of the all volunteer force, which, in my view, represents America's greatest strategic asset.

As Admiral Mullen says, if we don't get the people part of this business right, none of the other decisions will matter.

Second, to rebalance this department's programs in order to institutionalize and enhance our capabilities to fight the wars we are in and the scenarios we are most likely to face in the years ahead,

while, at the same time, providing a hedge against other risks and contingencies.

And, third, in order to do this, we must reform how and what we buy, meaning a fundamental overhaul of our approach to procurement, acquisition and contracting.

From these priorities flow a number of strategic considerations, more of which are included in my submitted testimony.

The base budget request is for $533.8 billion for fiscal year 2010, a 4-percent increase over the 2009 enacted level. After inflation, that is 2.1-percent real growth.

In addition, the department's budget request includes $130 billion to support overseas contingency operations (OCO), primarily in Iraq and Afghanistan.

I know that there has been discussion about whether this is, in fact, sufficient to maintain our defense posture, especially during a time of war.

I believe that it is. Indeed, I have warned in the past that our Nation must not do what we have done after previous times of conflict and slash defense spending.

I can assure you that I will do everything in my power to prevent that from happening on my watch.

This budget is intended to help steer the Department of Defense toward an acquisition and procurement strategy that is sustainable over the long term, that matches real requirements to needed and feasible capabilities.

As you know, this year, we have funded the cost of the wars through the regular budgeting process as opposed to emergency supplemental. By presenting this budget together, we hope to give a more accurate picture of the costs of the wars and, also, create a more unified budget process to decrease some of the churn usually associated with funding for the Defense Department.

This budget aims to alter many programs and many of the fundamental ways that the Department of Defense runs its budgeting, acquisition and procurement processes.

In this respect, three key points come to mind about the strategic thinking behind these decisions.

First of all, sustainability. By that, I mean sustainability in light of current and potential fiscal constraints. It is simply not reasonable to expect the defense budget to continue increasing at the same rate as it has over the last number of years.

We should be able to secure our Nation with a base budget of more than $0.5 trillion, and I believe this budget focuses money where it can more effectively do just that.

I also mean sustainability of individual programs. Acquisition priorities have changed from Defense Secretary to Defense Secretary, Administration to Administration, and Congress to Congress.

Eliminating waste, ending requirements creep, terminating programs that go too far outside the line, and bringing annual costs for individual programs down to more reasonable levels will reduce this friction.

Second, balance. We have to be prepared for the wars we are most likely to fight, not just the wars we have traditionally been

best suited to fight or threats we conjure up from potential adversaries who, in the real world, also have finite resources.

As I have said before, even when considering challenges from nation states with modern militaries, the answer is not necessarily buying more technologically advanced versions of what we built, on land, in the air or at sea, to stop the Soviets during the Cold War.

Finally, there are the lessons learned from the last eight years on the battlefield and, perhaps just as importantly, institutionally back at the Pentagon.

The responsibility of this department, first and foremost, is to fight and win wars, not just constantly prepare for them.

In that respect, the conflicts we are in have revealed numerous problems that I am working to improve, and this budget makes real headway in that respect.

At the end of the day, this budget is less about numbers than it is about how the military thinks about the nature of warfare and prepares for the future; about how we take care of our people and institutionalize support for the warfighter for the long term; about the role of the services and how we can buy weapons as jointly as we fight; about reforming our requirements and acquisition processes.

I know that some of you will take issue with individual decisions. I would ask, however, that you look beyond specific programs and instead at the full range of what we are trying to do, at the totality of the decisions and how they will change the way we prepare for and fight wars in the future.

As you consider this budget and specific programs, I would caution that each program decision is zero sum. A dollar spent for X capabilities excess to our real needs is a dollar taken from a capability we do need, often to sustain our men and women in combat and bring them home safely.

Once again, I thank you for your ongoing support of our men and women in uniform.

I look forward to your questions.

[The prepared statement of Secretary Gates can be found in the Appendix on page 77.]

The CHAIRMAN. Mr. Secretary, thank you.

Admiral Mullen.

STATEMENT OF ADM. MICHAEL G. MULLEN, USN, CHAIRMAN, JOINT CHIEFS OF STAFF

Admiral MULLEN. Mr. Chairman, Mr. McHugh, distinguished members of this committee, thank you for the opportunity to appear before you today.

Let me start off by saying I fully support not only the president's fiscal year 2010 budget submission for this department, but more specifically, the manner in which Secretary Gates developed it.

He presided over a comprehensive and collaborative process, the likes of which, quite frankly, I have not seen in more than a decade of doing this sort of work in the Pentagon.

Over the course of several months and a long series of meetings and debates, every service chief and combatant commander had a voice and every one of them used it.

Now, normally, as you know, budget proposals are worked from the bottom up, with each service making the case for specific programs and then fighting it out at the end to preserve those that are most important to them.

If cuts are to be made, they are typically done across the board, with the pain shared equally.

This proposal was done from the top down. Secretary Gates gave us broad guidance, his overall vision, and then gave us the opportunity to meet it.

There would be no pet projects, nothing held sacred. Everything was given a fresh look and everything had to be justified.

We wouldn't cut for the sake of cutting or share the pain equally for doing that, as well.

Decisions to curtail or eliminate a program were based solely on its relevance and on its execution. The same can be said for those we decided to keep.

I can tell you this—none of the final decisions were easy to make, but all of them are vital to our future.

It has been said that we are what we buy, and I believe that. And I also believe that the force we are asking you to help us buy today is the right one both for the world we are living in and the world we may find ourselves living in 20 to 30 years down the road.

This submission before you is just as much strategy as it is budget, and let me tell you why.

First, it makes people our top strategic priority. I have said many times and remain convinced the best way to guarantee our future security is to support our troops and their families.

It is the recruit and retain choices of our families and, quite frankly, American citizens writ large, that will make or break the all volunteer force.

They will be less inclined to make those decisions should we not be able to offer them viable career options, adequate health care, suitable housing, advanced education, and the promise of a prosperous life long after they have taken off the uniform.

This budget devotes more than a third of the total request to what I would call the people account, with the great majority of that figure, nearly $164 billion, going to military pay and health care.

When combined with what we plan to devote to upgrading and modernizing family housing and facilities, the total comes to $187 billion, $11 billion more than we asked for last year, and almost all of that increase will go to family support programs.

I am particularly proud of the funds we have dedicated to caring for our wounded. There is, in my view, no higher duty for this Nation or for those of us in leadership positions than to care for those who have sacrificed so much and who must now face lives forever changed by wounds, both seen and unseen.

I know you share that feeling and I thank you for the work you have done in this committee and throughout the Congress to pay attention to these needs. And I would add to that the families of the fallen.

Our commitment to the wounded and their families and to the families of the fallen must be for the remainder of their lives.

That is why this budget allocates funds to complete the construction of additional wounded warrior complexes, expands the pilot program designed to expedite the processing of injured troops through the disability evaluation system, increases the number of mental health professionals assigned to deployed units, and devotes more resources to the study and treatment of post-traumatic stress and traumatic brain injuries.

I remain deeply troubled by the long-term effects of these signature wounds of modern war and by the stigma that still surrounds them.

Last month, during a town hall meeting with soldiers at Fort Hood, Sergeant Nicole Sufman, an Operation Iraqi Freedom (OIF) veteran, told me they were not getting enough psychological help before and after deployments.

I told her I thought she was right and that we were working hard to meet that need. She shot back, "They are hiding it, though, sir," referring to the reluctance of soldiers and families to speak openly about mental health problems.

Then she added, "It is the cause of a lot of suicides, I would imagine." And I would imagine she is right.

I have long believed that the stress of multiple deployments and the institutional pressure, real or imagined, to bear this stress with a stiff upper lip is driving some people to either leave the service or leave this life.

It can also drive them to hurt others, as this week's tragic shooting in Baghdad appears to confirm. In fact, General Lynch out there at Fort Hood doesn't talk about suicide or crime prevention. He talks about stress reduction.

That is where our collective focus must be, as well, not just from the mental health perspective, but across the force, in a variety of ways.

After nearly eight years of war, we are the most capable and combat-experienced military we have ever been, the best I have ever seen; certainly, without question, the world's best counter-insurgency force.

After all this success, we are pressed and still lack a proper balance between Operations Tempo (OPTEMPO) and home tempo, between Counter Insurgency (COIN) capabilities and conventional capabilities, between readiness today and readiness tomorrow.

And that, Mr. Chairman, is the second reason this budget of ours acts as a strategy for the future. It seeks balance. By investing more heavily in critical enablers, aviation, special forces, cyber operations, civil affairs, language skills, it rightly makes winning the wars we are in our operational priority.

By adjusting active Army Brigade Combat Team (BCT) growth to 45, it helps ensure our ability to impact the fight sooner, increase dwell time sooner, and reduce overall demand on our equipment.

And by authorizing Secretary Gates to transfer money to the Secretary of State for reconstruction, security or stabilization, it puts more civilian professionals alongside warfighters in more places like Iraq and Afghanistan.

Having just returned from a trip to Afghanistan, I can attest to the critical need for more civilian capacity. I was shocked to learn

there are only 13 U.S. civilian development experts in all of southern Afghanistan, where the Taliban movement is strongest and the local economy is almost entirely dependent on opium production.

We have twice that many working in the relatively peaceful Kurdish region of northern Iraq.

I have said it before, but it bears repeating—more boots on the ground are not the answer. We need people with slide rules and shovels and teaching degrees. We need bankers and farmers and law enforcement experts.

As we draw down responsibly in Iraq and shift the main effort to Afghanistan, we need a more concerted effort to build up the capacity of our partners.

The same can be said of Pakistan, where boots on the ground aren't even an option, where helping the Pakistani forces help themselves is truly our best and only recourse.

Some will argue this budget devotes too much money to these sorts of low intensity needs, that it tilts dangerously away from conventional capabilities.

It does not. A full 35 percent of the submission is set aside for modernization, and much of that will go to what we typically consider conventional requirements.

It fully funds the joint strike fighter (JSF) and F/A–18, E and F Super Hornet programs, buys another *Arleigh Burke* class destroyer, a nuclear submarine, and a third DDG–1000.

It invests $11 billion in space-based programs, including funding for the next generation early warning satellite, and it devotes $9 billion towards missile defense.

Ground capabilities are likewise supported, with $3 billion going towards a restructured Future Combat Systems (FCS) program and upgrades to the Abrams and Stryker weapons systems.

We know there are global risks and threats out there not tied directly to the fight against al Qa'ida and other extremist groups, and we are going to be ready for them.

In all this, Mr. Chairman, we are also working hard to fix a flawed procurement process. Programs that aren't performing well are getting the scrutiny they deserve. The acquisition workforce is getting the manpower and expertise it merits, and a struggling industrial base is getting the support and the oversight it warrants.

More critically, in my view, the Nation is getting the military it needs for the challenges we face today and the ones we will likely face tomorrow, and it is getting more than a budget. It is getting a strategy to preserve our military superiority against a broad range of threats, new and old, big and small, now and then.

Thank you for your continued support of that important work and for all you do in this committee to support the men and women of the United States military and their families.

[The prepared statement of Admiral Mullen can be found in the Appendix on page 86.]

The CHAIRMAN. Admiral, thank you very much.

Mr. Secretary and Admiral, both of you mentioned the need for acquisition reform, and I am sure you know that a few days ago, this committee unanimously adopted and sent to the floor an acquisition reform measure that touches upon the major weapons systems, and it is scheduled to be taken up for a vote this afternoon

in the full House of Representatives, and, hopefully, we can proceed there to conference with the Senate.

Mr. Secretary, let me ask you a process question, if I may, the process through which you arrived at this budget.

The QDR is downstream, late this year, to be made public, my recollection is, the first part of next year, and some decisions were made now regarding future budgets.

Can you tell us the process, what assumptions, what went into the development of this year's budget? I would appreciate that, sir.

Secretary GATES. First of all, Mr. Chairman, let me describe what I would call the analytical base of the decisions that we have made.

One of the criticisms that has been fairly leveled at previous QDRs is that once they were done, there was a gap between what the QDR recommended and what actually showed up in terms of resource allocation.

So I would say that, for me, beginning when I first took this job, my thinking in terms of some of these issues was actually established by the last QDR, elements of which had not yet been implemented, at least reflected in budgetary terms.

Second was the national defense strategy that came out last fall that I think had a strong analytical base and provides a rationale for a lot of what you see in front of you.

The third element, I would say, in terms of this process and the analysis, was the experience of both the uniformed and civilian individuals and leaders of the Department of Defense who took part in this process over a period of three months.

It was intensive. There were virtually—there were meetings virtually every day, three and four hours a day for that three-month period, and a lot of analysis got done in the middle of that process.

Another, as I indicated earlier in my remarks, has been my own experience, not just in this job, but going back more than 40 years in this national security arena.

Another element was the process itself and the way we went about the discussions, the number of meetings with the military leadership, both collectively and individually. Members of the chiefs came to see me, in some cases, repeatedly, about different elements of this, and both uniformed and civilian Defense Department representatives will be more than happy to answer the questions of members of this committee on that process.

As far as I was concerned, the inhibitions on people imposed by the nondisclosure agreement ended when the president sent his budget to the Congress. And so people will be prepared to answer your questions fully.

I would say another element of this process that was important, from an analytical standpoint, frankly, was common sense. There are a lot of these programs that, as far as I am concerned, were kind of no-brainers.

There were some of these programs where the decisions that I made were based on the fact that the programs were out of control, the requirements didn't make any sense, the costs were too high, they couldn't meet the schedule, and so on.

So it didn't require deep analysis to figure out that those programs ought to be stopped as poster children for an acquisition process gone wrong.

And I would just conclude my comments on this. First of all, we did—those issues where I felt—where the chairman and I felt that there wasn't an adequate analytical base to make a decision at this point, we did, in fact, defer to the QDR, but also to the nuclear program review, nuclear posture review (NPR) that will be going on simultaneously with the QDR, and that includes like the next generation bomber.

It includes the amphibious capability. There were a number of areas where we felt we did not have the analytical basis to go forward.

So let me conclude my answer to this question with a broader statement.

I don't believe the problems that affect our strategy and our acquisition process are the result of a lack of analysis. The Department of Defense is drowning in analysis. There are enough acquisition reform papers to fill my office.

It seems to me that we have a process that is paralyzed by analysis and that makes making tough calls very difficult.

So I guess my bottom line, my bumper sticker would be the problem in the Department of Defense is not a lack of analysis, but a lack of will to make tough decisions and tough calls, and I think we have done that this time.

The CHAIRMAN. Thank you very much.

I will limit my questions and, from time to time, I will interrupt and ask future ones.

Mr. McHugh.

Mr. MCHUGH. Thank you, Mr. Chairman.

Let's stay right where we are, Mr. Secretary. Your very fulsome answer suggests that there was a lot of analysis.

I think part of the problem that we have is we had absolutely no clarity, visibility or any insight onto that analysis, number one.

Number two, you talk about the individual systems that were involved in your decisions and how some members are probably going to take exception to that.

I would agree, but my concern is on the process. You feel very strongly about the decisions you made, I recognize that. We have, however, in law, the quadrennial defense review process that isn't intended to do much of anything more than ensure that we have developed a strategy for success, whatever that success may be, that precedes the budget, that allows the budget to consider it.

Having said that, I fully agree with you, at least your observation that the recent QDRs have been a total mismatch. But I would much rather have a mismatch where we have set an honest strategy and failed to provide the resources, because that accounts for who failed, than to set a false strategy that is somehow melded to a budget figure that has no relationship to the threat.

And that is why this process that you undertook internally troubles me, because it doesn't comport with the QDR requirement; that, in fact, we were totally shut off from it.

You mentioned the nondisclosure statements, that some call a gag order, that kept this Congress from doing its job, and that is what worries me.

And as the QDR goes forward, and I will come to a question at this point, help assuage my concerns. How do we now not have a QDR process that is imbued with the conclusions that you have already made? That becomes a starting point, does it not?

How do you un-ring that bell if the QDR proves to be a mismatch? Why are you not actually requiring the outcome that you don't want to see happen? This QDR is nothing more, upcoming, than a budget exercise.

Secretary GATES. Well, I would disagree with that, Mr. McHugh. I think that there are a lot of analytical areas that we are going to pursue.

But I would give you an example of the mismatch between QDRs and where we have gone with our resources.

Since the QDR in 1991, it has been recommended that the Department of Defense move away from a two-MCO, two-major combat operation, fundamental approach to how we size our forces, and we have never done that.

And I will tell you, this—you are saying that I am going to try and shape this QDR, my answer is you are darn right. And my view is that since 1991, it has been important to look at a world that was more complicated than two MCOs.

And the fundamental question facing the QDR is how do we account for a world that is not accounted for by two MCOs, and that will have huge resource implications, but it will also have enormous strategic and force sizing implications.

But that is a very overdue kind of thing and, frankly, I think that what is needed is both a managerial or executive and analytical leadership, and I am prepared to move down that road. And if I am on the wrong path, then I would be happy to give way to somebody else.

But we will—you know, the other aspect is the notion that the Congress was excluded from the internal deliberations of the Department of Defense because of this process.

The only reason the Congress was included in the internal deliberations of the executive branch process in the past was because the building leaks like a sieve.

It wasn't through formal releases or formal briefings up here that the Congress found out what was going on. It was because they had a hotline to virtually every office in the building.

So it seemed to me, for us to have a coherent approach that looked at all of the aspects of the budget, we had to be able to do that without leaks, and that was the only purpose of the nondisclosure statement.

It was absolutely not intended to keep the Congress from knowing what is going on and, as I said, people from the department are prepared to come up here and talk about any part of this process that you all want to talk about.

But I think that there is a strong analytical foundation here. It is grounded in the last QDR. I think it is grounded in the general direction that I have provided for the next QDR in the terms of reference.

But I will assure you that the people in the Department of Defense are intellectually independent enough that they will take their own—if they have a disagreement with what I have said, I have no doubt that they will raise that and make it a part of the process.

Mr. MCHUGH. Just for a point of clarification, Mr. Secretary, I am not talking about the budget development that is normally a source of tension between Congress and the leaks, whether they occur on the Virginia side of the Potomac or on the Washington side of the Potomac.

I am talking about the analysis behind these very major decisions that you made that may be totally right, and, here, our discussion is a real result of the problem of the process, that may be right, but we have no idea.

Normally, we would be provided those analyses as part of the QDR review. We were circumvented from having that opportunity.

That is why I would suggest, respectfully, if you are going to break out into what you described as "unorthodox," that was your word and I would fully agree with it, unorthodox process, there becomes a level of added responsibility on the analysis that would have behooved us all.

You would not have to listen to me right now, which I am sure would be a great relief to you—you are not under oath, so you can say anything you want—and those of us on this side who really want to be a helpful part of the process.

There is not a question there, but I just hope, as we go forward, we can have better lines of communications on the analysis. That is what troubles me, not your right to some sort of protections and keeping away from Congress on the budget process, I recognize that, as much as we like to have forewarning, but on analysis that leads to some pretty substantial platform recommendations without any valid analysis that we have seen.

You can talk about what is in-house, we don't know that. So I appreciate your response and the opportunity to be here today with you.

And, Mr. Chairman, I will yield back for the moment.

The CHAIRMAN. Mr. McHugh, I would just like to say, first of all, I am always interested in your questions, but the purpose of this hearing and of the number of hearings that you have scheduled is, in fact, to provide an opportunity to hear the analysis that went into or the reasoning that went into these conclusions.

And I would just make one final point. Had I waited—I did not want to miss the fiscal year 2010 opportunity to begin making changes in the direction of the Department of Defense and the way we do business.

Had I waited for the end of the QDR and the nuclear posture review, had I waited for the end of all these processes, we probably would have been looking at the fiscal year 2012 budget before I began to have any real impact, and, frankly, by that time, I expect somebody else will be sitting here.

Mr. MCHUGH. Well, I wouldn't wish from your lips to God's ears on that one.

But let me just, if I may, Mr. Chairman, just say to you, Mr. Chairman, I recognize the imperatives the good Secretary was facing and the choices he made.

Perhaps we should go back and look at Section 118 of Title 10, which is the law that provides for the QDR, and make some sort of future accommodation, because, obviously, there is a mismatch between that requirement, as Congress has seen fit to insert itself, and what the pressures that Secretary Gates——

Thank you. I would yield back.

The CHAIRMAN. We are now under the five-minute rule.

Mr. Spratt.

Mr. SPRATT. Mr. Secretary, Admiral Mullen, thank you both for your superb service to our country and for your fresh look at our armed forces.

With the additional increment on the way to Afghanistan, I believe our total troop strength there, ours, will be about 60,000. Is that correct?

Secretary GATES. 68,000, Mr. Spratt.

Mr. SPRATT. Can you give us some notion of what you think will be the ultimate number of troops we will commit there, that we ourselves, not our allies, will have to commit there to get the mission done?

Admiral MULLEN. The 68,000 will be there at the commander on the ground's request, General McKiernan, later this year and what we are both developing are series of benchmarks to understand and assess where we are later in the year.

There was an outstanding request from General McKiernan of about another 10,000, but that really is deferred and that was for really 2010, calendar year 2010.

But what we want to do is see where we are later this year and then look at the requirements.

From my perspective, based on what I understood sort of going into this whole strategic review, the output of the strategic review, is that were that additional requirement to be validated later on, and it has not been submitted nor has it been approved, but that that was about another 10,000 and that that was about right in terms of how I saw the fight and the number of troops that we would need.

At this point, I don't see us moving to a level that we had in Iraq, for instance, or anything like that. But there are also circumstances which can change that and I certainly wouldn't want to close out the commander on the ground's views with respect to what he needs in the future.

Mr. SPRATT. You did know, paradoxically, that we needed additional troops with slide rules.

Admiral MULLEN. Those are actually additional civilians.

Mr. SPRATT. I understand that, but you need a civilian complement that is significant to achieve the mission.

Admiral MULLEN. Yes, sir. But that is a much smaller number, from an analytical standpoint, in the hundreds, not in the thousands.

Mr. SPRATT. If you are looking at slide rules, you will probably do better to look for Blackberries in Hewlett Packard, I think.

Admiral MULLEN. Relating my own experience here.

Mr. SPRATT. I believe it is your generation.

Once we get the drawdown in Iraq underway, 8/31/2010, as I understand it, is agreeable to the joint chiefs, can we then expect to see an improvement in the dwell time so that we don't have one-to-one, we have 1.3, at least, to one?

Admiral MULLEN. Yes, sir. What I can see right now in terms of our deployments and what the commanders have requested, it is probably in about mid to late 2010 where we start to see dwell time increase beyond one-to-one significantly.

We are seeing some of it now, but it is very spotty, particularly in the Army. Some units are actually home longer than one-to-one. But writ large, from a commitment standpoint, it is probably mid to late—it is the next 18 to 24 months before that really starts to show some relief.

Mr. SPRATT. What do we have to do to get our allies to pull their oar, to do more, to take on more serious responsibility within Afghanistan?

Admiral MULLEN. Well, I think we need to continue to engage them. I mean, that was a big part of, obviously, the North Atlantic Treaty Organization (NATO) summit request.

They actually have stepped up with additional capabilities. The strong desire there is less—for me, anyway, less on the military side than on the civilian side, the other kinds of capabilities that we need, and some of our allies have done that recently.

And I think we need to continue to make that requirement known and continue to push in that direction.

I also think that security is going to get harder as we add more troops, but when we get to a point where security gets better, there will be additional civilian capabilities which would be added, tied to both better security and not just from governments, but also Non-Governmental Organizations (NGOs) and other kinds of requirements that we need.

Mr. SPRATT. One final question. Secretary Gates, you mentioned—Admiral Mullen, also—the stress and strain on our equipment in this harsh operating environment, and the circuitous route that—I was about to be gaveled down, I was waiting on it to fall.

Given that concern, are you concerned about stopping the F–22 at 187 planes and what will happen as attrition begins to take its toll on that force?

Secretary GATES. Well, there is very little attrition on the F–22 force, since it has never flown a combat mission in either Iraq or Afghanistan.

And I would just—knowing that the F–22 is an issue of interest to folks, I think it is important to make clear to everybody that we are not cutting the F–22 force. We are completing the program of record that was established in 2005 in the Bush administration.

That then called for 183 F–22s, that is the program of record, that 2 different presidents, 2 different secretaries of defense, and 2 different chairmen of the Joint Chiefs of Staff has thought was the right number.

We now can add the Secretary of the Air Force and the chief of staff of the Air Force to that. So there is no cut in the F–22 program and, in fact, over the next 5 years, 5-year defense plan, there is $7 billion in modernization money for the F–22.

It will be an important part of our force, but we are completing a program, we are not cutting anything.

The CHAIRMAN. Thank the gentleman.

Mr. Bartlett.

Mr. BARTLETT. Thank you, Mr. Chairman.

Gentlemen, thank you very much for your service to our country.

My staff prepared some material for me and it began by saying "I could not agree more with the comments made by our ranking member." I said, "I haven't heard his comments, let me reserve judgment on that until I hear his comments."

Having heard his comments, I can say with great enthusiasm and conviction that I could not agree more with the opening—with the comments made by our ranking member.

Relative to that, Mr. Secretary, I have two questions regarding two of the programs that you have recommended major changes in.

One is the joint cargo aircraft. This is a small cargo aircraft, originally envisioned by the Army. Their study said they needed 78 of them.

At two recent hearings, I have asked the Army and the Guard if there has been any study that indicated that they now need less than 78. They told me there was no study that indicated they need less 78; in fact, they needed 78.

It is my memory that the Air Force was kind of dragged reluctantly, some would say kicking and screaming, into this relationship. They needed 24 aircraft. That has not yet been added to the 28. That was going to wait until the Air Force had solidified their needs before that was done.

Now, you are recommending that you cancel all the future planes to the Army. It was originally their program.

I would just like some understanding as to what has changed, because both the Army and the Guard say that nothing has changed, they still need the 78.

The next program that I have some questions about is the DH–71. So far, we have spent $3.2 billion on that program. I am told that if we now terminate it, there will be about a half a $1 billion cost in the industry and about a tenth of a $1 billion cost in the Navy for terminating that program.

That will be $4 billion, nine helicopters, none of them ready for service.

If we did a make ready for five of them so that they could be used, that would cost $1.3 billion, I am told. This is about $260 million per aircraft.

I know there is a concern about a five-year service life, that is all it has been certified for, but I am told that the father of Thomas Lockes was originally involved with the certification of the DH–3.

The DH–3 now carries twice the load that it was designed to carry, and no one will argue that it has not had a very good 30-year-plus service life.

No one believes that the 71 is built less well than that and we believe that it could be certified for a very much longer service life than that.

I am told that the manufacturer of the helicopter will commit to a firm fixed price bid for the original amount of $6.8 billion. This would mean that the additional cost of $1.7 billion spread over 14

more aircraft; to bring it up to 19, it would cost us $120 million per aircraft.

So this program was started. We made some shortcuts in how we procured this first increment, because, and I would like to quote, that there was "an urgent need to get a more capable helicopter in the hands of the President."

What has changed, sir, that this urgent need has gone away, that we now can wait for a new procurement and use none of these aircraft?

Wouldn't it make sense to go ahead and make ready the 5 of these 9 and to procure the next 14 at only $120 million each?

Comments, please, on these two programs.

Secretary GATES. First, on the joint cargo aircraft, the C–27 has half the payload of a C–130 and costs two-thirds as much. It can use exactly 1 percent more runways or airstrips than the C–130.

We have 424 C–130s in the force, ⅔ of which are in the Reserve component.

At this point, the Air National Guard has—and I would say we have 36 C–130s committed to both Afghanistan and Iraq.

The reality is, here at home, we have over 200 C–130s that are available and uncommitted. So the notion that cutting or limiting the C–27 program somehow reduces the ability of the Air National Guard or the Army to respond to a national disaster or natural disaster or some other kind of disaster here at home is not sustainable.

The 38 number comes simply from recapitalizing the Army's C–23 Sherpa program. We will be looking, as we go forward with the QDR, at the balance between the heavy lift helicopters, C–27s, and C–130s.

The 38 aircraft procurement will take us over the next 3 fiscal years. So there will be no interruption in production. And so if, as a result of that analysis, there is a decision that there should be more, we have the flexibility to do that.

But at this point, it does not seem necessary given the enormous available capability and capacity that we have in the C–130s to meet the need.

Now, what has to change, and here is where I acknowledge the validity of one of your points, the Air Force culture and approach to how they support the Army in this arena has to change, and General Schwartz and General Casey are already talking about that in terms of how the Air Force becomes significantly more responsive to Army needs, and I think that they are going to make considerable progress in that.

With respect to the helicopter, this is a program that was originally budgeted at $6.8 billion, is now headed toward $13 billion. It is six years overdue. It does not meet the requirements of the White House. The first increment does not meet the requirements the White House has imposed by a long shot.

The current helicopters the President has have had a usage life at this point of 30 to 40 years. The design life of the VH–71 is 5 to 10 years, and still does not meet the requirement.

If we went forward with this program, each of the helicopters we bought would still be about $400 million apiece, and I think I have heard—you have heard the President speak to that.

We think that this is a program where both the acquisition and the requirements process got out of control. We need to start over. The President does need a new helicopter over the next several years and it is our intent in fiscal year 2011 to return to this with a new proposal and a new bid for presidential helicopter, but one that is managed a lot more carefully.

The CHAIRMAN. Mr. Ortiz.

Mr. ORTIZ. Thank you, Mr. Chairman.

Secretary Gates and Chairman Mullen, thank you so much for your service.

You mentioned the possibility, and I think that—I hope we do it right—the increase of our military presence in Afghanistan to about 58,000 soldiers.

And my concern is the routes that we have, and I know that some of the equipment that we have—in fact, early last night or this morning, a military, our military depot was attacked and a lot of equipment was destroyed, and this is one of my concerns.

But recently, a story surfaced by one of the TV stations and it was aired on KHOU in Houston, and it says the recent reports and firsthand accounts from service members returning from Iraq indicate that there is a shortage of bottled water, bottled drinking water.

And I know we had this problem some time back, but this has surfaced, and, as a result, these service members claimed they are forced to improvise and sometimes end up drinking the bulk water, which may or may not be of drinking quality standards.

And now some of these service members indicate that they are facing long-term health issues, kidney failures, et cetera, due to the necessity of not having to drink water that is clean and safe for them to drink.

My concern is that if we don't have the proper routes to get there, if they cannot get the equipment and if they cannot get drinking water—have you been made aware of some of this problem, Mr. Secretary or Chairman Mullen?

Admiral MULLEN. Sir, I have seen the story that came out of Houston and am aware of that. We have checked to see if there is any shortage of bottled water, and, initially, that is not the case. I mean, that isn't the case.

But we are not done and we will continue to wring this out. We are all very concerned about troops, obviously, in the field being provided what they need. It is a top priority for the Secretary and myself.

In my recent visits, and I sit down and have discussions with them and I know the Secretary does, as well, that they do bring up some issues.

This has not been one specifically, however. In fact, from a provisioning, overall provisioning standpoint, that has been a great strength of ours for a significant period of time.

But if there is something here, we will certainly get back to you.

Mr. ORTIZ. You know, one of the things—we were there, the chairman and I and some other members, in Afghanistan and some of the soldiers that we spoke to said, "We are happy to be here," which is the base close to the embassy.

But what is life like at the forward operating posts now? And I know we have many of them and sometimes they are embedded with Afghanistanian troops.

Do you feel safe that even though they are way out there, that they are getting their equipment and the materials that they need, not only the drinking water, but to be able to survive way out there in the boondocks?

Admiral MULLEN. I feel comfortable they are getting the provisions. Again, we are running this to ground to see if there is more there than we understand right now.

But I have visited many of those Forward Operating Bases (FOBs). I have been out there in very stark circumstances. I have had meals with them. I have seen them resourced adequately. It is, obviously, not something that is available in the big mess halls or the big dining facilities on the big bases, but it has been adequate.

And actually, as I have pulled on this, when I sit down with troops, I don't get any negative feedback.

Secretary GATES. I would just add. I was in Afghanistan last week and visited 3 forward operating bases and had 3 different meetings with a total of probably 600 soldiers and Marines and a lot of Q-and-A, and I didn't get a single question about their provisioning.

Mr. ORTIZ. I know my time is about up. Again, thank you for your service. Thank you so much.

The CHAIRMAN. Thank the gentleman.

Mr. Jones.

Mr. JONES. Mr. Chairman, thank you very much.

And, Mr. Secretary and Admiral Mullen, thank you, as well.

I want to commend you both on your comments about your concern about the wounded, your concern about the mental health and the physical health, and I want to thank you for the request that you put in, $47.4 billion, to fund military health care, and $3.3 billion for wounded, ill, injured, traumatic brain injury.

That brings me to the issue that I want to bring to your attention and will have a question shortly.

Six years ago, hyperbaric oxygen treatment (HBOT) was brought to my attention. Six years ago, I made an inquiry of the Department of Defense and I was told that this was a treatment that was being studied and that they saw pluses and minuses.

Again, that was six years ago.

I want to read a letter—part of a letter—excuse me—from three soldiers and Marines who received this treatment.

This is from Brigadier General Pat Manny, United States Army Reserves. "Seventeen months into Operation Enduring Freedom (OEF) tour, I was injured by an Improvised Explosive Device (IED) in August of 2005. I spent almost 20 months at Walter Reed before I was medically retired from the Army Reserve.

After a year of conventional testing and treatment, pharmaceuticals, physical therapy, et cetera, I had not recovered enough to remain in the Army and, I believe, to return to my civilian job.

A physician friend suggested HBOT, hyperbaric oxygen treatment. Thanks to several courageous, innovative Army physicians, I received 80 1-hour treatments at George Washington University

Hospital before the process to involuntarily retire me was completed.

I experienced excellent results and was able to resume my civilian career as a state court judge."

He further stated, "Research may be appropriate, but known successful treatment is available and needed now. Congress should direct the Department of Defense and TRICARE to make HBOT available to wounded warriors."

Let me go now, because I want to get to a question before my time is up, Marine Corporal Brian Wilson from Massachusetts, and I have spoken to him, by the way:

"I served two combat tours of duty in Al Anbar Province in Iraq from January 2005 to August 2005, March 2006 to September 2006.

During the course of my first deployment, I was hit by two more IEDs. During the second tour, I was exposed to four additional explosive blasts while on combat patrol."

He also received hyperbaric oxygen treatment. And I further read, very quickly, "Clearly, I would not be holding down the job I presently have and be medication free. My success is clearly the result of hyperbaric oxygen treatment I received from Dr. Harsh.

I am firmly convinced that my fellow Marines and soldiers and sailors who have been diagnosed with Traumatic Brain Injury (TBI) or Post-Traumatic Stress Disorder (PTSD) and presently being treated with medication and counseling, rendering them unfit for duty or for reintegration back to the civilian world, would benefit from hyperbaric treatment."

I read from Colonel Bud Day, a hero of this Nation, Vietnam veteran, Medal of Honor winner, whose grandson was also wounded, a Marine. He sought hyperbaric treatment for him.

This letter, Mr. Secretary, is just flowing with praise for this treatment. I will read one paragraph, and then I want to get to the question:

"From a purely practical standard and the issue of loyalty to these kids we have sent off to war, any treatment that we provide these young people is better than the gross neglect and bureaucratic intricacy that has been the rule rather than the exception."

Mr. Secretary, I want to ask you—I want to present these letters to your staff and I wish you would take time, and, Admiral Mullen, to read these clearly from these three men. Read what they are saying.

I have been told, again, six years ago, we are studying this treatment. These letters and other letters, I think it is time that you say to the Department of Defense, the medical division, "Please take this research you are doing and give me, within the next year, a report of where we are on this treatment, because I have talked to numerous Marines, I have talked to Army, that have had this treatment, by telephone, and they have told me, "I am now a complete human being instead of being dependent on drugs, counseling."

I am not saying it would work in every situation, but as you said in your testimony, they deserve our best, if we have it.

Can you say to this committee, can you say to me, can you say to the military that you will ask those who are researching and

studying this issue that, that you will ask for some type of report sooner rather than later?

Admiral MULLEN. I mean, I can't speak for Secretary Gates on this in terms of that report, but I understand there is potential here. I am not a medical officer, not a doctor, sir.

And as we have visited families, Deborah and myself, and some of the doctors—Veterans Affairs (VA) in Tampa is a good example. There is a doctor there by the name of Scott, who is a big believer in this.

So I certainly will commit to pull on this as hard as we can to see where we are.

What I have been told when I have asked about this is it is not Food and Drug Administration (FDA) approved. And so I fear what we are still doing is studying it. And if it has positive effects, we ought to be able to do it.

I understand there aren't many down—there are no downsides. That is what I have been briefed before.

So we can certainly take a very focused look on it and, if it has potential, I think, try to bring it forward.

Secretary GATES. We will follow up.

[The information referred to can be found in the Appendix on page 111.]

Mr. JONES. Thank you, Admiral.

The CHAIRMAN. Thank the gentleman.

Mr. Secretary, Admiral, I have just been informed that there will be 3 votes, a 15-minute and then 2 5-minute votes, which will probably take about 30 minutes, and they will come shortly.

With your permission, why don't we use that as the lunch break, so we won't have to have 2 back-to-back 30-minute recesses? If that is all right with you, we will proceed.

Hearing no objection.

Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Chairman.

And, Admiral Mullen, I want to thank you, your sons, and your lovely bride, for your service to our country.

Secretary Gates, I don't compliment people enough, but in your case, you deserve it. You have done, I think, a very, very good job of turning the department around.

I particularly want to compliment you for your willingness to put the Mine Resistant Ambush Protected Vehicles (MRAPs) in service and the lives a day it saved. And I want to compliment you on your acquisition reform. I think you are very much heading in the right direction.

A couple things I would like to ask you to consider. Your department has been very willing to send wounded warriors to the military academies, keep them in uniform, give them a chance to stay in uniform, and yet continue to contribute.

I would hope you would consider expanding that to the Reserve Officers' Training Corps (ROTC) programs, the reason being that our fine kids from other parts of the country, other than the northeast or Colorado, who say, "You know, I would love to get closer to my family while I am doing this," and I think that is why the ROTC programs would fill that gap, still provide the things that they are providing, still allow them to remain in uniform.

Secondly, on your acquisition reform, I have got to notice with a bit of irony that one of the most troubled Navy shipbuilding programs is the Littoral Combat Ship (LCS), and yet you are asking for three of them.

Again, just something ironic there, what I would ask of you is that given that what should have been a $220 million ship turned into almost a $600 million ship and going back to your analogy of the small cargo plane versus the 130, where you—you are now bumping up against DDG–51 prices and you are getting a ship that is about one-fifth as capable.

The Chief of Naval Operations (CNO) has convinced me that he wants the ship. I am going to agree with him. What I would like to hear from you, though, is your plans to hold the contractors to the amount of money that you requested in the budget.

What I would like to hear you say is that you are going to ask for firm fixed contracts. And what I would further like to hear you say is if the existing contractors will not live by those prices, I would like to hear a willingness on your part to take some of the money that would have gone to build those ships at that price, get a full set of specifications on the ships, put them out there for other people to bid on, because I have got to believe that what has been going on with these two contractors is unacceptable from the Navy's point of view and from the American taxpayers' point of view.

Just your thoughts.

[The information referred to can be found in the Appendix on page 111.]

Secretary GATES. First, I think that having wounded warriors still in uniform be instructors for ROTC is a great idea and I will follow up on that.

On the LCS, I think that what you have asked sounds very reasonable to me. I have left these ships in because we need this green water capability and we especially need it in places like the Gulf, the Persian Gulf.

But the costs have escalated and if we want to buy 14 of these over the 5-year defense plan and 55 all together, clearly, we have got to get the costs under control, and I think your requests are quite reasonable.

Mr. TAYLOR. Mr. Secretary, I appreciate that.

I think the last thing I would ask of you, I think—and, again, I appreciate you trying to put your acquisition force back together.

But what I think I have noticed is that you have an acquisition force that is pretty good at looking at a set of specs and saying, "Yes, you are building it to spec."

What I don't think I see is an acquisition force that says, "You know what? If you bought this machine, you could do it faster, you could do it cheaper, and, above all, you could save the Nation some money as you build a ship quicker."

I would hope that would be one of the goals on this program, and I will use the LCS–2 as an example. My estimation is that over 95 percent of that ship was hand-welded. That is unacceptable in today's world. That would never happen in the commercial world.

The commercial folks wouldn't put up with that and I don't think we should, and I think, again, part of your acquisition strategy

ought to be getting the right people in there to tell them how to build them faster, quicker, and less expensive to the Nation.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank the gentleman from Mississippi.

We can squeeze one more in before we take the quick break for the votes.

Mr. Forbes.

Mr. FORBES. Thank you, Mr. Chairman.

Mr. Secretary and Admiral, thank you both for being here. I share the respect that you have heard many members mention, but that respect can't serve as a shield to prevent me from doing my job and just expressing my frustration with what I perceive as a lack of transparency in this process.

Mr. McHugh touched on some of that, and I would like to ask you a few questions about that. And realizing that I only have five minutes, I would just ask that we get those answers as brief as possible, and you can elaborate on them in written form.

Several members of this committee have sent you a letter, dated May 5, asking you about some of those situations, including the nondisclosure requirement that you had and, also, the INSERV requirements for our INSERV inspections and classifying those.

So far, we have not had a response on that. But as to this nondisclosure agreement, you heard Congressman McHugh mention that some people called it a gag order. The people that call it a gag order are many of the people that had to sign it.

Can you tell us today how many people were forced to sign this particular agreement?

Secretary GATES. I don't know exactly. I would expect probably several hundred.

[The information referred to can be found in the Appendix on page 111.]

Mr. FORBES. Could you get that number to us when you get a chance to verify about how many it was?

The second thing is in this document, it says that they could not divulge it to any individual not authorized to receive the information.

How did they know which individuals were authorized to receive information?

Secretary GATES. It would have been within the Department of Defense.

Mr. FORBES. Well, was that ever disseminated in any form so that they knew who they could talk to and who they couldn't?

Secretary GATES. Well, sir, the question, I must say, of the people that signed it, that question never came to me.

Mr. FORBES. Of those individuals, you have communicated at least—we got an e-mail, I got one at 7:14 this morning, saying that they could now talk about some of these budget issues.

How has that information been disseminated to the people that have signed this document?

Secretary GATES. I announced it at my staff meeting on Monday.

Mr. FORBES. You announced it at your staff meeting. But as to the individuals that signed it, have they been sent anything indicating that that is the policy?

Secretary GATES. Not yet, no, sir.

Mr. FORBES. And the other thing is it talks about anything—it also mentioned any supplemental budget requests.

Many of the things that weren't included in the budget could have also been included in a supplemental later this year.

How will you differentiate what they can talk about and what they can't?

Secretary GATES. As far as I am concerned, sir, the nondisclosure process is over.

Mr. FORBES. And, Mr. Secretary, the only thing I will tell you is it is very, very difficult, when you talk about them coming in here and speaking their mind now, for us to expect that we are going to have a hearing where they walk in here as a uniformed member of our military and really say that they disagree with something that is in this budget.

But suffice that to say, also, on the budget——

Secretary GATES. On that score, sir, I can tell you that a couple of the service chiefs have been very direct with me that——

Mr. FORBES. Well, they will come——

Secretary GATES [continuing]. When they testify, they intend to say that they disagreed with the decision. So I don't think you have to worry about their candor at all.

Mr. FORBES. Mr. Secretary, they will come over tomorrow and testify, I believe, some of them. Is that not correct? I think some of them are scheduled for—but yet they will come without having the unfunded list that will be available for them when they give their testimony.

I think that is going to be the case. You might look into it.

But in the little bit of time that I have got, also, it is my understanding that the statute requires that we have a 30-year shipbuilding plan that is certified by you when the budget comes over.

Have you submitted that plan and have you certified that this budget will comply with that plan?

Secretary GATES. I don't think so.

Mr. FORBES. Are you going to be doing that?

Secretary GATES. The Admiral—well——

Admiral MULLEN. That is a Five-Year Defense Program (FYDP) issue, Mr. Forbes. And for this budget, with a new Administration, typically, we don't do that, and it will come in the 2011 budget.

And I would say we can rely reasonably well on the 30-year shipbuilding plan that has been submitted before.

Mr. FORBES. And, Admiral, my time is going out, but let me just say this. The reason that is in there is because you have to certify that the budget will meet the shipbuilding plan and if not, what the risks are.

We are not getting that information. And I would just follow up with the fact that now we have had classification of these INSERV inspections. It is very important for us to know the status of our repair and maintenance budgets, because last year, this committee put $120 million in for ship repair and maintenance that was killed in the Senate.

The problem is if we don't and can't talk about those INSERV failures that are coming out, it makes it very, very difficult for us to argue about the shipbuilding and—I am sorry—ship repair and maintenance needs that we have.

And if we don't have this certification, it gives us some concern as to whether or not the budget that we have is actually going to meet that shipbuilding plan.

So I would just ask you to take a look at that. I come back to what Congressman McHugh said. It is not so much your analysis—my time is out—but it is just the fact of the lack of transparency to help us conclude that analysis was correct.

Thank you, Mr. Chairman.

[The information referred to can be found in the Appendix on page 111.]

The CHAIRMAN. Thank the gentleman.

Before we break, let me ask, Mr. Secretary, a very quick question.

There is such a thing known as the Pakistan counterinsurgency capabilities fund. You are familiar with that.

Could you give us, in 25 words or less, how you think it should be structured?

Secretary GATES. What I have suggested is that the $400 million that is in the 2009 supplemental be allocated to the Department of Defense; that for fiscal year 2010—the concern has been where does the State Department get control of this program.

And what I have proposed is that the money in fiscal year 2010 flow through the Department of State to the Department of Defense so that the State Department gets the money and then that they would use fiscal year 2010 to build the capacity to be able to execute this program and then in fiscal year 2011, the entire program would go to the State Department, even though probably some significant portion of the money would still come to us to execute.

The CHAIRMAN. Thank you very much.

We will recess until 12:15.

[Recess.]

The CHAIRMAN. We will resume and, Dr. Snyder, you are up.

Dr. SNYDER. Thank you, Mr. Chairman.

Thank you all for being here.

Mr. Secretary, it is good to see you here again. I appreciate your presentation of this budget, what you are calling a reform budget. You have always been a very thoughtful man in your presentations here.

It seems to me there is a passion here today that perhaps you haven't had in the past and although I am suspicious the passion may be this is the first time you have come before us in a long time, that you haven't had a cast or a splint or a bandage on or something.

But I do appreciate the passion that you have shown for this process that you have gone through. You are being criticized for somehow it being a closed process. As near as I can tell, you wanted to have a deliberative in-house process with candor and then you present your budget for us to do with as we want.

The Center for American Progress, a couple of months ago, put out two reports. One is "Swords and Ploughshares: Sustainable Security in Afghanistan Requires Sweeping U.S. Policy Overhaul." And my only comment about it, I didn't see much new in this.

I go back to your Kansas State speech that you made in November of 2007, in which you called for some dramatic changes in how we do national security with regard to the civilian side, and I appreciate the comments you made back there.

The other publication they put out, though, is "Sustainable Security in Afghanistan: Creating an Effective and Responsible Strategy for the Forgotten Front."

And what this report says is, "Two paramount national security interests of the United States are to prevent Afghanistan from once again becoming a safe haven for terrorists and to ensure the deteriorating security situation there does not envelop the surrounding region in a broader power struggle.

Doing so will require a prolonged U.S. engagement using all elements of U.S. national power, diplomatic, economic and military, in a sustained effort that could last as long as another 10 years."

My question is—I am concerned that we are setting up a process here that is going on right now, whether we are dealing with the supplemental, that you all are going to get everything that we can give you as far as dealing with Afghanistan and Iraq for the next year, but that when we get to the next year after that, that you will start seeing some of us say, "Well, wait a minute. It is not over yet. You haven't made as much progress as we thought you might."

Would you comment on how you see our commitment ought to be? My own view is going into this, we ought to recognize it is going to be a long-term commitment and somehow this is magically going to end in one year.

But would you comment on that, please?

Secretary GATES. Yes, sir. I think that early in the budgeting process, when we were doing out years and looking at these overseas contingency operations, we basically had a much lower number in the out years.

It was basically little more than a plug in the budget, because we knew that we really couldn't estimate what the cost was going to be.

I think that the $130 billion for 2010, it is down about $11 billion from 2009, it sounds like a pretty good estimate right now. The burn rate as of February was about $10 billion, a little over $10 billion a month. The obligation level was about $11 billion-plus.

So I think we are in the right ballpark. But that number will come down, particularly in 2010, in calendar year 2010, as we substantially reduce our presence in Iraq.

But I guess the bottom line answer to your question is that I believe that there will be war costs that will need to be covered in these overseas contingency operations portions of the bill for some years to come, and that is whether—that is on the assumption that we are successful.

It is still going to take a sustained commitment, both civilian and military.

Dr. SNYDER. And so those of us who may want to say we will, at this time next year, be evaluating how well we are doing in Afghanistan, either we will be doing about the same, better or worse, that is not necessarily a predictor of how things are going to turn out over the long run.

Is that a fair statement?

Secretary GATES. Right, although I believe—I think that is an accurate statement, but my hope is, and I would characterize it as that, is that with the new strategy and with some changes and adjustments in our military approach, my hope would be that by the end of this year, we will begin to see a change in momentum at least, that we will be able to point to the fact that things are beginning slowly to turn in our direction.

This is not a short term enterprise, by any means.

Dr. SNYDER. And I think that is a message that all of us need to be repeating, not just you, that this is not a short-term enterprise, because otherwise we set up our brave men and women for some real problems if we somehow expect this to dramatically turn around in one year.

Thank you all for your service.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Mr. LoBiondo.

Mr. LOBIONDO. Thank you very much, Mr. Chairman.

And, Mr. Secretary and Admiral Mullen, thank you very much for being here.

I wanted to focus a little bit on a topic that Congresswoman Gabrielle Giffords and I have been attempting to raise over a period of time involving the Air National Guard.

And they are predicting, as you know, Mr. Secretary, that in about eight years or so, a little bit of flexibility in the flying time or the hours, that about 80 percent of its air sovereignty alert aircraft units will begin running out of flying hours.

In previous hearings on this issue, the committee has been assured that the Air Force is working on it and that everything will be okay and that we can just hang on a little bit more and we will see what the plan is.

Well, I am really concerned that it has taken this long for the problem to be recognized. I really don't think that it has been properly addressed.

And we need to understand that it appears, to at least some of us, that there is a lack of a plan or at least a lack of willingness to present to Congress whatever is being thought about of how to fill—you can call it a bathtub, you can call it the gap, the fighter gap, whatever it may be—to address the problem.

And a big concern is that if we don't have a plan to do this and we run out of the legacy aircraft, Air Guard units will—what can they do if they don't have aircraft to fly? I mean, they go away. You can't mothball them. The people who are doing the mission are not going to hang around.

And I think a vital link for our homeland security and national defense, because, as you well know, they are integrated fully into the war theater in what they do.

I would be very interested to hear your thoughts and feelings on the fighter shortfall issue which is impacting the Air Force and the Navy and the Air Guard and just a little bit of a comment about how you are 75-percent solution to the problem fit into the fighter shortfall issue.

Secretary GATES. Yes, sir. Let me offer a couple of thoughts and then invite Admiral Mullen to get into it.

First of all, this is one of the issues, the number of Tactical Air (TACAIR) units that we need will be one of the issues that we are addressing in the quadrennial defense review.

There are two ways to look at it. One is the force structure itself and, as you suggest, the need to keep the Air National Guard in a place where it makes the contribution it needs to make to the Nation, and that is a capabilities and force structure-based estimate and that is where you get the bathtub that you described.

The opposite—another way to look at the TACAIR problem is in terms of our adversaries and what their capabilities are going to be, and how do you reconcile these two.

And I think that is one of the issues that the QDR has to take into account, because if you look at it on a threat basis, just as an example, just to pick China, in 2020, the U.S. will have 2,700 tactical aircraft, the Chinese about 1,000 less than that.

But of our number, we will have over 1,000 fifth generation airplanes and 1,300 fourth generation. They will have zero fifth generation aircraft.

In 2025, we will have 1,700 fifth generation aircraft, plus reapers, and they will have a handful of fifth generation.

So there is how you look at the threat as opposed to our force-based capabilities or our capabilities-based force structure, I think, are two different perspectives that lead you to, right now, at least, two different answers in terms of the number of TACAIR, and that is why I think the QDR needs to take a look at it.

But let me ask Admiral Mullen.

Admiral MULLEN. I certainly recognize the challenge of the modernization piece to which you speak, and, clearly, you can only fly these aircraft to a certain point when their flight hours are done and you don't have—and you must replace them.

But I see us at a time where we really are in transition to a new strike-fighter, and that is the joint strike-fighter. That is really our investment.

We do have some challenges, obviously, in strike-fighter shortfalls, I think, in this transition, and then the work, the analytical work that I think has to be done is as described by the Secretary.

What it doesn't mean is that 8 years from now or 20 years from now, we are going to be doing it exactly the same way we are doing it now, and I think those are some of the questions that are out there for analysis.

That said, the strength of the commitment to air sovereignty levels and the need to meet that requirement is one we all recognize for the future.

The CHAIRMAN. Thank the gentleman.

Mr. Smith, please.

Mr. SMITH. Thank you, Mr. Chairman.

And thank you, Secretary Gates, Admiral Mullen, for being here.

I just want to offer my strongest possible support for the process that you went through in delivering this budget. I think your efforts are very commendable and absolutely critical to the future of our national security that we, as much as possible, follow the guideline that you have laid out.

And I have got to tell you, I was practically cheering over here when you said that we have plenty of reports and plenty of processes, we needed to make decisions.

After 12 years in this committee, I have watched those decisions get delayed by more process and more studies, and I can absolutely picture your office piled to the top with them.

Somebody just needs to step up and say this is what we need to do and where we need to go and to make the hard decisions necessary to make it happen, and I believe that is what you have done and I applaud you for it and certainly want to try to support you as we work our way through the congressional process out the other side to actually have a budget that is implemented.

In particular, you have placed the emphasis, I think, where it needs to be placed, recognizing that the type of warfare we face has changed. It has moved towards counterterrorism, counterinsurgency, irregular warfare.

I believe you have also been visionary enough to mention the important role that the State Department needs to play in development strategy, in dealing with those counterinsurgency and counterterrorism efforts as we go forward, and you have shifted the budget priorities appropriately.

If we are going to have a greater emphasis on those things, we need more Intelligence, Surveillance, and Reconnaissance (ISR), we need more support for the Special Operations Command (SOCOM), and those budget choices have been made.

I think we need to go forward and continue along those lines. And it is not just in Iraq and Afghanistan and Pakistan. In North Africa, in the Horn of Africa, in Southeast Asia, we are fighting insurgencies at various levels and we need more equipment there, more ISR capabilities, most particularly, and more focus from the Special Operations folks to fight that, and we are not going to get there without some of the budget choices you made.

I thank you for that and I thank both of you, also, for the appointment of General McChrystal in charge of Afghanistan, a Special Operations commander, who is kind of, to my mind, the unsung hero of Iraq.

What he was doing there was not very well understood, but it was absolutely critical and I think it reflects, again, the shift in where the battlefield has moved and how we need to respond.

Just one quick question. In the authorizing bill last year, we had authorized a report to study the personnel challenges within the Special Operations Command. They bring together folks from all the different services.

Admiral Olson does not have that much control or, I think, any control in terms of pay and the various different decisions that are made in terms of managing the personnel are primarily handled on the service level.

He has unique challenges, because they are all there together. I think he refers to it as a "foxhole" problem. If you have got a Navy SEAL and an Army Green Beret in the same foxhole talking about their lives and understanding that they are paid different, they have different benefits and different structures, it becomes a problem.

So the point of the study was to bring the services together, talk about it, figure out where we are going forward. It has been done. It is in your office, is my understanding. No one has really said anything about it in terms of how you intend to act on it.

I would like to urge that action and would be curious of any comments you have about what you plan to do.

Secretary GATES. That is the first I have heard of it. When I get back, I will ask for you.

[The information referred to can be found in the Appendix on page 112.]

Mr. SMITH. Okay, all right. Then I have served a purpose here this morning, I guess.

Thank you very much, Mr. Chairman. I yield back.

The CHAIRMAN. Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, appreciate you being here.

I am the ranking member of the Strategic Forces Subcommittee, and so I have a number of concerns about the cuts to missile defense, all issues that I know other members have also raised and we will continue to work with you and DOD on in trying to address.

My main concern is that by cutting future programs, we are cutting our ability to attain ingenuity, to be able to look to the future as to ways and things that we might yet invent that would protect us.

But I wanted to talk to you today about a topic that does not have a budgetary cost if it goes directly to the issue of support for our men and women in uniform and does affect the upcoming National Defense Authorization Act.

Over the past two years, I have authored an amendment to the National Defense Authorization Act that would protect men and women who are serving in the military from losing their children in custody battles based solely on their military service.

Throughout our country, there are state courts that have entered rulings where they have punished, penalized our men and women who are serving, awarding custody to the other spouse solely on the basis of their service.

A court in New York, for example, ruled that even the threat of deployment of someone who was in the service was enough for custody to be awarded to their ex.

There have been courts that have ruled that the time they have spent away from their kids could be equated to abandonment, as if they had hopped on a Harley and gone to California to find themselves—no prejudice to California—instead of actually serving their country.

Now, the House has passed, three times, once as a standalone bill and twice as an amendment, language that would protect our men and women who are serving as part of the Service Members Civil Relief Act.

The DOD opposes it and because of that opposition, it has failed in the Senate over the past two years.

I am going to ask you two questions and the first one is pretty easy, because I want you to know that there have been several media outlets that have covered this and when they have done

viewer polls of people on this issue, viewer sampling, this is a 98-percent issue.

No one believes that anyone should lose custody of their children solely based upon their service in the military. So I am going to ask you your opinion that.

And the second thing I am going to ask is—we have a real opportunity. We have about less than a month before the National Defense Authorization Act will go through this committee.

I would like your commitment to have your staff to work with my staff and the staff of this committee so that we can come up with language that DOD would support, because the only goal is ensuring that if you serve our country, that you not lose custody of your children based solely on that fact.

So the two questions to you, sir, are, one, do you believe it is right for people to lose custody based solely on their service in the military? And secondly, will you agree to work with us over the next month so that DOD's opposition, which I have the four-page memo of DOD's opposition last year, might be resolved and we could come up with language we could agree to?

Secretary GATES. I am opposed to anything that disadvantages our men and women in uniform solely because of their service.

I had not realized that DOD had opposed this. I am going back to Mr. Smith. I will go back and find out what that is all about and I will commit to you that we will work with you on it.

[The information referred to can be found in the Appendix on page 112.]

Mr. TURNER. I greatly appreciate that. Thank you very much.

Mr. Chairman.

The CHAIRMAN. The gentlelady from California, Ms. Sanchez.

Ms. SANCHEZ. Thank you, Mr. Chairman.

And thank you again, gentlemen, for being before us.

Secretary Gates, please give us your thoughts about Kirkuk and Iraq's internal boundaries, which is a problem, I believe, that potentially threatens Iraq's future stability and which, in turn, could derail the Administration's goal of responsible withdrawal.

And let me give you a little background of where I am going with this. Article 140 of the Iraqi constitution mandates boundary resolution with an orderly and democratic process of referendum so that Iraqis in these disputed areas will get a choice about what is done.

This was supposed to happen by December of 2007, but it got bogged down. And it looks to me like Baghdad really doesn't want to or hasn't tried to address this issue.

In fact, two weeks ago, the U.N. assistance mission in Iraq issued a long awaited report about this and while it reported on the ethnic cleansing and other issues that went on, in the analysis of the current situation, it didn't offer a path to restarting the Article 140 process.

The report did, however, underscore the urgent necessity of a resolution to the disputed territories for the welfare of the people living there and for the future of peace and the stability of Iraq.

And with tensions on the rise there, we have a U.S. infantry brigade in Kirkuk standing between the Iraqi army and the Kurdish militia and our own deadline of withdrawal next year, it seems to

me that this is a critical issue for U.S. policy, because some of us doubt that we can really achieve responsible withdrawal without first doing something about these disputed boundaries.

For example, in the Balkans, we learned the hard way that we should have gotten to that upfront.

And maybe that is why Admiral Mullen and General Petraeus recently made a visit to Erbil, the capital of the Kurdish region.

So my questions to you are: do you agree that letting the people in the disputed territories decide their own status through referenda, as required by Article 140 of the Iraqi constitution, is the best way to resolve this problem?

Do you think they deserve a peaceful and democratic and permanent resolution to that so that we can responsibly withdraw our troops from Iraq?

And since the report offered no alternative, is the U.S. committed to implementing the Article 140 before we withdraw next year?

And lastly, the last Administration really had no policy. So does the new Administration have a policy on this and is this why we have seen these high level trips over there into that area of Iraq?

Secretary GATES. Well, let me answer first and then invite Admiral Mullen to comment, since he has been there.

First of all, we definitely support the carrying out of the provisions of the Iraqi constitution in terms of—in all terms, including Article 140.

There has been a mutual agreement between the Kurdish regional government and the central government in Iraq to delay settling this, because they realize that they were not yet in a position to do so peacefully, and, therefore, to try and maintain the status quo, in particular, until the U.N. report came out.

The U.N. report does make recommendations in terms of what the boundaries ought to be as a basis for discussion and negotiation between the Kurdish regional government and the central government in Baghdad.

We are very supportive of that process. It is imperative that it be done peacefully.

We are concerned about the potential for Arab-Kurdish tensions in terms of Iraq's future, and we would like to see this issue resolved as quickly as possible, but it is imperative that it be resolved peacefully.

Admiral MULLEN. Just, ma'am, on my recent trip, actually, I went there for a number of reasons, one of which, I hadn't been there before; two, recognizing the high level of importance that the future of Iraq has based on resolving these issues, these Kurdish-Arab issues.

And we have had some challenges on the ground in recent months between the Peshmerga and the Iraqi security forces.

That said, I sat with General Odierno yesterday, who walked through a recent operation where they had actually worked together, and I found that to be a very positive step.

So the leadership—and we also listened yesterday to Ambassador Hill, and he has this as a very high priority to try and resolve.

So, clearly, there are a lot of politics involved here between the Kurds and Baghdad and everybody recognizes the criticality of

moving forward in a peaceful way so that the responsible withdrawal can continue.

Ms. SANCHEZ. That would be great. I would just hate to see happen what happened in the Balkans, which was that those boundaries were not resolved.

The CHAIRMAN. The lady's time has expired.

Ms. SANCHEZ. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Kline.

Mr. KLINE. Thank you, Mr. Chairman.

Thank you, gentlemen, for being here and for your service, great work.

Mr. Secretary, I share some of the frustrations you have heard up here today about our inability to look into the analysis and the nondisclosure statements and our inability to talk with people that we have known and worked with for a long time.

So I am not going to go back over that, but I do have a question about the unfunded requirements list.

There has been an exchange of correspondence between Mr. McHugh, I know, and your office and on April 30, you sent out guidance to the service chiefs citing subsection (f) of Section 151 of Title 10 that says the joint chiefs first inform the Secretary of Defense before making recommendations to the Congress.

I guess I would like to understand. Is it your intention to then sensor that or to edit it or to filter it or are they just going to inform you and then they can do what we have been doing for the past decade or so, having a dialogue?

How is that going to work?

Secretary GATES. What I am trying to do, sir, is reestablish some measure of discipline in the Department of Defense, that people play by the rules.

That means not having a President's budget where people come around the sides and come up and argue against the President's budget when they work in the Department of Defense.

I didn't like it in the Bush Administration, and I don't like it in the Obama Administration.

The other part of it is on this unfunded list, it is simply for me to know, according to the statute, they are required, if they have unfunded requirements, to inform me of that before they come up and testify to it.

I have no intention of censoring them. I have no intention of curtailing it. I might ask them a question or two, like why didn't they put it in their budget submission to start with in the Department of Defense, but I have no intention.

And as I indicated earlier in my answer to Mr. Forbes, you must be able to count on the candor of both the civilians and uniformed people who come up and testify in front of you.

That is my guidance to them. I expect them to be candid, and I have no problem with the military officers, in particular, giving you their best professional judgment.

That is required by law, and I intend to support you and them in that.

Mr. KLINE. Thank you.

We appreciate that, because we simply cannot do our job here if we don't have that ability to have discussion. It is not fair to Amer-

ica if we can't have the ability to have other opinions and other ideas.

I appreciate your desire to get some discipline in the military. I always thought that was a good idea in the military and sometimes struggled to find it in the years that I was there.

But we really do have to have that conversation and I am pleased to know——

Secretary GATES. And I would add it applies to the civilians, as well.

Mr. KLINE. Well, actually, I was thinking about the civilians. But we really must have that conversation. So I thank you for that.

Let me jump to another subject here. I assume, in the same vein, now that the budget is here, if we have questions about something down in the weeds, like sole sourcing engines for the F–35, we are now free to talk to somebody about that. Is that right? Okay, thank you.

And then before my time runs out, there is another issue that is of some continuing concern and that has to do with the National Reconnaissance Office (NRO).

They are responsible for spending a lot of money and acquiring a lot of expensive equipment, and they haven't had an updated charter now in decades.

And wearing another hat on another committee, I talked to the Director of National Intelligence (DNI), who said that, indeed, they were pressing ahead to get that charter, which would be brief, which I would applaud, 1 or 2 pages would be preferable to 30 or 40, but will allow the acquisition folks in that organization to do their job with oversight, but preferably without a lot of staff interference.

And so you are, obviously, a very key player, Mr. Secretary, in the NRO and in the management of it and the functioning of it and the staffing of it and so forth.

Are you engaged in that, as well? Can you tell us today whether we are going to see a new charter here in the next month or so and are we going to get this cleaned up so that we can fix that part of the acquisition problem?

Secretary GATES. Director Blair and I are in full agreement on the need for a new charter for the NRO, and the only thing holding it up at this point is the appointment of a new director of the NRO, who would oversee that process.

And I would expect that as soon as a new director is in place, that that effort will be undertaken as a high priority.

Mr. KLINE. Well, I hope so. It is just one of those things that has dragged out and dragged out and dragged out, and you know very well, in the Pentagon, by the time 15 staffs have reviewed it, these things die.

And so please, please, let's see that.

Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. Thank you.

The gentlelady from California, Mrs. Davis.

Mrs. DAVIS. Thank you, Mr. Chairman.

And to Secretary Gates and Chairman Mullen, our country is really fortunate to have your leadership. Thank you. Thank you very much.

I am going to try on three questions. I will ask them one at a time and see if I can get through this really quickly.

Last week, my colleagues and I had an opportunity to meet with a group of military spouses, leaders within the military spouse community, at an event that the speakers sponsored and what we heard is that military families are resilient. You all know that.

They value the service of their loved ones very much. But we also heard that our families are at risk of becoming burned out and even in light of their enormous sacrifice, many still believe that the American people do not understand or appreciate their sacrifice.

And, in fact, one of their surveys demonstrated that 94 percent of the American people do not appreciate their sacrifice.

Chairman Mullen, I thought your comments today should be broadcast among the military community, because I think they demonstrate what we would like to signal to families.

But how do you think we should deal with that? You mentioned institutionalizing more of the support for our families, but, clearly, there is still a perception and, clearly, they are still feeling very much that they are an isolated group in our country.

Secretary GATES. Both of us probably ought to comment on this. Let me just say, out the outset, all of the services have very good programs for families and for taking care of the families of our men and women in uniform.

The concern that I have and, in fact, just signed out a memo today, prompted by the op-ed in the newspaper just a couple of days ago by a military spouse, that what Admiral Mullen and I hear when we talk to spouses at posts and bases is very different than what we hear when we are briefed in the Pentagon and what we see is an unevenness of the application or the implementation of these programs.

It depends on whether a commanding officer at a local facility has a passion for and is willing to support it and get in there and do whatever is necessary.

It is questions about whether some of the volunteers who help the family should be paid, as was suggested in that op-ed.

So one of the things that we are both focused on is how do we ensure that the very best practices are applied consistently across the entirety of the military.

And it is not for a lack of programs or a lack of money. It is, in my view, mostly execution and we need to refocus our attention on that.

Admiral MULLEN. I share all those concerns. I do see a great unevenness. We are very concerned about the stress on the families, as well as on the force. That is a part of it. That gets to the dwell time issue, the repeated deployments, et cetera.

What I want to try to—where I am focused is to try to reach to grassroots nationally, Guard, Reserve, I mean, throughout the country, so that there is a reach, and local support for families and I think we can do a better job of that, working through national organizations, chamber of commerce, United Service Organizations (USO), people that have that kind of reach.

We just have to keep it as a priority and keep focused on it and make sure the programs are delivering.

Mrs. DAVIS. Thank you.

You mentioned that there is a lot of unevenness in the way that the programs or the services are institutionalized on bases. How does it affect one's career advancement to the extent or degree to which they are good at this and they care about it?

Admiral MULLEN. I think that, as in so many areas, great leaders are easily singled out and we can go to places where it is working well, and it is not just family programs. It is everything is working well.

So those who lead well in this area have a tendency to lead well in combat. It literally goes together and it is pretty easy to figure out who those individuals are and, generally, they are promoted.

Mrs. DAVIS. I just hope it would be quite open that however one treats that subject does have an influence on whether or not they are going to advance, in addition to many of the other qualities that we are looking for.

I think that might make a difference. I would hope so.

The other area is really in the individual augmentees, because for them, a lot of the support is not necessarily there. Again, we hear from many of the spouses in that area and a concern on the part of individual augmentees that the fact that, especially for the Navy and for airmen, they are out of—they are doing things they weren't trained to do.

And so they fear that their careers and the opportunities that they have to become more specialized have been diminished, and I just wanted to bring that out.

And I really wanted to ask a question about Afghanistan, but, Mr. Chairman, I guess I have to stop.

Thank you.

The CHAIRMAN. Thank the gentlelady.

Mr. LAMBORN. Thank you, Mr. Chairman.

And thank you all for what you are doing for our country.

Last week, the congressional commission on the strategic posture of the United States presented their report on America's strategic posture. The commission recommended developing effective capabilities to defend against increasingly complex missile threats.

Several missile defense programs were developing technologies to combat these complex missile threats and were the only ones focusing on the boost or ascent phase. These include the multiple kill vehicle, MKV, kinetic energy interceptor, KEI, and airborne laser (ABL).

Your fiscal year 2010 budget kills MKV and KEI and reduces the ABL program to one aircraft.

In light of these cuts, how does the Missile Defense Agency intend to address an enemy launch in the boost or ascent phase?

Secretary GATES. First, I would say that we have very good capabilities at the terminal phase with Terminal High Altitude Area Defense (THAAD) and other systems. We have a good capability at midcourse with the ground-based interceptors, and we will robustly fund continued development of those to increase their capability, the ground-based interceptors.

Boost phase is the toughest of all, because you have to be fairly close to the site of the launch for boost phase to be able to work.

For example, the operational concept of the airborne laser would have required that that aircraft orbit—let's say the target was

Iran—would have required an orbit almost entirely within the borders of Iran. This is probably a little problematic.

And so what we have—but by the same token, I believe that when the boost phase issue is addressed, directed energy is an important opportunity for us in that regard, and that is why we have kept alive the airborne laser that we have, the aircraft that we have, and will robustly fund research and development (R&D) using that aircraft.

The kinetic energy interceptor, this was a program that began as a five-year development program. It is now in its 14th year. It has never had a test launch. There has been very little attention given to the third stage or the kill vehicle, and, frankly, this was a program that wasn't going anywhere.

Multiple kill vehicle was intended for a much more capable missile threat than is posed by rogue states. It was designed to deal with a more complex threat that would have come potentially from either China or Russia.

The reality is U.S. policy with respect to missile defense under the current Administration and under its predecessor was that our missile defense was intended to deal with rogue threats, not a threat from China or Russia.

This system, frankly, was incompatible with the policies of both Administrations, and that, in addition to various technology and acquisition issues associated with it, fundamentally, it was contradictory to the policy of both Administrations.

We have every intention of continuing to fund R&D on boost phase, but, again, the central problem is you have to be very close.

The kinetic energy interceptor also had no platform. It is a 23-ton missile, 38 feet long, couldn't be launched off Aegis ships. It would either have to have its own surface ship or something else, and it would have to be deployed very close to the site of the launch.

So it was useless with respect to the Chinese and the Russians and, for the most part, the Iranians.

Those are the reasons I did what I did.

Mr. LAMBORN. On the kinetic energy interceptor—and I appreciate your answer—aren't they very close to having a test? And with all the money that has been spent, shouldn't we ramp up the last several months before the test and see it through to that next stage if they are so close?

Secretary GATES. As I understand it, there have been a couple of tests. They have not been flight tests and they did not go well. And it just seemed to me, given all the other problems with the program, the continuing to spend money was not the best place to put our resources.

Mr. LAMBORN. Thank you.

Changing subjects here. In your April 6 budget statement, you noted, "We will stop the growth of Army brigade combat teams at 45 versus 48, while maintaining the planned increase in end strength of 547,000. This will ensure that we have better manned units ready to deploy and help put an end to the routine use of stop-loss. This step will also lower the risk of hollowing the force."

When the original decision was made to grow the Army to 48 BCTs, there must have been some good reasoning in making the determination that 48 BCTs met a certain requirement—okay.

The CHAIRMAN. Please answer the question.

Mr. LAMBORN. And what has changed between that time and today?

Secretary GATES. I think that when that force structure was first put in place, first of all, we didn't have 13,000 people in stop-loss. Second, we have something like 55,000 people in the Army that are not in deployed units. They are in training or whatever.

I think that number is much larger than the institutional Army at the time that it established 48 BCTs, thought would be the case.

The expansion of the number of brigade combat teams has put stress on the number of particularly company level officers and midlevel Non-Commissioned Officers (NCOs).

And it was our judgment, the chairman's and mine, that it was better to make the units that we have robust, allow us to stop stop-loss, with the end strength that we have.

If the Army can then move more people out of these institutional roles and into deployed units, then there is no question that, at some point, we could change that force structure, and, in fact, longer term Army force structure will be addressed in the quadrennial defense review.

The CHAIRMAN. Thank the gentleman.

Mr. Larsen.

Mr. LARSEN. Thank you, Mr. Chairman.

Mr. Secretary, I am glad to see you label your budget as a reform budget.

I am a little perplexed that years of transformational budgets have led us to a reformational budget. That is what we have got out of transformation is reform.

But at least we are here and trying to do the right things in the budget and later today we will be moving forward the acquisition reform bill on the floor.

But I want to ask you just a few questions about a few platforms. One, I am glad to see the procurements for the 22 E–18Gs are continuing on track.

But in the broader scheme of things, with regard to electronic warfare (EW), you were asked, in March, at a press conference, about Air Force EW and, at the time, you responded you had not begun yet to think about Air Force EW.

And as some of us who are trying to look at electronic warfare from a broader perspective, a defense-wide perspective, I am just wondering, have you begun to—in that time, have you begun to put some thought into Air Force EW or looking at the functional solutions analysis to come out of U.S. Strategic Command (STRATCOM) about EW to see where that might fit in in a broader context in the Pentagon?

Secretary GATES. I have not directly, but the need for—and I will invite Admiral Mullen to speak, because I am sure he knows a lot more about it than I do.

But I think the subject of how many more F/A–18s, Gs, especially, that ought to be bought, especially for the Navy, is going to be addressed in the QDR.

Admiral MULLEN. I think that is really important and it will be the combination of the Navy capability and the growlers and how many of them are focused on the Navy and how many of them are focused on the national mission.

We clearly need an electronic warfare capability that goes beyond just the pinpoint capability that a growler has and that—and you know, I think you know, we have invested a lot of money and haven't produced much in the last 5 to 10 years, and we have got to move forward to make that happen, I think, both in the Air Force and in the Navy.

So the Secretary's comments about QDR, very critical war fighting issue for the QDR.

Mr. LARSEN. And I think our hearing tomorrow is with the Navy and I will be asking questions about the expeditionary element and what happens there.

Admiral MULLEN. Sure.

Mr. LARSEN. The second question, Mr. Secretary. On the 1206 and 1207, you have discussed a little bit in your testimony, but can you talk a little bit about how you see 1207 moving forward, since it expires this—the authority expires the end of this year and whether or not you want that to continue with more money folded into 1206, combined over at State?

How do you envision that?

Secretary GATES. Well, I think we have a—on 1206, if I recall correctly, we have a 3-year authorization at $350 million a year. On 1207, I have proposed bumping that from $100 million to $200 million.

It has been a very worthwhile program, some of the things that we have been able to do with the State Department, and it is one of those dual key programs that both our concurrences involve.

My inclination, we really haven't addressed post the next step in that and I think that is something that I will need to sit down with Secretary Clinton and also talk about within our own building in terms of the longer range future for 1207.

But it has served a very valuable purpose going forward and if, in the mix of all the things that are being done in fiscal year 2010 and in the 2009 supplemental with respect to the State Department and resources and our capability to help them, once we have sorted through all of that, if there is a continuing need for the kinds of things that we are doing under 1207, then it would be my recommendation to go forward with it.

Mr. LARSEN. And, finally, the obvious question from me and folks from Washington State, just on the KC–X tanker, still looking at a Request for Proposal (RFP) sometime in the summer.

Will that be early, mid, late summer? Any more specifics on the timeline when that might be out?

Secretary GATES. Hoping for early summer.

Mr. LARSEN. Hoping for early summer.

Thank you very much.

The CHAIRMAN. Thank you.

I am a bit confused. Let me ask, Mr. Secretary, if the State Department has properly funded, why do we need 1207?

Secretary GATES. Well, because it often involves security training, military training, supporting the things like what—some of the things we have done in Lebanon.

So that is why I say I just need to sit down with our own folks and with the State Department after we see what has happened in fiscal year 2010 and the 2009 supplemental with respect to the State Department to see whether there is a continuing need.

The CHAIRMAN. Thank you.

Mr. Wittman.

Mr. WITTMAN. Thank you, Mr. Chairman.

Gentlemen, thank you so much for joining us today and I thank you so much for your service to our Nation.

Secretary Gates, recently, at the Naval War College in Newport, Rhode Island, you gave what I thought was a great speech and you went into some depth about our Nation's aircraft carriers, and you stated, "No country in the rest of the world has anything close to the reach and firepower to match a carrier strike group, and the United States has and will maintain 11 until at least 2040."

You said, also, "I might note that we have a number of expeditionary strike groups that will, in the not too distant future, be able to carry F–35s." And I applaud you for your commitment to maintain 11 carrier strike groups at least until 2040, and I think that is very significant.

What I wanted to ask is it seems like, though, in the proposal that you are putting forth, that you are proposing to go from 11, at least temporarily, down to 10.

Can you comment on that and where you see our carrier strike force capabilities going?

Secretary GATES. Let me defer to Admiral Mullen on this, but I think it has—it is a temporary thing, I think caused by a delay in the catapult system of the *Gerald R. Ford*.

Admiral MULLEN. It is tied to two things. It is clearly that and as we bring on the 11th carrier, and it is also tied to the decommissioning of the *Enterprise*, which is at her service life and we have invested and continue, because she is a unique eight-reactor carrier, we have continued to invest heavily.

She is in a big maintenance period right now, as I am sure you know. So I think it is in 2014 and 2015, I think it is that 24-month period, and that is risk I think that we are going to—I mean, I am comfortable taking that over that 24-month period as we bring the *Ford* out. And then, clearly, it is 11 carriers until I think it is 2039.

Mr. WITTMAN. So you are comfortable then strategically about where we are placed here with that 24-month window, at a 10-carrier strike force.

Admiral MULLEN. I am, yes, sir.

Mr. WITTMAN. All right, very good.

I also appreciate your overview on the DOD 2010 budget proposal. I think it was very, very well thought out. And as it was stated there, it said the budget acknowledges that every taxpayer dollar spent to over-insure against a remote or diminishing risk is a dollar that is not available to care for America's service men and women, and I think that is extraordinarily cogent these days in the threats that we face.

We are saying there that those dollars would either be available to reset the force or to win wars the Nation is in or to improve capabilities in areas where the U.S. is under-invested and potentially vulnerable.

If you look at the decision that was made on April 10 by the Department of Defense, where you announced a final decision on whether or not to permanently home port an aircraft carrier in Mayport, the focus there was that that decision was going to be made during the 2010 quadrennial defense review.

And I was just wondering, in asking the questions about that and if we are talking about making sure that we are not putting dollars out there for remote or diminishing risks, I am wondering if having $76 million in this year's defense budget to upgrade the port there at Mayport specifically so that it could have an aircraft carrier, as they say, pull in there, is that really in line with the focus that was pointed out here with the budget as far as making the investment there in home port or should we not wait until the QDR process has worked itself out to determine if that truly is a capability that we need there at Mayport?

Secretary GATES. I wrote a letter to Senator Webb in early December in which I said we have deemed it unacceptable to have only one carrier home port on the west coast, we have two, and that I thought the same logic applied to the east coast.

I do worry about everything being concentrated in Norfolk. The money in the budget is to, at a minimum, provide some dredging and upgrading at Mayport that even in an emergency situation would allow one of our modern aircraft carriers to be able to dock there.

I think the reason the issue has come up in the QDR is simply that the cost has risen significantly in terms of the home porting in Mayport. I stand by the letter that I wrote to Senator Webb, but at the same time, I think that there is a—in terms of there being a need for a second facility on the east coast.

But at a certain point, the Navy has to figure out how best it wants to spend its money.

Mr. WITTMAN. Thank you, Mr. Chairman. I yield the balance of my time.

The CHAIRMAN. Thank the gentleman.

Mr. Cooper.

Mr. COOPER. Thank you, Mr. Chairman, Mr. Secretary, Mr. Chairman.

I want to use my few minutes just to reinforce what you gentlemen said in your opening statements.

First, let me say that I am thankful for your service. Before us, we have two of America's most distinguished public servants and we are grateful for your continued service to our country.

I thought I heard in your opening statement, Mr. Secretary, that you said that the $533 billion base budget that we are presented with is more than adequate to take care of our Nation's security needs. Is that right?

Secretary GATES. I consider it sufficient.

Mr. COOPER. Sufficient, okay. And the four-percent growth in that budget is enough over last year to take care of our needs.

Secretary GATES. Yes, sir.

Mr. COOPER. I thought I heard the chairman of the Joint Chiefs of Staff say that—I think it was in your ten years of experience in dealing with such matters, that this has been one of the most open and transparent processes for the services to make their recommendations and to get a fair decision.

Admiral MULLEN. It has been the most open and the most transparent.

Mr. COOPER. The most open and the most transparent.

Admiral MULLEN. And where uniforms had a vote throughout.

Mr. COOPER. Well, I appreciate these findings, because in our degraded media environment, folks back home want to know if this is a good budget or not, plain and simple.

And they want to know that you gentlemen, both of whom have served multiple presidents in both parties, have used your best professional judgment to make sure that our Nation's vital interests are protected.

So I am grateful for that and I know that here on the Hill, you face Monday morning quarterbacks, backseat drivers, and not a few armchair generals, who sometimes speak more on behalf of parochial interests than on the national interests, and I think both of you gentlemen have in mind the national interests.

So I am hopeful that—I know that you made tough decisions and I know that anybody can second guess most anything. I am hopeful that we will keep in mind on the Hill here the national interests, because money doesn't grow on trees, tough decisions have to be made.

It is not easy to pick among spaces or defense contractors or anything or weapons systems, but I think you gentlemen have done an outstanding job.

I haven't said this to some of the previous folks who have held your positions. So I am thankful you are there and I pray for your continued service.

Thank you.

The CHAIRMAN. The gentleman from California, Mr. Hunter.

Mr. HUNTER. Thank you, Mr. Chairman.

Thank you, gentlemen.

First question or statement, really, for Admiral Mullen. When you talked about the Operation Iraqi Freedom (OIF) veteran who was talking about combat stress, as a combat veteran of three tours, you can quote me, if you want to.

I would say that prosecuting an enemy that wants to kill your family and mine and a lot of innocent Americans is probably the most uplifting and fulfilling thing you will possibly do in your entire life.

Two, I think that we ought to be focusing on pre-enlisting screening and being more rigorous with that. No post-service screening would have saved those five American lives last week, because that happened while somebody was in.

So if we really want to get down to it, we are going to have to be doing personality tests, stress tests, and emotional testing preservice, before anybody gets in the military. This is not a Post Traumatic Stress Disorder (PTSD) after the fact question.

This is a thing about combat being hard, being dirty, being stressful, and that is just the way it is. And I think that anybody

who has been over there can tell you that, especially guys that get shot at, mortared.

I have been shot at, mortared and everything else, and it is just hard. And I don't think that excuses saying that they are stressed, excusing somebody going off the deep end in Iraq and Afghanistan and killing innocent civilians.

You can quote me on that, if you want to, I was an OIF vet, the next time you testify here.

Going to Mrs. Davis' comments and questions, she represents San Diego, as do I, there has been a 19-percent increase in ships operation since 2002.

And this article just went over some things that kind of contradict what you have been saying about the Navy. Most military transfers that the Navy has take place during the summertime so that kids can move without being pulled out of schools.

There were 14,000 planned moves for this summer for San Diego sailors. Most of those have now been pushed off. So they are going to have to do midyear permanent duty transfers, which means that they are going to pull kids out of school.

So if we are trying to make life easier for our military families, why wouldn't you pull them out during the summer?

The reason that the Navy is doing this—lack of funding. Surface ships will remain tethered to their piers for more days. Sailors and aircraft crews will undergo more training with simulators.

Lack of funding, we are not training them.

She actually says, and Mrs. Davis touched on this, too—my wife and family had a much harder time dealing with this war than I did, because I was with my Marine friends overseas and we were doing what Marines do. The family is back here paying the bills, paying the insurance, taking kids to school and doing all of those things that they have to do.

So why not accommodate them by giving the Navy enough money so that they can move during the summer as opposed to pulling kids out of school from elementary to high school?

Once hefty reenlistment bonuses, except for Navy Sea, Air, and Land (SEALs) and some corpsmen, are being canceled this year, as of last week. Those hefty reenlistment bonuses are going to be gone.

So you say that we are out here looking out for the men and women and that is the most important thing that we have is the men and women, yet we are cutting funding. I am not even talking about the ship repair gap in funding that we have in this country right now.

But if we are going to take care of the men and women, let's take care of the men and women.

You just had a piece of paper pushed to you. So I would like to get your comments on that.

Admiral MULLEN. Sir, I appreciate your service and the fact that you have been in combat and understand that.

That said, I have been with an awful lot of soldiers, sailors, airmen, Marines who have been in combat and the stress level is high for them and their families. As you said, it is stressful. It is how do we deal with it.

In addition to pre-screenings, tied to this tragic incident, we, obviously this week, there is also, I believe, a requirement to understand how it affects people when they are serving. So that when we are to release people, we understand what the risks are with someone who is returning out to society.

And I think squad leaders and staff sergeants understand what those risks are probably better than anybody else.

As far as the resources for the Navy, there are two issues there. One is the Navy needs the sup, the Supplemental, passed. And so they have taken steps specifically that are precautionary to make sure that they don't break the budget at the end of the year, and when the sup is passed, some of that is going to change.

Secondly, in the personnel accounts, the manpower accounts, the Navy is over end strength. They must manage this to 30 September, and there are very few places you can take money in the manpower accounts to manage that specific issue, and Permanent Change of Station (PCS) moves is an example.

The other is that you will see the Navy, but all services, manage their reenlistment bonuses, their incentive bonuses tied to the needs, and I know that that is what the Navy has done.

So I think when the sup passes, you will see relief there. Clearly, this is not intended to focus on families and not move them and we recognize the additional stress that that creates for a family right now.

The CHAIRMAN. Mr. Marshall.

Mr. MARSHALL. Thank you, Mr. Chairman.

Mr. Secretary, I appreciated your comments that you have made to several members about wanting—not wanting to have a lot of voices within the Pentagon, within the civilian bureaucracy in the Pentagon, arguing against the President's budget, once the President's budget has been presented, and that puts us in an awkward position.

I am sort of used to an environment—all my life has been as a lawyer, my professional career has been as a lawyer, where we believe firmly that judges get to the right decision by hearing arguments on both sides, not just the case made for a particular position, but the case made against that position, as well.

So we are trying to do our best and will continue to try and do our best to probe with the experts, that means the folks working for you, why suggestions make sense and why they don't make sense, because ultimately we have to make decisions concerning whether or not the recommendations the President is making, that you are making, are the right way to go.

And 90, 95, 99 percent of the time, as you know, historically, we are going to go with your judgment, that some of the time we do not, and some of the time we simply disagree based on the merits. It is not just parochial stuff, but it is purely on the merits.

A balance has to be struck here, but I, for one, and I know an awful lot of my colleagues feel the exact same way, I am going to probe as best I can and I don't want somebody telling me they can't talk to me because, basically, that they have been buttoned up somehow by the Defense Department.

If we need to change the law, we just change the law to give us the information that we need in order to make good judgment.

Now, I am sorry for that sort of preachy little beginning here. The JCA, the joint cargo aircraft, I am a little worried that this could wind up being like the Caribou in the Vietnam era, and I very much appreciate that the chiefs are talking with one another.

Air Force's role has been more strategic and strategic lift. What the Army is looking for is this last tactical mile support, which is what the Caribou gave in Vietnam.

There were some suggestions that when the Caribou was moved to the Air Force, an awful lot of Air Force folks really didn't want to have that mission. A lot of Army people say that the mission was not as well executed as they needed it to be executed during the Vietnam era.

So if the Air Force is going to have the last tactical mile mission that is contemplated by the C–27, there has got to be a really close link between the two.

And the dilemma often winds up being who pays the bill, and Army might have a very different view of how that asset should be used in order to meet its mission and Army's willingness to pay the freight could be very different than Air Force's willingness to pay the freight.

And somehow we haven't broken down those lines and as long as those lines remain, it seems to me that something that is integral to the tactical operations of one of the services perhaps should be with that service.

I do think Air Force is probably the right choice for acquisition, sustainment, maintenance, that sort of thing. It is what Air Force does with platforms like that.

Mr. Secretary, you said that we have to be prepared for the war we are most likely to fight, and I agree with that. The Institute for Defense Analyses (IDA), and I would imagine that certainly the Pentagon has seen the study, I don't know whether you have had an opportunity to read the study, but considering specifically the appropriate mix of lift.

Where JCA is concerned, it seemed to me, as I read that study, at last the unclassified executive—or the unclassified summary of the study, it seemed to me they concluded that for the kinds of wars we think the engagement, these long-term, low-level engagements that they were going to be involved in, JCA is a very important, cost-effective ingredient to the solution.

They actually recommend that a lot of JCAs be acquired, if that is the sort of fight that is contemplated.

So I would simply ask you to maybe take a look at the IDA analysis as we move forward to the quadrennial review and that maybe we get more of these JCAs. That is certainly what all the requirements have been to date and it seems to me to be only logical in this low, sustaining kind of conflict.

And I would ask for your comment about that, sir.

Secretary GATES. Well, first of all, I would say that one of the more intriguing aspects or events during this process this late winter or early spring was that the agreement with respect to moving the JCA from the Army to the Air Force was actually made between General Casey and General Schwartz.

We were basically bystanders on that one, and it was an expression of jointness that we sort of left us agape, frankly.

But the reality is, and I think General Schwartz would tell you this, there are going to have to be changes in the Air Force culture about how these things get done.

For example, when they load a C–130, they want it to be completely full. They are like a moving company and they don't want to head out unless they have got a full load, and that has got to change.

The JCA is a niche player that is most cost-effective when there are three pallets or fewer and we have this enormous amount of available capacity in C–130s that can land at 99 percent of the airstrips that a C–27 can.

So we will look at it, as I said, in the QDR in terms of the relative balance. But we do have an enormous amount of capability that, at this point, is, and likely in the future, will be available and we need to figure out a way to take better advantage of it.

Mr. MARSHALL. Thank you, Mr. Secretary.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Secretary, before I call on Mr. Franks, last year, the House required a comprehensive review that would provide Congress a better understanding of the science and technology and educational programs that are supported by the Department of Defense, particularly K (Kindergarten) through 12.

We understand that the report has been staffed and is in the beginning stages. And given your expertise as an educator, now as Secretary of Defense, you are in a position to understand the importance of the department's effort to develop and enhance efforts to encourage young Americans, particularly K through 12, to seek a career in science and technology.

Mr. Secretary, we understand that there are many challenges in putting this report together, but we would request that you give it your personal attention at some point in the near future.

Secretary GATES. Yes, sir.

The CHAIRMAN. Thank you.

Mr. Franks.

Mr. FRANKS. Well, thank you, Mr. Chairman.

Mr. Chairman, I think the first thing I would like to do, just so I can focus on a more particular thing, is to endorse the comments of Mr. McHugh. I think that he had broad-ranging statements here that were right on the money.

Mr. Secretary and Admiral Mullen, we would like to thank you for being here.

I guess I want to try to focus on the Missile Defense Agency (MDA) budget.

Mr. Secretary, you have recommended some rather dramatic cuts in that, particularly investments in programs meant to defend against sophisticated threats.

KEI, MKV, they are gone, and airborne laser has essentially been relegated to a research project. And I have to go on record that I think that that is incredibly the wrong direction to take this budget and our country on missile defense given the growing threats that we face and given the growing attitude of other nations that have missile programs even over and above the Air Force's.

Now, I want to do as you have suggested and look beyond specific programs and look at the overall direction the Administration is going here. And I know that you are focusing on already mature systems that provide theater defenses, but, unfortunately, those defenses that provide protection against long-range missiles and sophisticated missiles are taking a back seat.

And it is my sincere judgment that that places our population at a greater risk, especially in the out years, especially as these threats grow and especially as they develop, and future generations—it really concerns me tremendously.

And I am also kind of overwhelmed by the notion that we have to cut missile defense, given the significance of it, by $1.5 billion, when we seem to have money for everything else on the planet, except defending the country, which is our first priority.

Now, I understand that, Mr. Secretary, you take orders from someone else. So in the interest of time, I want to try to focus my discussions on your decision to stop emplacement of the additional ground-based interceptors (GBIs) and to cap that at 30.

Last year, just last year, with the input from the same commands we have in place today, the recommended number of interceptors to protect the homeland from long-range missiles was 44. And ironically, a lot of the war colleges that I hear from are saying that in their war games, that they end up finding that they want more than even the 44 that was recommended.

Now, obviously, something has changed or seems to have changed, in the Administration's mind, in the last 6 to 9 months, when they decided to reduce the number from 44 to 30.

So I would like to find out what exactly, in your mind, is the analysis that was done to reduce the number of GBIs from 44 to 30. Was the Administration—did they perceive a change in threat or are we accepting a greater risk? And if we are accepting a greater risk, what is that risk?

And, Mr. Secretary, I will ask you to go first, and, Admiral Mullen, if you would follow up.

Secretary GATES. First of all, let me say that the recommendations that are in the President's budget came out of the Department of Defense and were not influenced by anybody from outside the Department of Defense.

The ground-based interceptors in Alaska and California are designed to defend us against a missile from North Korea. The geometry doesn't work for basically any other country.

And the judgment was that, based on our experience, that 30 interceptors, and, particularly, if we continued to upgrade those interceptors, were adequate to meet that threat.

In terms of your larger point, I would just say that the security of the American people and the efficacy of missile defense are not enhanced by continuing to put money into programs that, in terms of their operational concept, are fatally flawed or research programs that are essentially sinkholes for taxpayer dollars.

That was my conclusion on a kinetic energy interceptor, five-year development program, in its 14th year, not a single flight test, little work on the third stage or the kill vehicle, et cetera, et cetera, no known launch platform, have to be close to the launch site.

I am keeping the airborne laser program active. I believe directed energy is important. We are going to continue to put R&D into boost phase defense and we will continue to do that with the airborne laser.

As I say, there are significant increases in this budget in terms of terminal defense, in terms of more protection against missiles for our troops in the field, through maximizing the inventory of SM–3s and THAADs and Patriot 3s.

So I think this budget pays a lot of attention to missile defense. It is just trying to focus the dollars on real yield and on research programs that have some prospect of yielding a operationally sound concept and one that actually can come to fruition in our lifetime.

Admiral MULLEN. I would only say I have been in and out of missile defense since the mid-1990s and we have made a lot of progress on the near-term threats, where this investment goes.

The challenges that we have in boost phase, specifically in boost phase, are enormous. I have felt ABL has been a flawed concept for years, quite frankly, because it made no sense, number of sorties, and I think the investment there to get at the high energy laser and that aspect of it is really critical.

But until we move to a point where it looks like that R&D is going to produce something, then I very much favor the decisions that have been made that we keep those investments focused on boost. That is the toughest problem that we have, as well as the multiple kill vehicle.

Those are two enormous problems and we need an R&D and Science and Technology (S&T) investment to know that we are headed on a clear path.

I also think that the resources in this budget support the national security of the American people.

Mr. FRANKS. Well, Mr. Chairman, I am still unable to know what has changed from last year's commands to this one.

But thank you, thank you very much.

The CHAIRMAN. Thank you.

Mr. Andrews.

Mr. ANDREWS. Thank you, Mr. Chairman.

Thank you, Chairman, Mr. Secretary, for your outstanding service to this country. And I think everything that you have done today at his hearing further distinguishes your service to this country.

Mr. Secretary, on page 4 of your testimony, I am going to read your comments about shifting away from the 99-percent exquisite service centric platforms that are so costly. "With the pace of technological and geopolitical change and the range of possible contingencies, we must look more to the 80-percent multiservice solution."

I completely agree with that approach and I appreciate the fact that it animates much of what is in this budget.

I wanted to focus on procurement reform and the meaning of that idea in procurement reform.

Would you agree that the place at which we can best start to effectuate that 80-percent solution is in the requirements phase of the procurement process?

Secretary GATES. Yes. I think one of the areas where we have not been sufficiently disciplined, and this came up time and time again as we went through these various programs over the last three months-plus, four months, is the requirements really weren't vetted properly and were flawed at the outset or where they were not flawed at the outset, they kept changing.

Mr. ANDREWS. Right.

Secretary GATES. And as anybody who ever added a room onto their house knows, once you have started building and once you start changing stuff, the cost goes through the roof.

Mr. ANDREWS. That is exactly what happened to me. I wish you had been there to help me when it did.

The question I want to ask you about that is that do you think that the present system gets enough input from the combatant commanders and the individuals who actually use these systems and define the need?

Secretary GATES. Well, let me answer and then I think it is probably more appropriate for Admiral Mullen to answer.

I think that one of the things we tried to do in this process—there is a procedure by which the combatant commanders each year submit their views of what the needs are.

I think this year may have been the first time perhaps in a long time where they actually were invited into the process, both at the beginning and at various points along the way, to provide their view of what the needs were.

Quite frankly, my perception in the couple, 2.5 years I have been in this job is that their description of their needs did not receive particularly high priority when the services came to making decisions, but that may be a misimpression.

Mr. ANDREWS. One of the—yes, Admiral?

Secretary GATES. Let me ask Admiral Mullen to comment.

Mr. ANDREWS. We certainly want to hear the Admiral's views.

Admiral MULLEN. I would put the combatant commanders in sort of the 80-percent solution. That is where they would like to go here, first of all.

Secondly, if I could just talk about requirements, because I think that is a critical part of the problem that we have.

But there is also a point from where requirements go to where the contract gets signed, and that is space that is not visible, not transparent, not open to everybody.

So that when I have a requirement or here are my dreams, my visions, what am I actually paying for? And there needs to be more clarification, more transparency, and more collaboration in this is what I really want when that contract finally gets signed to those who are going to go build whatever it is going to be.

Mr. ANDREWS. We are trying to look in our panel at ways to address that concern and it appears that an awful lot of the cost overruns and schedule delays are in that 20-percent space to try to get us from 80 to 100.

And what would you—you need not respond today, but one of the ideas we would like you to take under consideration is whether we should change our analytical metric from requirements to requirements and aspirations or requirements that are truly essential to the mission and for the protection and service of the warfighter

versus those things which would be nice to have, but deserve a lesser degree of mandate.

What do you think about that, conceptually?

Admiral MULLEN. I mean, you are trying to operate in that 20-percent space, which is enormously difficult, because the system wants to go to 100 percent.

So without commenting on the word itself, however you can limit that growth from 80 to 100 percent, I think, is absolutely critical; and over time, because they grow, as the Secretary said.

Mr. ANDREWS. Have you ever seen a situation where the 20 percent, you think, was really essential in saving someone's life or making their mission more achievable?

Admiral MULLEN. There are some where you would want to——

Mr. ANDREWS. I wouldn't want to exclude them, but my sense is that we get an awful lot done in the 80.

Admiral MULLEN. Yes, sir, we do.

Secretary GATES. And that is the only—and I haven't—to be honest, I haven't read either one of the acquisition reform bills, either the Senate or the House version, but I totally agree that the focus ought to be on cost, performance and schedule.

But at a certain point, there has got to be the flexibility to focus on value; that if it is something that meets a need that we cannot meet any other way, then we ought to have the flexibility to go forward knowing that we are going to have problems and that there are going to be extra development costs.

And who would have assessed, 3 or 4 years ago, that a $26 billion investment in MRAPs was the smart thing to do? But how many lives has it saved? How many limbs has it saved? And there is not a—this Congress has been so supportive on that program and it is because every member of Congress knows that it has saved our kids' lives.

Mr. ANDREWS. Thank you, Mr. Chairman, Mr. Secretary.

The CHAIRMAN. Thank you.

Mr. Coffman.

Mr. COFFMAN. Thank you, Mr. Chairman.

First of all, Secretary Gates, Admiral Mullen, thank you for your service.

In early 2006, I was in Iraq with the United States Marine Corps and things were not going all that well there and things were reversed later on with the surge, with General Petraeus' concept, where we not only put in more forces on the ground, but we dispersed those forces differently, away from the major, more secure base camps into—pushed into the communities and forward operating bases, and that created a level of security that allowed the political process to move forward.

When I look at the situation right now in Afghanistan, we are going to build up to a troop presence on the ground that is approximately about half of that that we had in Iraq prior to the surge.

And I don't see a robust plan to push our forces or Afghan security forces out into those villages where the Taliban are intimidating the population.

I just don't see that we have an assessment of the current threat commensurate with our resources that we are planning to put on the ground.

And what I would hate to see is that we get into the same situation that I experienced in Iraq in 2006. We were treading water and losing folks, until we realized that we needed a greater presence to provide enough security to allow the political process to move forward.

I wonder if you can respond to that.

Admiral MULLEN. Just two or three weeks ago, when I was there in Afghanistan and, specifically, with the new brigades in RC East, where we had been under-resourced, the 3rd Brigade Combat Team of the 10th Mountain Division arrived in January and the impact that they had had under the counterinsurgency concept or counterinsurgency plan is to get out and about, just like we did in Iraq, and it is starting to work there.

So they are not back on their bases. They really are out doing exactly what you describe, going where the Taliban are.

We don't have those resources in the south and the forces that have gone in, obviously, in the east, to be about right, and then we have got roughly 10,000 Marines showing up starting now, over the next several months, we think that is about right for certainly this year in the south.

Those are the two big areas, with the south being the most difficult and challenging right now.

As I said earlier, we think that is about right, as best we can tell, but, clearly, the concept is the same, the approach is the same, to get out and provide the security so development and politics, diplomacy, et cetera, can start to grow.

Mr. COFFMAN. I would encourage you, Mr. Secretary, Admiral Mullen, to certainly take a review as things develop, as soon as possible. I think it is better that we put the resources in sooner that are necessary than putting them in later.

Mr. Chairman, I yield back my time.

The CHAIRMAN. Ms. Bordallo, please.

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

Secretary Gates, I want to thank you for your leadership in the Department of Defense.

And, also, Admiral Mullen, thank you for your testimony and your leadership, as well.

I guess you gentlemen know in what direction I am going. First, I would like to ask you, Mr. Secretary, to get your perspective in better understanding the Administration's position on the realignment of Marines from Okinawa, Japan to Guam.

Incidentally, just today, the Japanese Diet approved the Guam Airport Improvement Program (AIP), the agreed implementation plan. However, the commandant made comments at a recent House Appropriations Committee hearing that suggested the entire realignment of Marines from Okinawa, Japan to Guam was going to be reviewed.

It was always my understanding that only training and command and control issues connecting Marine Corps presence in the Pacific would be reviewed in the QDR and not the rebasing itself.

So could you respond? Will the rebasing of Marines for Okinawa to Guam be revisited in any way as part of the QDR process?

Secretary GATES. We are still committed to the rebasing to Guam. As you suggested, there are some issues relating to train-

ing; clearly, infrastructure issues on Guam itself; issues relating to the runway that we have to address.

But we are committed to the program. I am very happy that the Japanese Diet has approved. I knew that the lower house of the Diet had approved it. It sounds like the upper house did today.

Ms. BORDALLO. Yes, that approval was today.

Secretary GATES. And we have money in the 2010 budget to do our part and to keep our part of the commitment, and I urge the Congress to leave that money in there.

Ms. BORDALLO. Thank you.

Thank you, Mr. Chairman. That is what I wanted to hear.

There has been concern by local leaders on Guam about the level of coordination from the Department of Defense for funding local infrastructure projects, and I guess, really, you touched on it briefly.

For the military buildup to work, the impact on our community and the cost of additional infrastructure must be shared by the military.

In fact, a September 2008 and April 2009 Government Accountability Office (GAO) report stated that improvements to critical civilian infrastructure is needed to handle the buildup and that DOD must do more to ensure that these requirements are resolved.

And I guess you did answer that. The effort of your office in this regard is that you are supportive in this area. Is that correct?

Secretary GATES. Yes, ma'am.

Ms. BORDALLO. Yes. And my third question. With your proposal on the JCAs, what will happen to the Army Guard units that are expected to receive the aircraft, but do not necessarily have a Sherpa mission? I am concerned about a hallow force structure.

Secretary GATES. I think this is one of the issues that has to be addressed in this context in the quadrennial defense review in terms of this balance between heavy lift helicopters, JCA and C–130s.

Ms. BORDALLO. Thank you. Thank you very much, Mr. Secretary. I am very enlightened with the responses to my questions.

Mr. ABERCROMBIE. Mr. Chairman? Mr. Chairman?

The CHAIRMAN. Yes. The gentleman from Hawaii?

Mr. ABERCROMBIE. If the representative has any time left, would she yield it to me?

Ms. BORDALLO. I will yield to the gentleman from Hawaii.

The CHAIRMAN. She yields 1 minute and 30 seconds.

Mr. ABERCROMBIE. Thank you.

Mr. Secretary, aloha to you.

Can you tell me, has the issue been resolved with regard to whether or not the basic allowance for housing will result in American construction companies being able to handle that construction?

I know what the Japanese Diet passed. Apparently, the State Department has decided we won't get to review that.

Secretary GATES. I don't know the answer to that, Mr. Abercrombie. I will find out.

Mr. ABERCROMBIE. Okay, because I want it clear on the record that I will—if it is not resolved so that the Bank of Japan is not getting the stimulus, but, rather, the United States, construction in the United States, it will be constructing, maintaining and man-

aging the housing for the Marines, I am afraid that we are going to have to have—at least I will certainly put forward an amendment to that effect.

I would like to see the housing for the Marines be in line with the kind of housing we do for military housing right now, where a private enterprise comes in, builds the housing, maintains it, manages it, and we utilize the basic allowance for housing to do the basic financing for that.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank the gentleman.

Mr. Akin from Missouri.

Mr. AKIN. Thank you, Mr. Chairman.

I came with kind of a multipart question. It has to do with F/A–18s, a subject that has been raised several times today.

The first is that in Section 123 of Public Law 110–417, it requires the Secretary of Defense to submit a report on F/A–18 procurement costs by March of 2009.

Now, we have not received that report. The purpose of the report was to take a look at particularly the idea of multiyear. We didn't stick that in that we were going to force anybody to do that last year, but we thought at least it makes sense to save money.

If you are going to be buying some F/A–18s and you are going to do it over a multiyear period, why not sort of lock in some type of a contract?

So I guess my first concern—I am going to hit you with a couple different questions. My first concern is I think it would be helpful in terms of transparency to have a better communication so we know what is going on.

Now, I understand that the QDR is the reason. We were going to wait for the QDR and everything. But it seems like, to me, this is a pretty straightforward situation.

In 2008, the projected shortfall was 125 aircraft. That was based on a 10,000-hour run time for these jets. Now, that has been proven wrong. So we are looking at a shortfall of 243,000 (sic) aircraft, and that comes out at 44 aircraft per aircraft carrier.

You are looking at, by the time you get to the year, let's see, it is about—I think it looks like 2018, you are looking at about five aircraft carriers with no airplanes on them.

I would suggest that aircraft carriers without airplanes is not a good combination. We need to have airplanes on them.

And so regardless of what QDR says, it seems to me that there is one of a couple of things. Either you are assuming we are going to get by with fewer aircraft carriers or we are not going to have a full 44 aircraft on an aircraft carrier. That seems to be where we are going.

So I guess my question is, first of all, why the lack of transparency and, second of all, if you would comment on where you think we are on F/A–18s.

Secretary GATES. Well, first of all, if the lack of transparency is the fact that we haven't yet gotten that report to you that was due in March, then we have an obligation to get on it.

I wasn't aware about the report and I will find out where it is.

Admiral MULLEN. The strike-fighter shortfall is an area, Mr. Akin, I know that, obviously, you are very focused on. The

multiyear issue, quite frankly, is how long are you going to keep the production line open, and, clearly, there has been a decision previously made that it was—I can't remember the exact year, I think fiscal year 2012.

So how far out you could go on a multiyear right now would be a question, because that question hasn't been answered.

There is no intent to have aircraft carriers without airplanes, I understand that. I am very aware of the 10,000-hour desire and, obviously, those airplanes are not going to last that long.

That said, I advised the Secretary, and I am still there, that we really need to take a pretty healthy look at this overall shortfall, not just in the Navy. What is the strike-fighter future? What does it look like? And, principally, we are headed for JSF.

So what is the risk, when do you take it, and, obviously, that backs up into whether this production line would remain open longer than is scheduled right now.

There is an electronic warfare piece of this, as well, that I am sure you are aware of, which is included.

So I really think this needs to be looked at in the QDR.

Mr. AKIN. Right. Well, we were on point on the electronic warfare and I think there has been some real good progress there.

Admiral MULLEN. Yes, sir.

Mr. AKIN. I guess the other question I had was, Mr. Secretary, you made the statement, as I recall, on January 2009, "I will pursue greater quantities of systems that represent the 75-percent solution instead of smaller quantities at the 99 percent."

I am thinking that 5.5 F/A–18s per JSF. Maybe the F/A–18 does make a certain amount of sense. And I have to say that as we have taken a look more on the shipbuilding side of cost overruns and problems with missing deadlines, as well as cost deadlines, but production deadlines, I guess I am a little concerned about dropping billions of dollars into trying to rush a program if we haven't even been through testing on it.

So it seems like there is a natural progression. If you drive a program too hard in terms of JSF, it can be pretty costly. And I am happy, if there is a better airplane, go for it, but I don't like to see us just gamble on something where we have a huge shortfall.

I yield back.

The CHAIRMAN. Thank the gentleman.

Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman.

And like so many others, thank you for your outstanding service and testimony this morning, to both witnesses.

And like other members, I certainly view this as a reform document and reform budget, and applaud both of you for the hard work that went into it.

I wanted to actually, along that line, just sort of comment on the exchange that Mr. Hunter had with Admiral Mullen regarding the disruption to families.

I heard your answer, basically, to say that it is happening because we have had such a broken budget process, where supplemental passages and late budgets have really kind of made it difficult for the services to plan adequately.

So that trying to be conservative and prepare for the worst case scenario is partly our fault here in Washington, because we really have not followed regular order in passing budgets within a fiscal year that would allow that type of planning.

I also would disappoint a lot of people back home if I didn't acknowledge that your budget does tip a hat to the fact that we have worked so hard to get the submarine building program to an acceptable level in terms of hitting deadlines and budgets, and we certainly appreciate the fact that that clearly was recognized in this budget document.

I would like to ask, though, Secretary Gates, I mean, there has been a lot of talk here today about trying to focus on the national interests in this budget and I completely agree with that.

But, certainly, part of the national interest is the fact that we have an economy which is in probably the worst shape of our lifetimes and we also have a workforce and an industrial base that is part of the national interest, and, certainly, your work on the MRAP was, I think, a classic example of that.

We did not have an industrial base that was really ready to get to the theater vehicles that saved lives, despite the fact that you were pushing for it and budgets were being passed here in Washington.

And the concern in Connecticut, very frankly, on the F–22, is that, certainly, the F–35 sort of vision, at the end, makes a lot of sense and there is going to be work there for that plane, but the plan, as is, right now of basically ending the production line at 187 is going to have a disruption to that industrial base.

I mean, there is just no way that you can have that happen without a gap and a very serious valley in terms of what happens to the workforce.

You described a zero sum game that we are involved in here. I guess the question I have is there has clearly been interest in terms of our Middle East allies, Israel and others, in terms of acquiring the F–22. That is, obviously, now allowed by law right now.

And I just wondered what your thoughts were in terms of that as an option right now and whether or not we can sell modified versions of the F–22, at least to keep that base working.

Secretary GATES. We didn't design an export version of the F–22. We have done that with the joint strike-fighter. We have eight foreign partners in the JSF. They are committed over the 5-year defense plan to buy, I think, 260 of these aircraft over the next 5 years.

The reality is I think that at least in the recommendations that I make to the President, what I have to consider, first and foremost, is what I think is in the best national security interest of the country.

Larger issues are considered by the President and by the Congress. But I would say this, and I realize that it is not one-for-one, but right now, in 2009, there are 24,000 people directly involved in the construction or building the F–22. That will go to 19,000 in 2010 and 13,000 in 2011.

But at this moment, in 2009, there are 38,000 people working on the joint strike-fighter, 64,000 in 2010, and 82,000 in 2011.

So the reality is as we transition from the F–22 to the joint strike-fighter, a significantly larger number of jobs will be created in the country and in the air industrial base, if you will.

And I have heard the figure 95,000 thrown around. I assume that that is a calculus that includes suppliers and everybody else. So if that is a factor of 4, then 4 times 82,000 means that there is a net add over the next 2 years of 220,000 jobs to the American economy through what we budgeted in 2010 and beyond for the joint strike-fighter.

So that is not much solace to the folks in 2012 who are working on the F–22, but we can't keep these programs running forever.

The CHAIRMAN. Mr. Thornberry.

Mr. THORNBERRY. Thank you, Mr. Chairman.

Mr. Secretary, as one more opinion from the peanut gallery, I appreciate your willingness to make decisions on programs and on personnel.

My perception is that there was some momentum for institutional change at the Pentagon, until September 11. That kind of changed everybody's focus.

But if the last eight years have taught us anything, it is the importance of having a balanced sort of approach and getting the right people in the right jobs at the right time. And whether we may agree or disagree about some particular decisions, I appreciate you making them.

The first QDR included a required red team, an outside group of folks whose job it was to offer an alternative version. It was called the National Defense Panel.

Chairman Skelton and I actually tried to get that on the last QDR, but were not successful.

Do you think it would be helpful to kind of have these retired military think tank type folks to offer an alternative, different sort of look at the broader questions that the QDR is supposed to address?

Secretary GATES. I not only think that having a red team for the QDR is a good idea, I have already moved in that direction. And the person who will lead the red team is the same person who led the red team for the last QDR, and that is Dr. Andy Marshall and the Department of Defense, and he will be assisted, at my request, by General Jim Mattis at Joint Forces Command.

I think Jim Mattis is one of the most creative and thoughtful military minds anywhere and I think the combination of Andy Marshall and Jim Mattis, basically, red teaming the—I have actually got them red teaming both the scenarios and the QDR itself so that we are not the prisoners of a bureaucratic group think of people who have done this work forever.

Mr. THORNBERRY. Well, I share your complete admiration for both people. We might just want to think about whether someone out—a group of people outside the department might be useful.

I am not necessarily advocating that, but I do think some sort of a fresh approach is helpful.

I think some of the best ideas, for example, on change that was needed came from or at least was spurred by that national defense panel, and we haven't done it since the first QDR.

Let me ask about or turn to cyber for a second. You talked about that in your statement. It seems to me that this may be an area where you are fighting the culture of the Pentagon a bit, whereas some folks see cyber as an enabler to help them do their job, which it certainly is.

But some folks see it, also, as a separate domain of warfare for which we need offense and defense.

What do you think?

Secretary GATES. Well, I agree with the latter entirely and we are putting—the budget provides the resources to about quadruple the throughput at our cyber schools for cyber experts in uniform.

I have been waiting for the completion of the White House review. I believe that there needs to be an integration of offense, defense, and exploitation and my inclination and what I have talked about in the past is moving to a sub-unified command under Strategic Command, but with a four-star leader, who would have that responsibility for the Department of Defense for cyber.

And, of course, I think the Air Force is standing up its own folks.

And by the way, I have just gotten a note. Marshall is going to include outsiders in his red team group.

Mr. THORNBERRY. Thank you. I appreciate it, that is helpful.

And I appreciate your comments on cyber. Still, you say quadruple, we are going from 80, according to your statement, to 250 per year by fiscal year 2011.

It just strikes me as when you compare the manpower that some other countries are putting on this issue, 250 doesn't sound like a whole lot.

And does it stand the chance of kind of being this outsider, because while—I think of the space analogy. While the Air Force has had to embrace space, produce space-related people, I am not sure who produces—what service has the train, equip responsibility on cyber.

Secretary GATES. Well, first of all, part of the problem is, obviously, there are huge demands on the force right now. And so one of the things that the service chiefs have been directed is that their first priority is to fill all those slots at the cyber school as they are making assignments.

But I would also tell you that the reality is, with respect to particularly the Russians and the Chinese, they do a lot of outsourcing of what they do on cyber, and mainly to people in their 20s and early 30s, and it gives them a greater multiplier effect.

I wish I could figure out how to do that.

Mr. THORNBERRY. Maybe we ought to work on that together.

Secretary GATES. Unfortunately, we have rules of accountability that they don't.

The CHAIRMAN. A point of clarification. There is a proposed cyber command and sub-commands in the Air Force. And would it also be true in the Army and the Navy?

Admiral MULLEN. What the Secretary is talking about is a proposal and, again, we await the outcome of the strategic review from the White House.

But the four-star sub-unified who would report to STRATCOM would be supported by components, all the services.

The CHAIRMAN. In other words, each of the services would have their own component.

Admiral MULLEN. Each of the services would have the component that would report in, and this is becoming mainstream warfare. This is no longer niche stuff and we all recognize that and we have got to move out on it as rapidly as possible.

The CHAIRMAN. You answered the question. Thank you very much.

Mr. Sestak, please.

Mr. SESTAK. Thanks, Mr. Chairman.

Mr. Secretary, for whatever it is worth, I think your budget proposal is spot on.

I think it is very similar to what Mr. Rumsfeld might have done when he came to the Defense Department and tried to transform the military. But then with men and women in harm's way in two wars, it is understandable, as you found in your first year that is where you focus needed to be, and I wish you the best success, to where we are no longer measuring our military in how many, but in capability, particularly in cyberspace or network centers.

Sir, could I ask you a question today? And I mean these two questions with the utmost respect. Not as Secretary of Defense, but as one of the two members of the national command authorities with the President.

Probably, your most important job is deciding not just the execution of our operations overseas, but who commands them or the removal thereof.

And may I ask, when you decided to remove General McKiernan, why did you also ask for his resignation from the service, if I might?

Secretary GATES. Basically, I view what has happened with General McKiernan as an accelerated change of command and he—this was the process by which we did that in an accelerated way.

There was no—there was certainly no intent to convey anything negative or denigrate him in any way by that.

Mr. SESTAK. The reason I ask, not about his removal, because I think, as National Command Authorities (NCA), that has got to be your choice, I was more trying to understand the request for his resignation from the service.

When General Eikenberry was here 2½ years ago, having left Afghanistan, he told us in testimony that—or he told us that he needed more forces there.

A few short months prior to General McKiernan going over there, the chairman stated that the policy is not his, but the Administration's policy at the time was in Iraq, we do what we must, but in Afghanistan, we do what we can.

To some degree, is there a lesson here for younger officers, not in the removal, but in the request for resignation, that we may not want to have that this was an individual who, by policy, was given second choice on resources and never enough, despite repeated requests for it?

While it is understandable you need a new strategic approach, but to also call for his resignation, is there a lesson in there that we may not want to have for our younger service members?

And I ask that with great respect, sir.

Secretary GATES. I understand and I guess I would say that I saw his resignation as commander of U.S. forces and not from the service, and, presumably, he will retire with the honor and respect that he deserves.

The reality is we have gone from about 32,000 American troops last year in Afghanistan to, within the next few months, 68,000 troops. We are now in the 40,000s somewhere. So there has been a significant increase in those resources.

My decision to make this recommendation to the President had nothing to do with civilian casualties, had nothing to do with General McKiernan's request for forces.

My view is that a commander in the field should never feel constrained from asking for what he needs and it is up to the Central Command, the chiefs, the chairman to make a recommendation to me on how to—and then to the President on how much and how to satisfy that request.

I have worked very hard to give, first, General Petraeus and now General Odierno the forces that they need in Iraq. We have worked very hard to come up with these additional forces for Afghanistan, and that played—his request for additional troops played absolutely no role in that decision.

Mr. SESTAK. Yes, sir, and I did not mean to insinuate. I know it didn't.

My last question is different. Back in 2002, Defense Department had about two percent of all overseas developmental assistance funding in the U.S. government. Today, it is about 11 percent.

As we transition more to developmental assistance, do you see transferring those funds over to the State Department?

Secretary GATES. Well, some of them have become—I think we have seen an expanded role for a number of our combatant commanders that have mixed, where the military has been involved in humanitarian and other kinds of activities and in trying to build the security forces of our partners, which has involved some of those development funds.

So I think that the way we envision our mission and the expectations that the President has of us have evolved over the last number of years.

What I believe needs to happen and what I have written about is that I believe that the State Department has been deprived of both the human and dollar resources that they need to carry out their responsibilities in this arena.

I think in the area that we are talking about, for example, for this Pakistan counterinsurgency capability fund, my view is those dollars will transition to the State Department in fiscal year 2010 and beyond.

The CHAIRMAN. Thank the gentleman.

Mr. Bishop, please.

Mr. BISHOP. Thank you, Mr. Chairman.

I have got three questions I would like to ask. So I am going to do this as quickly as I can. If I get kind of antsy with your answers, it is only because I want to get all three of these in here.

The first one deals with the Minuteman 3 propulsion and replacement program, which ended this summer. We now no longer have an Intercontinental Missile (ICM) modernization or

sustainment program, even though the Russians are going to have a new Intercontinental Ballistic Missile (IBM) system by 2018.

The question, I hate to ask it in this format, but the delegation from my state sent you a letter on March 18 and we haven't had a response yet from anyone in the Pentagon or from your office.

I am going to take this opportunity to ask the same kind of question, which should have been done by letter.

But in the budget documents, you talk about the solid rocket motor warm line program to maintain a capability and sustainment within the industry for, as you say, "solid rocket motors in order to sustain Minuteman 3 weapons systems through 2030, as directed by Congress, to maintain the production capability for the manufacture of solid rocket motors, as well as maintain system engineering assessment capability." That is your goal.

In the 2010 budget, you have enough money put in there for one set of motors, even though the industry has said they need a minimum of six to maintain the industrial capability.

So the first question, which was the product of that letter, is how do you explain your analysts coming to the conclusion that one rocket motor set can maintain that industrial capability, when the industry says it can't.

Secretary GATES. I don't have an answer for you. I will get the letter to you within the week.

Mr. BISHOP. Thank you. I appreciate that.

Then let me go on to the second one, which deals specifically with some of the other concerns that have been mentioned. I wanted to re-echo those at the same time, missile defense, especially.

The ground-based midcourse direction and the kinetic energy interceptor program, as well as the Minuteman 3, all are supposed to be prevented by a solid rocket motor propulsion system.

There is only one place where those are built and these three items that we are doing so far I think have the tendency of decimating that kind of industrial capacity.

And it is also ironic that the day you announced the midcourse defense rocket decision was the day the North Koreans launched their missile. But besides that point, I want to zero in on KEI, because I am somewhat confused about some of the statements you made in response to Mr. Lamborn's question.

There have been fire controls, seven static fire tests, which all have been positive. The contracts were let in 2003, not a 14-year program. There is no other speed, reach or mobility. So the idea that there has to be a proximity to an enemy to launch is not understandable to me.

And perhaps if there hadn't been 15 or more redirects coming from the Pentagon on this program, it may have been done a little bit sooner.

But the question I am going to ask from KEI is those rockets are already there for the launch to take this fall. Yesterday, you ordered the stop work order to go through.

It caught all of us by surprise because of the infamous gag order, which, once again, I echo the complaints about that process.

We have not had a chance to discuss this or understand why that is there. Even in your announcement in April, you had made the

decision, but you didn't announce that, we had to read about this program or get it secondhand.

So the question I have, because I have heard your arguments and, once again, we need some time to discuss this, because they don't necessarily jive with the reality of the program, as I know it.

But I want to know, what is the cost of your stop work order? What is the cost of terminating this program? It doesn't come cheap. They are contractual obligations.

How much is it going to cost to implement the stop work order?

Secretary GATES. I will have to get back to you on that. I don't know.

Mr. BISHOP. I am going to have more than five minutes at this rate here. But I would appreciate your writing back.

Secretary GATES. I am being as brief as you asked.

Mr. BISHOP. Well, that is a legitimate answer. But less than three months for the answer?

Secretary GATES. Yes.

Mr. BISHOP. Deal. The third one, though, is the final one that goes back to the Missile Defense Agency, as well as in the 2009 appropriations, there was money in there for this booster test flight.

If the stop work order goes through, MDA has not told us what they will do with the money already in the budget to deal with this.

It was already appropriated by Congress. They told you what to do. It hasn't happened. That money is sitting there.

What are you going to do with the money?

Secretary GATES. Get back to you on that one, too.

Mr. BISHOP. I am zero-for-three with you, aren't I?

Secretary GATES. Well, that is because you are asking questions at a level of detail, frankly, that I don't have.

Mr. BISHOP. I want more F–22s. Does that help?

Secretary GATES. That one I can answer.

Mr. BISHOP. Thank you. My time is almost up. I appreciate you.

Thank you, Secretary Gates, for getting back with me and I look forward to the responses.

The CHAIRMAN. Ms. Giffords.

Ms. GIFFORDS. Thank you, Mr. Chairman.

And thank you, Secretary Gates, Admiral Mullen, for appearing before us today and thank you for your service to our Nation.

Despite delaying the delivery of this year's request until the middle of May, the department has yet to disclose some specific justifications behind numerous major defense reductions, and you have probably heard the frustration from members, because we want to know why and we certainly want to work with you to be able to justify those reductions.

I believe that some of the restructuring efforts cut disproportionately across certain forces, and this year's request would have a direct negative impact on the overall fighter aircraft inventory and the combat search and rescue assets, including nearly a dozen units in my district alone.

Members here do not have the luxury of planning our Nation's defense on a year-to-year basis. It is the responsibility of this committee to balance short-term security with long-term stability and provide for the continued robust defense of our Nation.

So delaying the outline of future plans to a date uncertain, in my opinion, undermines this year's request and a major decision being made in this year's budget.

So specifically, Secretary Gates, the department announced last month that they would cancel the Combat Search and Rescue (CSAR) replacement program and, according to your statement, the next year will be spent researching potential alternatives and verifying the requirement.

At Davis-Monthan Air Force Base in my district, they have long awaited the final selection and delivery of a new aircraft for this crucial mission.

Among operators, there seems to be no question of the need for this program.

So could you please expand on the justification for canceling the program? And in making this decision, did you consider the substantial additional risk being placed on the current aircraft fleet? And were you also aware of the current fleet of Pave Hawk aircraft beginning to reach the end of their designed service life, actually, six years ago now?

Secretary GATES. The principal reasons behind the decision on CSAR–X were, first, some significant acquisition problems associated with the program, and, second, it was a single service, single mission kind of aircraft.

It also had an operational concept flaw, as far as I was concerned. Because it is supposed to be able to rescue pilots deep in enemy territory, it was being designed with a 250-mile range, and yet both the F–22 and the F–35, as well as the F–16, for that matter, have a range of up to 500 miles.

The notion of an unarmed helicopter being able to rescue somebody deep in enemy territory as a single mission struck me as not being plausible.

So what we discovered, if we look back at the previous times, most notably, in the Balkans, when a pilot was down behind enemy lines, it ended up being several services and several different capabilities that were used in the rescue, and I think that is the kind of joint capability we need to think about for search and rescue.

We do need to get on with it and the intent is to do that during the course of fiscal year 2010.

Ms. GIFFORDS. Admiral Mullen.

Admiral MULLEN. The only comment I would add is that the fact that this program was canceled does not, in any way, shape or form, speak to a lack of commitment to rescuing somebody when they are in that need, and we will figure out a way to do that.

Everybody is committed in that regard.

Ms. GIFFORDS. Talking about fighter gap, and we have had a lot of hearings in the subcommittees about the fighter gap, shortfall, and the waterfall, and really losing 80 percent of our fighters in the next 8 years is something that I believe that we are all concerned about.

I know that this year's budget request would cancel the F–22 program, add only a handful of F–35 test aircraft, and retire 250 Air Force fighter aircraft.

The current Air Force fighter fleet is roughly 200 aircraft short of the department's stated requirements for fighters and even

under the most optimistic projections, the Air National Guard would be forced to close 13 fighter wings by 2017.

The total fighter gap now will grow to 800 aircraft under current plan.

So I know we have had a lot of discussion about F–22s, but I am really specifically looking at what we are going to be doing with our Air National Guard program and the justification by some of these requests that you have made.

Secretary GATES. Well, again, as I said earlier, the bathtub in fighters depends on whether you are looking at the requirement from the standpoint of our current force structure and anticipated force structure and our desired capabilities or whether it is based on a threat analysis, and those are the kinds of issues that are going to be addressed in the quadrennial defense review, because if you look at the threat analysis, our lead on fifth generation fighters, for example, over, for example, China, is enormous in 2020 and grows even greater in 2025.

So it really gets more to a question of force structure here in the United States versus the threat-based, and that is the kind of thing that is going to be looked at in the QDR.

Ms. GIFFORDS. Thank you.

The CHAIRMAN. Thank the gentlelady.

Mr. Wilson.

Mr. WILSON. Thank you very much.

And, Admiral Mullen, Secretary Gates, thank you very much for your service.

My perspective, I greatly appreciate what you are doing in protecting American families and also providing the opportunity for young people to serve our country.

Again, the perspective I have, a 31-year veteran myself, 4 sons who are currently serving in the military, 3 who have served in the Middle East.

Additionally, I am very, very grateful, I represent Fort Jackson, Parris Island Marine Corps Air Station, Beaufort Naval Hospital.

I have just returned from visiting, my tenth visit in Iraq, eighth visit in Afghanistan.

What is extraordinary, we had the opportunity to visit with the junior officers and enlisted personnel from our home states and every time I go and visit in country, I am impressed by the dedication and competence and capabilities.

And so I just want to thank you for backing them up.

I am concerned, though, that with the consolidated budget request, this shows that there is actually a reduction, Secretary Gates, in regard to the Army budget.

There is a reduction by consolidating the budget of over $4.4 billion and my concern is with the force structure staying as it is, maybe increasing, which I think is good, that this could result in a limitation on reset and modernization.

And so how will this be addressed with the reduction?

Secretary GATES. I don't think that it would have that impact, sir. I think that the reduction is primarily due to the changes in the Future Combat System (FCS) program and some other programs and not those affecting the troops.

But let me ask the—the information that I have is that for the base budget, the Army is up 2.1 percent from 2009 to 2010.

Mr. WILSON. That is the base budget. But with the consolidated, which is——

Secretary GATES. Part of the consolidated is that the personnel costs have been transferred to the base budget. So that the truth of the matter is I have added almost $11 billion for end strength into the base budget of 2010.

About $7 billion of that was Army, was end strength in the Army, and so that is now being covered in the base budget.

Mr. WILSON. And I appreciate your efforts to maintain the funding that can be possible.

I am, like so many other members, concerned about the missile defense program and, in particular, with the changes that have come about.

These decisions were made prior to the completion of the Administration's missile defense policy and strategy review and, also, in the midst of extraordinary changes in Iran, in their capability of developing ballistic missiles and potential nuclear weapons.

How did we address these changes as affecting particularly the capability of Iran?

Secretary GATES. I think there, the changes in terms of the deployment or the addition of six Aegis-capable missile defense ships, the addition of THAAD missiles and the addition of the Standard Missile 3 (SM–3) missiles to the inventory were basically maxing out the production lines in terms of being able to protect against the kinds of missiles that the Iranians have deployed today.

Of course, the whole purpose behind the third site in Europe would be able to take on a longer range missile from Iran that might be aimed either at western Europe or Russia or, for that matter, ourselves, and I think that there is still very active interest in pursuing either the third site and doing so in partnership with the Russians, whether it is using one of their radars or some other arrangement with them.

But I think that most of us believe that that kind of arrangement in western Europe, Russia offers the best opportunity to deal with the longer range Iranian missiles.

Mr. WILSON. And do you believe that Iran is proceeding with developing longer range missiles and nuclear weapon capability?

Secretary GATES. Absolutely.

Mr. WILSON. And it is a threat to our allies in the Persian Gulf and throughout the region. And so I am happy to hear of what you are indicating, but I am very concerned that the rogue regime in Tehran could be a threat to the entire Middle East and possibly southeastern Europe, too.

Secretary GATES. And this is one of the reasons why we now have a full-time Aegis presence in both the eastern Mediterranean and in the Persian Gulf.

Mr. WILSON. Thank you. I believe it is a deterrence. Thank you.

The CHAIRMAN. Thank you very much.

Ms. Tsongas.

Ms. TSONGAS. Thank you both for your very thoughtful and forthright leadership.

It has been a pleasure to listen to you today. You have been here quite a while.

I have a question related to the supplemental. Obviously, you know that is coming to the floor today or later this—tomorrow or later this week.

And while we talk about what is happening in Afghanistan and revisiting that war, expanding the effort there, I really tend to view it as a new war, that much has changed post-9/11, whether it is through our failure to take advantage of what we secured there, and, also, what has happened in Pakistan in the interim.

So that it is a much broader effort, a much more complicated effort. And as we make the investment that the supplemental will ask us to do, I do think we owe it to the American people to know really what the long-term nature of this commitment is going to be.

So, Admiral Mullen, as you have talked about the 17,000-plus soldiers that we will be sending over there, I recently visited and asked a question of what kind of loss of life we could expect as a result of these additional soldiers. The Taliban will be very resistant.

But you spoke about the momentum you hope to achieve with these additional soldiers going forward.

My question really is, if we don't achieve that momentum, if we don't see the impact we desire, not only from our efforts in Afghanistan, but, also, we are very dependent upon Pakistan doing its part, it is not just Afghanistan in isolation, what do you anticipate coming?

What are you going to ask of us in terms of potentially, more soldiers, more funding? How long might we expect to be at this? And how adept are we going to be at changing course, responding to what works and doesn't work?

Admiral MULLEN. Well, as the Secretary said earlier, I think we are certainly going to be there for a while. I am very hopeful that, over the next two years, 2009 and 2010, in particular, that we can have a big impact in Afghanistan and actually in our relationship with Pakistan, because I think it is both, so that we can reverse the trend of growing violence there.

In the interim, we are going to have more casualties. We are going to have more that are killed and more that are wounded as we put more troops in, particularly in the south, where the Taliban are heavily concentrated.

That said, it is not just about boots on the ground, because the civilian capacity is important, the continued capacity development of the Afghan national army, which is actually a pretty good story, and the Afghan national police, and we still have a lot of work there.

New leadership is a part of that and that, obviously, was—that change was made or recommendation for change was made earlier this week.

On the Pakistan side, where I have spent an awful lot of time, I think it has—I would expect us to be coming back for a long-term relationship, a comprehensive program, it is not just military, so that we can establish a long-term relationship with Pakistan and not have it go up and down.

I was recently in Egypt. I was struck by the fact that we have had a relationship with Egypt from the 1978–1979 timeframe and while—and have invested in that. And while we have had our differences, it is a very strong relationship and a very important part of the world.

We were out of Pakistan for almost 12 years, very difficult to have a relationship. So I think it is going to be a while.

At what level of combat, what level of troops, that is difficult to predict right now.

Ms. TSONGAS. It is difficult to predict, and yet it seems it is very important that it be at a minimal level in order for us to achieve the objective we have in Afghanistan.

Admiral MULLEN. And the troops we are sending in there, ma'am, I see, over the next year, certainly 2009, as the right level and that we are going to assess that and, clearly, commanders on the ground are going to adjust.

But in the east and south, best we can tell, it looks about right, from my perspective, right now.

Ms. TSONGAS. And is our capacity to respond to changing circumstances on the ground in Afghanistan dependent upon our drawdown in Iraq?

Do you have sufficient forces really to deal with the dynamics of both at once?

Admiral MULLEN. They are clearly related. They are more loosely related as time goes on, but, again, as we look at the projections in Afghanistan right now, we have the forces to be able to send there to have the impact that we want.

Ms. TSONGAS. For the moment, at the very least.

Admiral MULLEN. Well, certainly, for the next year to two, as best I can tell right now, without being able to—the crystal ball isn't necessarily always clear.

Ms. TSONGAS. Secretary Gates, do you have any comments?

Secretary GATES. Nothing to add to that.

Ms. TSONGAS. Great, thank you both.

I yield back.

The CHAIRMAN. Thank the gentlelady.

The bells have rung for three votes, and, obviously, we will not be able to get back within the time limit. Our witnesses must depart at three o'clock.

So I am going to do my best to squeeze two more members in and then we will rush to vote.

And in the meantime, know you have our gratitude for your excellent service and your wonderful testimony today.

Mr. Conaway.

Mr. CONAWAY. Thank you, Mr. Chairman. I probably won't take all my time.

Gentlemen, thank you very much.

Mr. Secretary, just to beat a dead horse further, the freeze on communication with Congress you think has been adequately communicated across your team so that there is no residual hesitation and there is no language in there that could be interpreted that would cause anybody anxiety.

And does the White House support the lifting of the freeze?

Secretary GATES. The White House had nothing to do with the nondisclosure agreements and based on today's conversation with you all, I will put out something in writing tomorrow along the lines of what I described earlier.

Mr. CONAWAY. Thank you, sir. I appreciate that.

Getting this far deep into the bench, all the good questions are asked.

The news service is reporting that the President has decided to oppose the release of the photographs from the detainees in Afghanistan or Iraq and some comments about that is in contradiction to what the Pentagon had planned to do.

Could you walk us through—will the Pentagon—of course, you will support the President, but in terms of continuing to push this through to the courts so that—I have got to believe that if a cartoon in the Danish newspaper was inflammatory, these have got to be equally as inflammatory.

So could you walk us through that a little bit?

Secretary GATES. First, the basic, just to cut to the chase, we are involved in litigation. It appeared that we would be forced to turn over these photographs, if we did not appeal a decision to the Supreme Court. I think that is what is under consideration.

We are looking at a number of other photographs and other litigation down the road. And so one of the considerations that I had asked for was should we put all this together and release it all at once, so we go through the pain once instead of the Chinese water torture over a period of time.

A couple of things have changed on that. First, I think, is, as you suggest, a willingness of the President to take this on, but, second and perhaps what has motivated my own change of heart on this and perhaps influenced the President is that our commanders, both General McKiernan and General Odierno, have expressed very serious reservations about this and their very great worry that release of these photographs will cost American lives.

That was all it took for me.

Mr. CONAWAY. Thank you, Mr. Secretary. I agree. If we have to release them at some point in time, fine, but let's don't borrow trouble, particularly with the intent to get out of the cities in June in Iraq and other kinds of things.

There will never be a good time to release those photographs. Let's stick with it and make the courts make us do it.

So I appreciate your change of opinion on that.

And I yield back.

Mr. Secretary, thank you, appreciate you being here.

The CHAIRMAN. The last member, Mr. Heinrich.

Mr. HEINRICH. Thank you, Mr. Chairman.

And, Mr. Secretary and Admiral Mullen, thank you for being here today. It is a great honor for me to have this opportunity.

I want to get back to something that Representative Giffords and Representative LoBiondo both brought up with the Air National Guard, the changes in force structure, and, I guess, the disagreement over whether there will or will not be a fighter gap.

From my perspective, being new at this, I know what I know and that is my local installation. Kirtland Air Force Base, which is in

my district, is home to the 150th Fighter Wing, which was originally expected to retire its aircraft in fiscal year 2017.

And so it was a little bit surprising and disappointing to find out, as part the fiscal year 2010 Air Force budget, that 18 out of 21 of our aircraft would be phased out, that they would be losing those.

And I guess what I am grappling with is we have—the 150th, in particular, is the fighter wing. It has been there for 60 years of service.

Kirtland was actually ranked number one in the 2005 BRAC as a fighter base during the 2005 BRAC process. And with Air National Guard fighter wings like the 150th generally maintaining a combat ready status at about one-third the cost of an equivalent active duty force, how do these major changes in Air National Guard fighter wings make sense, given the potential for a shortfall and what seems to be a very good record of providing a lot of service for a relatively modest amount of money?

Secretary GATES. Let me just respond in two ways and then see if Admiral Mullen has anything to add.

As I have indicated, the whole issue of the numbers of Tactical Air is one of the issues that we are going to have to address in the QDR, and it is part of an evolution.

After all, a big part of the Air Force capability going forward or a significant part is going to be unmanned vehicles, like reapers, that have many of the capabilities of an F–15, but instead of a 500-mile range, have a 3,000-mile range and a dwell capability.

So that is a capability we are going to have, others don't. That is a new part of our force.

We will look at this whole TACAIR issue in the QDR, but I am usually very reluctant ever to pass the buck. But in this instance, the proposal to reduce 250 legacy aircraft, TACAIR, came from the Air Force.

So it seems to me that this is an issue that, when General Schwartz and Secretary Donnelly come up here, that this is an issue that they will certainly be better able to speak to than I can, certainly.

I don't know if the Admiral wants to add anything.

Admiral MULLEN. I would just say, as a former service chief, one of the ways you start to pay for the future is you start decommissioning the past, and, particularly, as you transition in the aircraft world from many type and model series as you move to the future.

I mean, again, General Schwartz can certainly speak to this, but it certainly wouldn't surprise me that the Air Force has made this decision in order to figure out how to move to the future.

And certainly, what the 150th—this does not speak to the 150th. They have been exquisite for a long time. There are cost concerns associated with this, but I want to make sure, when we talk about those, we are talking about apples to apples and how much time we are operating and is it the total cost, those kinds of things.

All of that goes into service decisions and then gets integrated into the decisions we will make in the QDR.

Mr. HEINRICH. One of my concerns with that unit in particular is many of those aircraft have already been upgraded, so that they have years ahead of them, and the rest could potentially—were scheduled to be this year, most of the rest.

And in the budget, it says "transitioning to another mission to be determined," which does not sound like the kind of strategy and plan that I would hope for a unit of such distinction.

Admiral MULLEN. Understood.

Mr. HEINRICH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Thank the gentlemen.

By virtue of the fact that we have three votes, we will have to end our hearing.

If there are any questions to be submitted for the record—I think Mr. Abercrombie might have one—please do so, or if anyone else, please do so and have the staff pass them over.

We will not return, because the votes will take us well past 3 o'clock.

But thank you so much for your testimony and for your service, look forward to seeing you again.

The hearing has ended.

[Whereupon, at 2:39 p.m., the committee was adjourned.]

A P P E N D I X

MAY 13, 2009

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MAY 13, 2009

FINAL FOR SUBMISSION

STATEMENT OF SECRETARY OF DEFENSE ROBERT M. GATES
HOUSE ARMED SERVICES COMMITTEE
WEDNESDAY, MAY 13, 2009 – 10:00 A.M.

INTRODUCTION

Mr. Chairman, Representative McHugh, members of the committee:

Thank you for inviting me to discuss the details of the President's Fiscal Year 2010 defense budget. First and foremost, this is a reform budget – reflecting lessons learned in Iraq and Afghanistan, yet also addressing the range of other potential threats around the world, now and in the future.

As you may know, I was in Afghanistan last week. As we increase our presence there – and refocus our efforts with a new strategy – I wanted to get a sense from the ground level of what the challenges and needs are so that we can give our troops the equipment and support to be successful and come home safely. Indeed, listening to our troops and commanders – unvarnished and unscripted – has from the moment I took this job been the single greatest source for ideas on what the Department needs to do both operationally and institutionally. As I told a group of soldiers on Thursday, they have done their job. Now it is time for us in Washington to do ours. In many respects, this budget builds on all the meetings I have had with service members over the past two-and-a-half years – meetings that have reaffirmed this budget's three principal objectives:

- First, to reaffirm our commitment to take care of the all-volunteer force, which, in my view represents America's greatest strategic asset; as Admiral Mullen says, if we don't get the people part of our business right, none of the other decisions will matter;
- Second, to rebalance this department's programs in order to institutionalize and enhance our capabilities to fight the wars we are in and the scenarios we are most likely to face in the years ahead, while at the same time providing a hedge against other risks and contingencies; and
- Third, in order to do all this, we must reform how and what we buy, meaning a fundamental overhaul of our approach to procurement, acquisition, and contracting.

From these priorities flow a number of strategic considerations, which I will discuss as I go through the different parts of the budget.

The base budget request is for $533.8 billion for FY10 – a four percent increase over the FY09 enacted level. After inflation, that is 2.1 percent real growth. In addition, the Department's budget request includes $130 billion to support overseas contingency operations, primarily in Iraq and Afghanistan. I know there has been some discussion about whether this is, in fact, sufficient to maintain our defense posture – especially during a time of war. I believe it is. Indeed, I have warned in the past that our nation must not do what we have done after previous times of conflict and slash defense spending. I can assure you that I will do everything in my power to prevent that from happening on my watch. This budget is intended to help steer the Department of Defense toward an acquisition and procurement strategy that is sustainable over the long term – that matches real requirements to needed and feasible capabilities.

I will break this down into three sections: our people, today's warfighter, and the related topics of acquisition reform and modernization.

OUR PEOPLE

Starting with the roll-out of the Iraq surge, my overriding priority has been getting troops at the front everything they need to fight, to win, and to survive while making sure that they and their families are properly cared for when they return. So, the top-priority recommendation I made to the President was to move programs that support the warfighters and their families into the services' base budgets, where they can acquire a bureaucratic constituency and long-term funding. To take care of people, this budget request includes, among other priorities:

- $136 billion to fully protect and properly fund military personnel costs – an increase of nearly $11 billion over the FY09 budget level. This means completing the growth in the Army and Marines while halting reductions in the Air Force and Navy. The Marine Corps and Army will meet their respective end-strengths of 202,100 and 547,400 by the end of this fiscal year, so this money will be for sustaining those force levels in FY10 and beyond;
- $47.4 billion to fund military health care;
- $3.3 billion for wounded, ill and injured, traumatic brain injury, and psychological health programs, including $400 million for research and development. We have recognized the critical and permanent nature of these programs by institutionalizing and properly funding these efforts in the base budget; and
- $9.2 billion for improvements in child care, spousal support, lodging, and education, some of which was previously funded in the bridge and supplemental budgets.

We must move away from ad hoc funding of long-term commitments. Overall, we have shifted $8 billion for items or programs recently funded in war-related appropriations into the base budget.

TODAY'S WARFIGHTER

As I told the Congress in January, our struggles to put the defense bureaucracies on a war footing these past few years have revealed underlying flaws in the priorities, cultural preferences, and reward structures of America's defense establishment – a set of institutions largely arranged to prepare for conflicts against other modern armies, navies, and air forces. Our contemporary wartime needs must receive steady long-term funding and must have a bureaucratic constituency similar to conventional modernization programs and similar to what I have tried to do with programs to support our troops. The FY10 budget reflects this thinking:

First, we will increase intelligence, surveillance and reconnaissance (ISR) support for the warfighter in the base budget by some $2 billion. This will include:

- Fielding and sustaining 50 Predator-class unmanned aerial vehicle orbits by FY11 and maximizing their production. This capability, which has been in such high demand in both Iraq and Afghanistan, will now be permanently funded in the base budget. It will represent a 62 percent increase in capability over the current level and 127 percent from over a year ago;
- Increasing manned ISR capabilities such as the turbo-prop aircraft deployed so successfully as part of "Task Force Odin" in Iraq; and
- Initiating research and development on a number of ISR enhancements and experimental platforms optimized for today's battlefield.

Second, we will also spend $500 million more in the base budget than last year to boost our capacity to field and sustain more helicopters – an urgent demand in Afghanistan right now.

Today, the primary limitation on helicopter capacity is not airframes but shortages of maintenance crews and pilots. So our focus will be on recruiting and training more Army helicopter crews.

Third, to strengthen global partnership efforts, we will fund $550 million for key initiatives. These include training and equipping foreign militaries to undertake counterterrorism and stability operations.

Fourth, to grow our special operations capabilities, we will increase personnel by more than 2,400 – or four percent – and will buy more aircraft for special operations forces. We will also increase the buy of Littoral Combat Ships (LCS) – a key capability for presence, stability, and counterinsurgency operations in coastal regions – from two to three ships in FY10.

Fifth, to improve our intra-theater lift capacity, we will increase the charter of Joint High Speed Vessels (JHSV) from two to four until our own production program begins deliveries in 2011.

And, finally, we will stop the growth of Army Brigade Combat Teams (BCTs) at 45 versus the previously planned 48, while maintaining the planned increase in end strength to 547,400. This will ensure that we have better-manned units ready to deploy, and help put an end to the routine use of stop loss – which often occurs because certain specialties are in high demand. This step will also lower the risk of hollowing the force.

ACQUISITION REFORM AND INSOURCING

In today's environment, maintaining our technological and conventional edge requires a dramatic change in the way we acquire military equipment. I welcome legislative initiatives in the Congress to help address some of these issues and look forward to working with lawmakers in this regard. This budget will support these goals by:

- Reducing the number of support service contractors from our current 39 percent of the workforce to the pre-2001 level of 26 percent and replacing them with full-time government employees. Our goal is to hire as many as 13,800 new civil servants in FY10 to replace contractors and up to 33,600 new civil servants in place of contractors over the next five years;
- Increasing the size of the defense acquisition workforce, converting 10,000 contractors, and hiring an additional 10,000 government acquisition professionals by 2015 – beginning with 4,080 in FY10; and
- Terminating and delaying programs whose costs are out of hand, whose technologies are immature, or whose requirements are questionable – for example, the VH-71 presidential helicopter.

MODERNIZATION

We must be prepared for the future – prepared for challenges we can see on the horizon and ones that we may not even have imagined. I know that some people may think I am too consumed by the current wars to give adequate consideration to our long-term acquisition needs. This budget provides $186 billion for modernization, which belies that claim.

As I went through the budget deliberations process, a number of principles guided my decisions:

The first was to halt or delay production on systems that relied on promising, but as yet unproven, technologies, while continuing to produce – and, as necessary, upgrade – systems that are best in class and that we know work. This was a factor in my decisions to cancel the

Transformational Satellite (TSAT) program and instead build more Advanced Extremely High Frequency (AEHF) satellites.

Second, where different modernization programs within services existed to counter roughly the same threat, or accomplish roughly the same mission, we must look more to capabilities available across the services. While the military has made great strides in operating jointly over the past two decades, procurement remains overwhelmingly service-centric. The Combat Search and Rescue helicopter, for example, had major development and cost problems to be sure. But what cemented my decision to cancel this program was the fact that we were on the verge of launching yet another single-service platform for a mission that in the real world is truly joint. This is a question we must consider for all of the services' modernization portfolios.

Third, I looked at whether modernization programs had incorporated the experiences of combat operations since September 11th. This was particularly important to the ground services, which will be in the lead for irregular and hybrid campaigns of the future. The Future Combat Systems' ground vehicle component was particularly problematic in this regard.

Fourth, I concluded we needed to shift away from the 99 percent "exquisite" service-centric platforms that are so costly and so complex that they take forever to build, then are deployed in very limited quantities. With the pace of technological and geopolitical change, and the range of possible contingencies, we must look more to the 80 percent multi-service solution that can be produced on time, on budget, and in significant numbers.

This relates to a final guiding principle: the need for balance – to think about future conflicts in a different way – to recognize that the black and white distinction between irregular war and conventional war is an outdated model. We must understand that we face a more complex future than that, a future where all conflict will range across a broad spectrum of operations and lethality. Where near-peers will use irregular or asymmetric tactics that target our traditional strengths. And where non-state actors may have weapons of mass destruction or sophisticated missiles. This kind of warfare will require capabilities with the maximum possible flexibility to deal with the widest possible range of conflict.

Overall, we have to consider the right mix of weapons and platforms to deal with the span of threats we will likely face. The goal of our procurement should be to develop a portfolio – a mixture of capabilities whose flexibility allows us to respond to a spectrum of contingencies. It is my hope that the Quadrennial Defense Review will give us a more rigorous analytical framework for dealing with a number of these issues. That is one reason I delayed a number of decisions on programs such as the follow-on manned bomber, the next generation cruiser, as well as overall maritime capabilities. But where the trend of future conflict is clear, I have made specific recommendations.

AIR CAPABILITIES

This budget demonstrates a serious commitment to maintaining U.S. air supremacy, the sine qua non of American military strength for more than six decades. The key points of this budget as it relates to air capabilities are:

- An increase in funding from $6.8 to $10.4 billion for the fifth-generation F-35, which reflects a purchase of 30 planes for FY10 compared to 14 in FY09. This money will also accelerate the development and testing regime to fix the remaining problems and avoid the development issues that arose in the early stages of the F-22 program. More than 500 F-35s will be produced over the next five years, with more than 2,400 total for all the services. Russia is probably six years away from Initial Operating Capability of a fifth-

generation fighter and the Chinese are 10 to 12 years away. By then we expect to have more than 1,000 fifth-generation fighters in our inventory;

- This budget completes the purchase of 187 F-22 fighters – representing 183 planes plus the four funded in the FY09 supplemental to replace one F-15 and three F-16s classified as combat losses;
- We will complete production of the C-17 airlifter program this fiscal year. Our analysis concludes that we have enough C-17s with the 205 already in the force and currently in production to meet current and future needs;
- To replace the Air Force's aging tanker fleet, we will maintain the KC-X aerial refueling tanker schedule and funding, with the intent to solicit bids this summer. Our aging tankers, the lifeblood of any expeditionary force, are in serious need of replacement;
- We will retire approximately 250 of the oldest Air Force tactical fighter aircraft in FY10; and
- Before continuing with a program for a next-generation manned bomber, we should first assess the requirements and what other capabilities we might have for this mission – and wait for the outcome of the Quadrennial Defense Review, the Nuclear Posture Review, and the outcome of post-START arms-control negotiations.

MARITIME CAPABILITIES

The United States must not take its current maritime dominance for granted and needs to invest in programs, platforms, and personnel to ensure that dominance in the future. But rather than go forward under the same assumptions that guided our shipbuilding during the Cold War, I believe we need to reconsider a number of assumptions – a process that will, as I mentioned, be greatly helped by the QDR.

We must examine our blue-water fleet and the overall strategy behind the kinds of ships we are buying. We cannot allow more ships to go the way of the DDG-1000: since its inception the projected buy has dwindled from 32 to three as costs per ship have more than doubled.

The healthy margin of dominance at sea provided by America's existing battle fleet makes it possible and prudent to slow production of several shipbuilding programs. This budget will:

- Shift the Navy Aircraft Carrier program to a five-year build cycle, placing it on a more fiscally sustainable path. This will result in a fleet of 10 carriers after 2040;
- Delay the Navy CG-X next generation cruiser program to revisit both the requirements and acquisition strategy; and
- Delay amphibious ship and sea-basing programs such as the 11th Landing Platform Dock (LPD) ship and the Mobile Landing Platform (MLP) ship to FY11 in order to assess costs and analyze the amount of these capabilities the nation needs.

The Department will continue to invest in areas where the need and capability are proven by:

- Accelerating the buy of the Littoral Combat Ship, which, despite its development problems, is a versatile ship that can be produced in quantity and go to places that are either too shallow or too dangerous for the Navy's big, blue-water surface combatants;
- Adding $200 million to fund conversion of six additional Aegis ships to provide ballistic missile defense capabilities;
- Beginning the replacement program for the Ohio class ballistic missile submarine; and

- Using FY10 funds to complete the third DDG-1000 Destroyer and build one DDG-51 Destroyer. The three DDG-1000 class ships will be built at Bath Iron Works in Maine and the DDG-51 Aegis Destroyer program will be restarted at Northrop Grumman's Ingalls shipyard in Mississippi.

LAND CAPABILITIES

As we have seen these last few years, our land forces will continue to bear the burdens of the wars we are in – and also the types of conflicts we may face in the future, even if not on the same scale. As I said earlier, we are on track with the expansion of the ground forces, and have added money for numerous programs that directly support warfighters and their families.

Since 1999, the Army has been pursuing its Future Combat Systems – an effort to simultaneously modernize most of its platforms, from the way individual soldiers communicate to the way mechanized divisions move. Parts of the FCS program have already demonstrated their adaptability and relevance to today's conflicts. For example, the connectivity of the Warfighter Information Network will dramatically increase the agility and situational awareness of the Army's combat formations.

But the FCS vehicle program is, despite some adjustments, based on the same assumptions as when FCS was first conceived. The premise behind the design of these vehicles is that lower weight, greater fuel efficiency, and, above all, near-total situational awareness, compensate for less heavy armor – a premise that I believe was belied by the close-quarters combat, urban warfare, and increasingly lethal forms of ambush that we've seen in both Iraq and Afghanistan. I would also note that the current vehicle program does not include a role for our recent $25 billion investment in the MRAP vehicles being used to good effect in today's conflicts.

With that in mind:

- We have canceled the existing FCS ground vehicle program, and will reevaluate the requirements, technology, and approach and then relaunch a new Army vehicle modernization program, including a competitive bidding process;
- The FCS budget in FY10 is $3 billion. I have directed that the new FCS program be fully funded in the out-years; and
- We will accelerate FCS's Warfighter Information Network development and field it, along with proven FCS spin-off capabilities, across the entire Army.

MISSILE DEFENSE

The United States has made great technological progress on missile defense in the last two decades, but a number of questions remain about certain technologies and the balance between research and development on one hand, and procurement on the other. This is one area where I believe the overall sustainability of the program depends on our striking a better balance. To this end, this budget will:

- Restructure the program to focus on the rogue state and theater missile threat. We will not increase the number of current ground-based interceptors in Alaska as had been planned. But we will continue to robustly fund research and development to improve the capability we already have to defend against long-range rogue missile threats – threats that North Korea's missile launch last month reminds us are real;
- Cancel the second airborne laser (ABL) prototype aircraft. We will keep the existing aircraft and shift the program to an R&D effort. The ABL program has significant

affordability and technology problems and the program's proposed operational role is highly questionable;

- Terminate the Multiple Kill Vehicle (MKV) program because of its significant technical challenges and the need to take a fresh look at the requirement. Overall, the Missile Defense Agency program will be reduced by $1.2 billion; and
- Increase by $700 million funding for our most capable theater missile defense systems like the THAAD and SM-3 programs.

CYBER SECURITY

To improve cyberspace capabilities, this budget:

- Increases funding for a broad range of Information Assurance capabilities to improve the security of our information as it is generated, stored, processed, and transported across our IT systems;
- Increases the number of cyber experts this department can train from 80 students per year to 250 per year by FY11; and
- Establishes a cyber test range.

There is no doubt that the integrity and security of our computer and information systems will be challenged on an increasing basis in the future. Keeping our cyber infrastructure safe is one of our most important national-security challenges. While information technology has dramatically improved our military capabilities, our reliance on data networks has at the same time left us more vulnerable. Our networks are targets for exploitation, and potentially disruption or destruction, by a growing number of entities that include foreign governments, non-state actors, and criminal elements.

The President's cyberspace policy review will shortly report its findings and recommendations. I expect this document will offer strategic perspective for the Department in determining how best to defend the government and nation against cyber threats from state and non-state actors alike.

OVERSEAS CONTINGENCY OPERATIONS

As you know, this year we have funded the costs of the wars through the regular budgeting process – as opposed to emergency supplementals. By presenting this budget together, we hope to give a more accurate view of the costs of the wars and also create a more unified budget process to decrease some of the churn usually associated with funding for the Department of Defense.

We are asking for $130 billion to directly support the missions in Iraq and Afghanistan. This is less than the $141.7 billion we asked for last year through the bridge fund and the remaining supplemental request – which in part reflects shifting some programs into the base budget.

The OCO request includes $74.1 billion to maintain our forces in Afghanistan and Iraq – from pre-deployment training, to transportation to or from theater, to the operations themselves.

- In Afghanistan, this will support an average of 68,000 military members and six Brigade Combat Team (BCT) equivalents – plus support personnel; and
- In Iraq, this will fund an average of 100,000 military members, but also reflects the President's decision to cut force levels to six Advisory and Assistance Brigades by August 31, 2010. Compared to the FY08 enacted levels for Operation Iraqi Freedom, we are asking for less than half.

Aside from supporting direct operations, the OCO funding also includes, among other programs:

- $17.6 billion to replace and repair equipment that has been worn-out, damaged, or destroyed in theater. The major items include helicopters, fixed-wing aircraft, trucks, Humvees, Bradleys, Strykers, other tactical vehicles, munitions, radios, and various combat support equipment;
- $15.2 billion for force protection, which includes $5.5 billion for MRAPs – $1.5 billion to procure 1,080 new MRAP All Terrain Vehicles (ATV) for Afghanistan and $4 billion for sustainment, upgrades, and other costs for MRAPs already fielded or being fielded.
- $7.5 billion for the Afghan National Security Forces (ANSF). Ultimately, the Afghan people will shoulder the responsibility for their own security, so we must accelerate our training of their security forces in order to get more Afghans into the fight;
- $1.5 billion for the Commander's Emergency Response Fund (CERP) – a program that has been very successful in allowing commanders on the ground to make immediate, positive impacts in their areas of operation. It will continue to play a pivotal role as we increase operations in Afghanistan and focus on providing the population with security and opportunities for a better life. I should note that the Department has taken a number of steps to ensure the proper use of this critical combat-enhancing capability;
- $1.4 billion for military construction – most of which will go toward infrastructure improvements in Afghanistan to support our increased troop levels; and
- $700 million for the Pakistan Counterinsurgency Capability Fund (PCCF). This program will be carried out with the concurrence of the Secretary of State and will complement existing and planned State Department efforts by allowing the CENTCOM commander to work with Pakistan's military to build counterinsurgency capability. I know there is some question about funding both the PCCF and the Foreign Military Financing program, but we are asking for this authority for the unique and urgent circumstances we face in Pakistan – for dealing with a challenge that simultaneously requires military and civilian capabilities. This is a vital element of the President's new Afghanistan-Pakistan strategy.

CONCLUSION

Let me close with a few final thoughts.

This budget aims to alter many programs, and many of the fundamental ways that the Department of Defense runs its budgeting, acquisition, and procurement processes. In this respect, three key points come to mind about the strategic thinking behind these decisions.

First of all, sustainability. By that, I mean sustainability in light of current and potential fiscal constraints. It is simply not reasonable to expect the defense budget to continue increasing at the same rate it has over the last number of years. We should be able to secure our nation with a base budget of more than half a trillion dollars – and I believe this budget focuses money where it can more effectively do just that.

I also mean sustainability of individual programs. Acquisition priorities have changed from defense secretary to defense secretary, administration to administration, and congress to congress. Eliminating waste, ending "requirements creep," terminating programs that go too far outside the line, and bringing annual costs for individual programs down to more reasonable levels will reduce this friction.

Second of all, balance. We have to be prepared for the wars we are most likely to fight – not just the wars we've traditionally been best suited to fight, or threats we conjure up from

potential adversaries who, in the real world, also have finite resources. As I've said before, even when considering challenges from nation-states with modern militaries, the answer is not necessarily buying more technologically advanced versions of what we built – on land, at sea, or in the air – to stop the Soviets during the Cold War.

Finally, there are all the lessons learned from the last eight years – on the battlefield and, perhaps just as important, institutionally back at the Pentagon. The responsibility of this department first and foremost is to fight and win wars – not just constantly prepare for them. In that respect, the conflicts we are in have revealed numerous problems that I am working to improve; this budget makes real headway in that respect.

At the end of the day, this budget request is less about numbers than it is about how the military thinks about the nature of warfare and prepares for the future. About how we take care of our people and institutionalize support for the warfighter for the long term. About the role of the services and how we can buy weapons as jointly as we fight. About reforming our requirements and acquisition processes.

I know that some of you will take issue with individual decisions. I would, however, ask you to look beyond specific programs, and instead at the full range of what we are trying to do – at the totality of the decisions and how they will change the way we prepare for and fight wars in the future.

Once again, I thank you for your ongoing support of our men and women in uniform. I look forward to your questions.

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Posture Statement of
Admiral Michael G. Mullen, USN
Chairman of the Joint Chiefs of Staff
Before the 111th Congress
House Committee on Armed Services

Chairman Skelton, Representative McHugh, distinguished members of the committee, it is my privilege to report on the posture of the United States Armed Forces.

First, I would like to thank our Service men and women and their families. Those who defend this Nation and the families who support them remain our most valuable national assets and deserve continued gratitude. I want especially to honor the sacrifices of our wounded, their families, and the families of the fallen. We are redefining our duty to them as a Nation, a duty which I believe lasts for life. I thank everyone in this distinguished body for their continued efforts in support of this cause.

Your Armed Forces stand as the most combat experienced in this Nation's history. Deeply experienced from decades of deployments in harm's way and from seven and a half years of war, they have remained resilient beyond every possible expectation. They make me, and every American, very proud.

I am grateful for your understanding of the stress our Armed Forces and their families are under. Your recognition of their burdens and uncertainties has been a vital constant throughout these challenging times. Thank you for your support of initiatives such as transferring G.I. Bill benefits to military spouses and children, military spouse employment support, expanded childcare and youth programs, homeowner's assistance programs, and, most importantly, long-term comprehensive support of Wounded Warrior families.

This testimony comes after a notable transition of Administration, the first during wartime since 1968 and the first since the 9-11 attacks on the homeland.

Conducted in the face of threats and continued wartime missions overseas, the transition was marked by courtesy and concern for the mission and our forces from start to finish. Transition obviously means change, but in this case, it also meant continuity in providing for the common defense. Continuity has been and is particularly important at this juncture as we implement the key strategic changes underway that end the war in Iraq through a transition to full Iraqi responsibility and reinforce a whole of government effort in Afghanistan and Pakistan.

While several key developments have emerged since I last testified, in particular the global economic crisis, the three strategic priorities for our military that I outlined last year remain valid. First, we must continue to improve stability and defend our vital national interests in the broader Middle East and South Central Asia. Second, we must continue efforts to reset, reconstitute, and revitalize our Armed Forces. Third, we must continue to balance global strategic risks in a manner that enables us to deter conflict and be prepared for future conflicts. The three strategic priorities are underpinned by the concept of persistent engagement, which supports allies and partners through programs abroad and at home and which must be led by and conducted hand-in-hand with our interagency partners to achieve sustainable results.

Key Developments

Over the past year your Armed Forces continued to shoulder a heavy burden worldwide, particularly in the Middle East and South Central Asia. Our emphasis has rightfully remained on the ongoing wars in Afghanistan and Iraq and against al-Qaeda extremists, though we remain ready to face other global challenges.

Per the President's guidance on February 27th, we will end our combat mission in Iraq by August 31, 2010. The Joint Chiefs and I believe this is a prudent course given the sustained security gains we have seen to date and Iraq's positive trajectory. This current plan preserves flexibility through early 2010 by

conducting the majority of the drawdown after the Iraqi election period. In the meantime, our troops are on course to be out of Iraqi cities by June of this year and two more brigades will return to the United States without replacement by the end of September. Drawing down in Iraq is not without risks. Lingering political tensions remain and violence could flare from time to time. Assuming no major surprises, however, we will successfully transition fully to the advise and assist mission over the next 16 months and lay the groundwork for a continued partnership with Iraq that promotes security in the region.

In Afghanistan and Pakistan we are providing additional resources to address the increase in violence. The strategic goal as outlined by the President on March 27, 2009, is to disrupt, dismantle, and defeat al-Qaeda and its extremist allies in Pakistan and Afghanistan and to prevent their return to either country. As that strategy was being developed, we began responding to conditions on the ground by reinforcing the International Security and Assistance Force commander with some 17,700 troops, the majority of which will arrive by this summer. Our aim in Afghanistan is to check the momentum of the insurgency, train additional forces, and ensure security for the Afghan national elections in August, while in Pakistan we will work with the Pakistani military to further develop their counterinsurgency skills and build stronger relationships with Pakistani leaders at all levels.

We will shift the main effort from Iraq to Afghanistan in the coming year, though our residual footprint in Iraq will remain larger than in Afghanistan until well into 2010. The strategic environment we face beyond these ongoing conflicts is uncertain and complex. In the near term, we will maintain focus on threats to our vital national interests and our forces directly in harm's way. Increasingly, the greatest mid-term military threats will come from transnational concerns – the proliferation of nuclear weapons and missile technology, transnational terrorism, competition over energy, water, and other vital resources, natural disasters and pandemics, climate change, and space vulnerabilities.

A prominent aspect of this shifting strategic environment is the disturbing trend in cyber attacks, where we face both state and non-state actors.

Cyberspace is a borderless domain wherein we operate simultaneously with other U.S. government agencies, allies, and adversaries. Effectiveness is increasingly defined by how well we share information, leverage technology, and capitalize on the strength of others. When appropriate, DoD will lead. Likewise, when appropriate, DoD will provide support and ensure collective success. Our national security and that of our allies is paramount.

A critical new challenge has been added to the strategic environment – the global economic crisis. Although we do not fully understand the impact or depth of this worldwide recession, dire economic conditions increase the pressures for protectionism. They also staunch the flow of remittances, which provide enormous benefits to developing nations. Prolonged downturns can generate internal strife, authoritarian rule, virulent nationalism, manufactured crises, and state conflict. Decreased energy prices have also affected the global economy, on one hand reducing the resources available to some malicious actors, but on the other hand hurting some key allies. Any conflict involving a major energy producer, however, could escalate prices rapidly, which would undoubtedly hamper prospects for a quicker global recovery. Economic concerns will increasingly be the lens through which we – and our partners and competitors – filter security considerations. Many nations may decrease expenditures on defense and foreign assistance, thus making the pool of collective resources we have to address challenges smaller. We will work through our routine military-to-military contacts to address this tendency directly and help to coordinate priorities, emphasizing that we are all bound together in this global economy.

Winning our Nation's current and future wars requires concurrent efforts to restore the vitality of the Armed Forces and balance global risk. I am grateful for Congress's continued support of the programs designed to return our units to the desired levels of readiness and for the honest debate engendered in these chambers to ascertain national interests and determine the best mix of capabilities and programs to protect those interests. The ability to debate these national choices – openly and transparently – is just one of the attractive features of our Republic that others seek to emulate.

Our military remains capable of protecting our vital national interests. At the same time, the strain on our people and equipment from more than seven years of war has been tremendous. There is no tangible "peace dividend" on the horizon given the global commitments of the United States. We still face elevated levels of military risk associated with generating additional ground forces for another contingency should one arise. I do not expect the stress on our people to ease significantly in the near-term given operations in the Middle East, the strategic risk associated with continued regional instability in South Central Asia, and the uncertainty that exists globally. Over the next two years the number of forces deployed will remain high. The numbers will reduce, but at a gradual pace The drawdown in Iraq is weighted in 2010, with the bulk of the combat brigades coming out after the Iraqi elections. At the same time, through the course of 2009 and into 2010, we will be reinforcing the effort in Afghanistan. Only in 2011 can we expect to see marked improvements in the dwell time of our ground forces.

We can not – and do not – face these global challenges alone. We benefit greatly from networks of partners and allies. Despite the economic downturn, the bulk of the world's wealth and the majority of the world's most capable militaries are found in those nations we call friends. Persistent engagement maintains these partnerships and lays the foundation upon which to build effective, collective action in times of security and economic crisis. In the coming years we must be careful not to shunt aside the steady work required to sustain these ties. By maintaining regional security partnerships, developing and expanding effective information sharing networks, and continuing military-to-military outreach, we improve the ability to monitor the drivers of conflict and help position our Nation for engagement rather than reaction. Such engagement also propels us toward the common good, relieves some of the burden on our forces, improves the protection of the homeland, and helps secure U.S. vital national interests.

Defend Vital National Interests in the broader Middle East and South Central Asia

Given its strategic importance and our vital national interests, the United States will continue to engage in the broader Middle East and South Central Asia – as a commitment to friends and allies, as a catalyst for cooperative action against violent extremism, as a deterrent against state aggression, as an honest broker in conflict resolution, and as a guarantor of access to natural resources. Yet we recognize that our presence in these regions can be more productive with a lower profile. The Iraq drawdown is the first step on the path to that end.

Attaining our goals in these critical regions requires time, resources, and endurance. Most of the challenges in the region are not military in nature and can only be met successfully from within. Our role remains one essentially of consistent, transparent partnership building. These actions send an unmistakable message to all that the U.S. remains committed to the common good, while steadily expanding the sets of partnerships available to address future challenges.

Central to these efforts in the Middle East and South Central Asia will be the relentless pressure we maintain on al-Qaeda and its senior leadership. Al-Qaeda's narrative will increasingly be exposed as corrupt and self-limiting. Though too many disaffected young men still fall prey to al-Qaeda's exploitation, I believe the populations in the region will ultimately reject what al-Qaeda offers. Our priority effort will remain against al-Qaeda, but we will also take preventative measures against the spread of like-minded violent extremist organizations and their ideologies to neighboring regions such as the Horn of Africa and the Sahel. The U.S. military's task is to partner with affected nations to combat terrorism, counter violent extremism, and build their capacity to shoulder this same burden.

Afghanistan and Pakistan are central fronts in the fight against al-Qaeda and militant global extremism and must be understood in relation to each other. Afghanistan requires additional resources to counter a growing insurgency partially fed by safe havens and support networks located within Pakistan. Additional U.S. troops will conduct counterinsurgency operations to enhance

population security against the Taliban in south/southwest Afghanistan and to accelerate and improve training and mentoring of Afghan security forces. As in Iraq, our troops will live among the population. We must make every effort to eliminate civilian casualties, not only because this is the right thing to do but also because it deprives the Taliban of a propaganda tool that exploits Afghan casualties and calls into question U.S./NATO endurance and effectiveness in providing security. Although we must expect higher Alliance casualties as we go after the insurgents, their sanctuaries, and their sources of support, our extended security presence must – and will – ultimately protect the Afghan people and limit both civilian and military casualties. Our troops will integrate closely with Afghan forces, with the objective of building Afghan security forces that are capable of assuming responsibility for their country's security.

We expect the reinforcements to have the most pronounced effect over the next 12-24 months. Security gains can only be assured when complemented by development and governance programs designed to build greater self sufficiency over time. Our commanders in the field can lay some of this groundwork through the proven Commanders Emergency Response Program to start smaller projects quickly, but these projects can not compensate for the larger, enduring programs required. A temporary boost in security that is not matched with commensurate political and economic development will not only fail to generate faith in the Afghan government and fail to convince Afghans of our commitment, but also fail to accomplish our objectives. Over time, these objectives will be met more through civilian agencies and non-governmental organizations, with a lighter military presence. Getting to that point, however, requires that military forces generate the security required for political and economic initiatives to take root.

Pakistan is crucial to our success in Afghanistan. In my nine trips to Pakistan, I've developed a deeper understanding of how important it is that we, as a Nation, make and demonstrate a long term commitment to sustaining this partnership. We are taking multiple approaches to rebuild and strengthen relationships and address threats common to both of our nations. One key approach in the near term is to help Pakistan's military to improve its overall –

and specifically its counterinsurgency – capabilities. Beyond the trainers we will continue to provide, the Pakistani Counterinsurgency Capability Fund and Coalition Support Funds. These funding streams provide us the means to address this issue directly, and I ask the Congress to support these initiatives and provide the flexibility to accelerate their implementation. We will ensure that accountability measures are in place so that these funds go exactly where they are intended to go and do not compromise other USG humanitarian assistance objectives. These programs will help the Pakistanis take continued action to combat extremist threats in western Pakistani territories which will complement the reinforcement of troops and special operations efforts in Afghanistan to maintain pressure on al-Qaeda and Taliban leadership. In addition to these initiatives, steady support of the Foreign Military Sales and Foreign Military Financing programs will help us to address the needs expressed by Pakistan's leaders. We will also be well served by the substantially larger request for International Military Education and Training exchanges with Pakistan, to help reconnect our institutions and forge lasting relationships. Military programs must also be supplemented by non-military investment and continued engagement, which further confirm our Nation's long term commitment.

In all, we must recognize the limits of what can be accomplished at what price and at what pace in both countries. This will be a long campaign. We are committed to providing sustained, substantial commitment to Afghanistan and Pakistan. Progress in Afghanistan and Pakistan will be halting and gradual, but we can steadily reduce the threats to our Nation that emanate from conditions in those countries.

In Iraq, we are on the path to stability and long-term partnership as codified in the Security Agreement. Political, ethnic, and sectarian tensions may continue to surface in sporadic bouts of violence. But we also expect that Iraq's Security Forces will continue to improve, malign Iranian influence will not escalate, and, although resilient, al-Qaeda in Iraq will not be able to regroup and reestablish the control it once had. I am heartened by the conduct of Iraq's

provincial elections in January and the election of a new Speaker of the Council of Representatives and expect additional political progress in the coming year.

The drawdown in Iraq carries inherent risks. But the plan that is underway provides sufficient flexibility for the ground commander to adjust to Iraqi political and security developments and to deal with the unexpected. We are currently working with Multi-National Force-Iraq, CENTCOM, SOCOM, TRANSCOM, and the Services on the mechanics of the drawdown and the composition of the roughly 35,000 to 50,000 strong transition force that will remain in Iraq after August 31, 2010, to advise and assist the Iraqi Security Forces, conduct counter terrorism operations, and provide force protection to civilian agencies.

The Iranian government continues to foment instability in the broader Middle East. We have two primary concerns: Iran's sponsorship of violent surrogates and pursuit of a nuclear weapons capability. Iran's Islamic Revolutionary Guard Corps orchestrates the activities of its proxies in Iraq and Afghanistan, across the Levant, and beyond. Through these proxies, Iran inserts itself into the Israeli-Palestinian situation by its direct support of Hamas and Hizballah. Iran's interference beyond its borders causes us to doubt the regime's declared peaceful intent regarding its nuclear program. Evidence suggests that the regime intends to acquire nuclear weapons, even as it continues to disregard UN and international resolutions. In these actions, the Iranian government rejects the opinion as reflected in recent polls of the Iranian population, the majority of who want peaceful, civilian nuclear power but do not want nuclear weapons. Unfortunately, Iran's behavior could well lead to further regional proliferation as other states would seek similar weapons as a hedge – an outcome that would serve neither Iran nor the region. Iran could be an immensely constructive actor in the region, and its choices in the near term will have far reaching consequences. Iran's pursuit of a nuclear weapons capability clearly constitutes a grave threat to U.S. vital national interests in the broader Middle East, and we must use all elements of national power to prevent them from achieving this nuclear capability. In line with the Administration's guidance, we

will continue to work with the international community to convince Iran that the benefits of abandoning its pursuit of nuclear weapons and delivery means far outweigh the costs that would come from the alternative.

Iran's actions provide only one strand of the Weapons of Mass Destruction (WMD) threat emanating from the region. Al-Qaeda has expressed the desire for WMD and their intent to strike the homeland is undisputed. Al-Qaeda would also likely use WMD against populations in the broader Middle East. Consequently, the nexus between violent extremism and the proliferation of WMD remains a grave threat to the United States and our vital national interests. The defeat of al-Qaeda would significantly diminish the threat from this nexus, but does not fully remove it given the conceptual blueprint already established for other extremists. We will continue to support national efforts to counter, limit, and contain WMD proliferation from both hostile state and non-state actors. We will also team with partners inside and outside the broader Middle East to reduce vulnerabilities and strengthen regional governments' confidence that we can address the WMD threat. But we must recognize that this threat requires vigilance for the duration, given the magnitude of damage that can be wrought by even a single incident.

The Israeli-Palestinian conflict, in particular the violence in Gaza in January 2009, continues to cast a pall across the region. The Peace Process is primarily a diplomatic endeavor, but one we support fully through such initiatives as the training and advising of legitimate Palestinian security forces, exchanges with Israeli counterparts, and cooperation with Arab military partners. These initiatives support broader national endeavors aimed at a reduction in violence, greater stability, and peaceful co-existence in this critical region.

Reset, Reconstitute, and Revitalize the Armed Forces

Protecting our Nation's interests in recent years has required the significant commitment of U.S. military forces. Indeed, extensive security tasks remain before us as we pursue the stated objectives in Iraq, Afghanistan and Pakistan,

defeat the al-Qaeda network, prevent the spread of WMD, deter conflict, preserve our ability to project and sustain military power at global distances, and maintain persistent engagement with allies and partners around the globe. At the core of our ability to accomplish all of these tasks are the talented, trained, and well-equipped members of the Armed Forces. I remain convinced that investment in our people is the best investment you make on behalf of our citizens.

The pace of current commitments has prevented our forces from fully training for the entire spectrum of operations. Consequently, readiness to address the range of threats that might emerge has declined. The demands we have put on our people and equipment over the past seven years are unsustainable over the long-term. As we continue to institutionalize proficiency in irregular warfare, we must also restore the balance and strategic depth required to ensure national security. Continued operations that are not matched with appropriate national resources will further degrade equipment, platforms, and, most importantly, our people.

Our Nation's service members and their families are at the core of my efforts to reset, reconstitute, and revitalize our forces. Every decision I make takes into consideration their well being. The All-Volunteer Force has accomplished every mission it has been given, but at a high price. I do not take their service for granted and recognize the limits of their endurance. I remain extremely concerned about the toll the current pace of operations is taking on them and on our ability to respond to crises and contingencies beyond ongoing operations in Iraq and Afghanistan.

The dwell time of units is one key metric we watch closely for the Army and Marine Corps. Dwell time remains at approximately 1:1 for ground units, meaning one year deployed and one year at home for the Army, seven months deployed/seven months at home for the Marine Corps, and similar cycles for the Airmen and Sailors serving in joint expeditionary taskings. Dwell time will improve, but we cannot expect it to return to an interim 1:2 or the desired 1:3 or better for several years given the number of ground forces still tasked with re-posturing to Afghanistan, the advise and assist mission in Iraq after drawdown,

and other global commitments. Special Operations Forces (SOF) face similar deployment cycles but improvements in their dwell time will lag the Army and Marine Corps given the demand for SOF expertise in the irregular warfare environment we face. A key part of the effort to improve dwell time is the continued commitment to the size of the Army, Marine Corps, and Special Operations Forces as reflected in the 2010 budget. Institution of the "Grow the Force" initiative is an indispensable element of the long-term plan to restore readiness.

Our recruiters met the missions of their military departments for fiscal year 2008 and are well on track for fiscal year 2009. The Services have been able to reduce the number of conduct waivers issued and the Army in the recruiting year to date has seen a marked increase in the number of high school graduates joining its ranks, exceeding the Department of Defense Tier 1 Educational Credential Standard of 90% for all three Army components – Active, Army National Guard, and Army Reserve. Retaining combat-proven leaders and the people with the skills we need is just as important. The Services have benefitted from the full range of authorities given to them by Congress as retention incentives. I ask for your continued support of these programs, in particular the bonuses used by the Services to retain key mid-career active duty officers and enlisted. I also ask for your continued support of incentives for Reserve and National Guard service to provide flexibility and enhanced retirement benefits. We have made important strides in the past year in equipping these vital members of the Total Force, and their performance over the past seven years of war has been superb. Economic conditions will ameliorate some of the recruiting and retention pressure in the coming year, but we must recognize that personnel costs will continue to grow as we debate the national level of investment in defense.

As Chairman of the Joint Chiefs of Staff, I have spent the last 18 months meeting with Soldiers, Sailors, Airmen, Marines, Coast Guardsmen, and civilian public servants. In them I recognize the differences in our generations, with the younger ones ever more comfortable with social networking and technology. Yet I

recognize in all of them a strong thread of continuity that stretches back to the Nation's beginnings. That thread is a keen awareness of how they and their influencers – parents, teachers, coaches, and peers – perceive the manner in which today's veterans are treated. Service members know that the American people stand fully behind them, regardless of varying opinions over American policy. The All-Volunteer Force has earned this trust and confidence. This contract must be renewed every day with the American people, who can never doubt that we will be good stewards of their most precious investment in their armed forces – the sons and daughters who serve our Nation.

Emblematic of that stewardship is the way we treat returning Wounded Warriors and the parents, spouses and family members who support them. As a Nation, we have an enduring obligation to those who have shouldered the load and who bear the visible and invisible scars of war, some of whom we unfortunately find in the ranks of the homeless. As leaders, we must ensure that all Wounded Warriors and their families receive the care, training, and financial support they need to become self-sufficient and lead as normal a life as possible – a continuum of care that lasts for life. This continuum extends especially to the families of the fallen. Our focus must be more on commitment rather than compensations, and on transition and ability rather than disability. To the degree that we fail to care for them and their families, and enable their return to as normal a life as possible, we undermine the trust and confidence of the American people.

One other area that has been particularly troubling since I last testified is the rise in the number of service member suicides. The Army in particular has been hit hard by a troubling increase over the past four years and an already disturbing number of suicides in 2009. We do not know precisely why this is occurring, though the increased stress of wartime is certainly a factor. All Service leaders are looking hard at the problem, to include ensuring that we make a service member's ability to seek mental health care both unimpeded and stigma free. This approach requires a cultural change in all of the Services that will take time to inculcate, but the seeds are planted and taking root. The program at Fort

Hood, Texas, is just one example of how a commander-empowered that understands the problem as a result of stress rather than weakness and incorporates families can sharply reduce the number of suicides in a specific community.

The Department and the Services have also continued to expand comprehensive programs designed to prevent sexual abuse in the military. Such abuse is intolerable and an unacceptable betrayal of trust. We will continue work towards the goal of eliminating this crime from our ranks.

Although the strain on our people is most acute, the strain on equipment and platforms is likewise significant. Through the reconstitution effort over the next decade, we will repair, rebuild, and replace the equipment that has been destroyed, damaged, stressed, and worn out beyond repair after years of combat operations. As Congress is well aware, Service equipment has been used at higher rates under harsher conditions than anticipated. The drawdown in Iraq through the end of next summer will provide us even greater first-hand insight into the state of ground force equipment as we retrograde multiple brigade combat team and enabler sets.

Beyond the wear and tear experienced by ground vehicles in Iraq and Afghanistan, our airframes are aging beyond their intended service lives. Indeed since Desert Storm, 18 years ago, the U.S. Air Force and U.S. Navy have flown near continuous combat missions over the Middle East and the Balkans with the F-15s, F-16s, and F-18s that were designed in the 1960s and 1970s and which, with upgrades, have proven their worth repeatedly over time. We have struggled with a wide variety of airframes, as seen in the fleet-wide groundings of all major fighter weapons systems at various times over the past five years, the strains on 30 year old P-3 Orion reconnaissance aircraft, and ongoing efforts to retire some of our C-130 Hercules and KC-135 Strato-tankers. Maintaining and acquiring sufficiently robust air and naval forces remain pressing requirements as these assets are central to ensuring the command of the sea and air that enables all operations. To help pay for these pressing requirements we must continue to look towards acquisition transformation that supports accelerated fielding of

equipment before the speed of technology eclipses its value. We also need to reduce stove-piped Information Technology service solutions and replace them wherever possible with joint enterprise solutions and capabilities that are more effective at reduced costs.

Our forces have relied upon the funds appropriated in the fiscal year 2009 budget request to accomplish equipment reset and to address readiness shortfalls. Congress's continued support is necessary for the predictable, adequate funding required for the repair and replacement of both operational and training equipment. I ask for your continued support for the upcoming fiscal year 2010 funding request. I fully support the vision Secretary Gates has laid out – and which the President has endorsed and forwarded – for the Department and the joint force. This vision and its program decisions emphasize our people first. Our advanced technology, superior weapons systems, and proven doctrine won't produce effective organizations absent quality men and women. These decisions also balance our efforts by addressing the fights we are in and most likely to encounter again without sacrificing conventional capability. That balance helps to check programs that have exceeded their original design, improve efficiency, and steward the resources taxpayers provide us for the common defense. The holistic changes we are making work in combination with one another and span the joint force. I am confident that they not only preserve our war fighting edge but also inject the flexibility required to address today's most relevant challenges.

An area of particular interest is energy – which is essential to military operations. Our in-theater fuel demand has the potential to constrain our operational flexibility and increase the vulnerability of our forces. Thus your Armed Forces continue to seek innovative ways to enhance operational effectiveness by reducing total force energy demands. We are also looking to improve energy security by institutionalizing energy considerations in our business processes, establishing energy efficiency and sustainability metrics, and increasing the availability of alternative sources.

The ongoing revitalization of the joint force makes our conventional deterrent more credible, which helps prevent future wars while winning the wars

we are now fighting. Restoring our forces is an investment in security – one which is hard in tough economic times – but one that is required in an exceedingly uncertain and complex security environment. Understanding that environment and having forces capable of the full range of military operations is central to balancing global strategic risk.

Balancing Global Strategic Risk

My third priority of balancing global strategic risk is aimed at the core functions of our military – to protect the homeland, deter conflict, and be prepared to defeat enemies. Each function is tied to today's conflicts and each requires continuous attention. Successful campaigns in Iraq and Afghanistan and improved partnership with Pakistan will take us far in the fight against al-Qaeda, although the network has spread tentacles across Asia, Africa, and Europe that we will continue to attack. These campaigns have two functions: first, deterring future conflict, and second, staying prepared by building networks of capable partners who help us see conflict brewing and are ready to stand with us if prevention fails. These functions help to protect and secure the global commons: sea, air, space, and cyberspace. Increasingly, we are encountering more security challenges to these nodes and networks of global commerce. In cyberspace, we are continuing proactive steps to pursue effective organizational constructs and to reshape attitudes, roles and responsibilities; we must increasingly see our information systems as war fighting tools equal in necessity to tanks, aircraft, ships, and other weapon systems. The nation must work to increase the security of all vital government and commercial internet domains and improve coordination between all U.S. Government agencies and appropriate private sectors. One related step in strengthening the military's operations in the commons that I continue to support is the United States' accession to the Law of the Sea Convention. This Convention provides a stable legal regime by reaffirming the sovereign immunity of our warships, preserving the right to conduct military activities in exclusive economic zones, ensuring unimpeded

transit passage through international straits, and providing a framework to counter excessive claims of other states.

We must be sized, shaped, and postured globally to detect, deter, and confront the threats of the future. At the same time we must leverage the opportunities for international cooperation while building the capacity of partners for stability. These capacity building efforts are investments, with small amounts of manpower and resources, which can, over time, reduce the need to commit U.S. forces. I recognize, as do the Combatant Commanders, that our ability to do so is constrained by ongoing operations, but that does not make building partner capacity any less important. We can magnify the peaceful effects we seek by helping emerging powers become constructive actors in the international system. Fostering closer international cooperation, particularly in today's distressed economic climate, is one method of preventing nations from turning inward or spiraling into conflict and disorder.

The wars we are fighting limit our capacity to respond to future contingencies and preclude robust global partnership building programs. While necessary, our focus on the current mission also offers potential adversaries, both state and non-state, incentives to act. We must not allow today's technological and organizational arrangements to impede our preparation for tomorrow's challenges, which include irregular, traditional and cyber warfare. In cyberspace, one often overlooked challenge is the need for military forces to maintain access to and freedom of action in this global domain. Our command and control and most sensitive information are constantly threatened by intrusion, interruption, and exploitation efforts. We must understand these risks in the context of the combined arms fight and carefully weigh their effects on our national security and global missions. This is true for the military as well as our nation's public and private sector cyberspace. In all, we continue to mitigate the risk we face in the ability to respond rapidly to other contingencies through a variety of measures. Restoring balance to our forces, however, remains the principal mitigation necessary for the long-term.

Enduring alliances and partnerships extend our reach. In each relationship we remain wedded to this Nation's principles which respect human rights and adhere to the rule of law. The 28 nation North Atlantic Treaty Organization, designed for a far different mission decades ago, has proven adaptive to the times and now leads the security and stability mission in Afghanistan. Australia, New Zealand, South Korea, and Japan have made key contributions to operations in Afghanistan and Iraq. India has emerged as an increasingly important strategic partner. We seek to mature this partnership and address common security challenges globally as well as within the region. Singapore, Indonesia, and the Philippines continue to work with us to counter international terrorist threats in Southeast Asia while Thailand remains a significant partner in supporting humanitarian assistance and disaster response in South and Southeast Asia. The Trans-Sahara Counterterrorism Partnership has worked to counter transnational terrorist threats in north and west Africa, and cooperative efforts with the Gulf of Guinea nations has generated improvements in maritime security against piracy, illegal trafficking, and overfishing off Africa's west coast. Multinational efforts in the Gulf of Aden are helping stem the unwanted scourge of piracy emanating from Somalia, though much work remains to be done. Colombia continues a successful counterinsurgency campaign in the Andean Ridge that reflects the patient, steady partnership between our nations, and we are particularly grateful for the Colombian Armed Forces' impressive rescue of three Americans held in FARC captivity last July. Military-to-military relationships with Mexico and Canada help to improve homeland security. In the coming year, in coordination with the Department of Homeland Security, we will work to improve cooperation with Mexico via training, resources, and intelligence sharing as Mexico takes on increased drug-related violence. The examples above represent far broader efforts and partially illuminate how enhancing teamwork with allies and partners helps to protect our shared interests. The interdependency of nations should not be allowed to unravel under economic duress, and these security focused programs are one way of reinforcing beneficial ties that bind.

We also seek to further cooperation with states not in our formal alliances. We have established relationships with the nations in the Caucasus and Central Asia to build a transportation network in support of our efforts in Afghanistan. We recognize the key role Russia plays and are encouraged by Russian assistance with this project. There is more we can do together to bring peace and security to the people of Afghanistan. At the same time, we are troubled by the Russian-Georgian conflict last August and while we acknowledge Russia's security concerns, its actions created a more difficult international situation and damaged its relationship with NATO and the United States. We look forward to resuming military-to-military engagement, as part of our broader relationship, in a manner that builds confidence, enhances transparency, and rights the path towards cooperation.

We likewise seek to continue improved relations with China, which is each year becoming a more important trading partner of the United States. We acknowledge the positive trends in our bilateral relations with China even as we maintain our capabilities to meet commitments in the region, given the security and stability that credible U.S. power has promoted in the western Pacific for over 60 years. We seek common understanding on issues of mutual concern but must recognize China's unmistakable and growing strength in technological, naval, and air capabilities, and this growth's effect on China's neighbors. While we are concerned over events such as the confrontation between USNS IMPECCABLE and Chinese vessels, we support China's growing role as a regional and global partner. I believe both governments can synchronize common interests in the Pacific. Key among these interests are continued joint efforts aimed at reducing the chance of conflict on the Korean peninsula and the return of North Korea to the Six Party Talks. This is particularly true given North Korean threats to restart its nuclear program and to continue testing an intercontinental ballistic missile in the face of United Nations Security Council Resolutions demanding that it halt nuclear tests or launch of ballistic missiles.

Rebalancing strategic risk also means addressing capability gaps. Our Nation's cyber vulnerabilities could have devastating ramifications to our national

security interests. Interruption of access to cyberspace, whether in the public or private sectors, has the potential to substantively damage national security. We cannot conduct effective military operations without freedom of action in cyberspace. Addressing this threat, the President's budget for fiscal year 2010 includes funds to reduce cyber vulnerabilities and to close some of the operational and policy seams between military, government, and commercial Internet domains. Likewise, and related to maintaining a secure global information grid, freedom of action in Space remains vital to our economic, civil, and military well being. We need to ensure access to cyberspace and Space as surely as we must have access to the sea and air lanes of the global commons. We must also address perennial shortfalls identified by the Combatant Commanders in Intelligence Surveillance and Reconnaissance sensors and processing infrastructure that are proving ever more crucial in missions that span the globe.

Fighting and winning wars will always be the military's most visible mission. Preventing wars through deterrence, however, is preferable. In our strategic deterrence mission, deterring nuclear threats is most crucial. Our nation remains engaged in many vital efforts to counter nuclear proliferation and reduce global stockpiles through international agreements and support activities. Still, many states and non-state actors have or actively seek these weapons. To preserve a credible deterrent we will need safe, secure, and reliable nuclear weapons, an effective infrastructure to sustain that enterprise, and skilled people to support it. In addition, as our strategic deterrence calculus expands to address new and varied threats, proven missile defense capabilities will remain essential as tools to deter, dissuade and assure in an environment of WMD and ballistic missile proliferation.

Persistent Engagement

Our vital national interests call for a wise, long-term investment in global persistent engagement. For military forces, persistent engagement requires

successfully conducting ongoing stability operations and building capacity with allies and partners. These efforts range from advising defense ministries to training host nation forces to conducting joint exercises to sharing intelligence to exchanging professional students. Over time, such actions help to provide the basic level of security from which economic development, representative political institutions, and diplomatic initiatives can take permanent root. Persistent engagement demonstrates enduring U.S. commitment, though, importantly, this commitment must be tempered with humility and a realistic assessment of the limits of our influence. The goal is always to empower partners, who are ultimately the only ones who can achieve lasting results.

During my travels, I've developed a more comprehensive appreciation of the value that personal relationships, fostered over time, bring to our security endeavors. At the senior level, these relationships provide insight and alert us to signals we might have otherwise missed, as such, providing us warning of conflict which can then be used to head off a brewing storm in some cases. These relationships should not be limited to just senior leaders. Rather, they should be developed throughout the careers of our officers and their partner nation colleagues. Such sustained cooperation builds a network of military-to-military contacts that ultimately provides avenues to defuse crises, assure access, institutionalize cooperation, and address common threats.

As I noted in particular with Pakistan, the criticality of "mil-to-mil" exchanges, combined exercises, schoolhouse visits, professional education collaboration, and many other programs are all part of the robust outreach we require. In particular, I ask that the Congress fully fund the Department of State's Foreign Military Financing (FMF) and International Military Education and Training (IMET) programs and Global Train and Equip Programs, which the Departments of State and Defense jointly manage. While many militaries around the world clamor to train with us, we reap far more than the costs of these programs in terms of personal, sustained relationships. These relationships help us bridge difficult political situations by tapping into trust developed over the course of years. I cannot overemphasize the importance of these programs. They

require only small amounts of funding and time for long term return on investment that broadly benefits the United States.

I endorse a similar approach for and with our interagency partners, and I fully support the building of a Civilian Response Corps. Achieving the objectives of any campaign requires increased emphasis not only on fully developing and resourcing the capacity of other U.S. agencies (State, USAID, Agriculture, Treasury, and Commerce and so forth), but also on increasing our Nation's ability to build similar interagency capacities with foreign partners.

Conclusion

In providing my best military advice over the past 18 months, one important point I have made, consonant with Secretary Gates, is that our military activities must support rather than lead our Nation's foreign policy. Our war fighting ability will never be in doubt. But we have learned from the past seven years of war that we serve this Nation best when we are part of a comprehensive, integrated approach that employs all elements of power to achieve the policy goals set by our civilian leaders. To this end, I believe we should fully fund the State Department as the lead agent of U.S. diplomacy and development, an action that would undoubtedly resonate globally. This approach obviously requires the backing of a robust military and a strong economy. As we win the wars we are fighting and restore the health of our Armed Forces, the military's approach will increasingly support our diplomatic counterparts through the persistent engagement required to build networks of capable partners. By operating globally, hand-in-hand with partners and integrated with the interagency and non-governmental organizations, we will more successfully protect the citizens of this Nation.

On behalf of our service members, I would like to thank Congress for the sustained investment in them and for your unwavering support in time of war.

WITNESS RESPONSES TO QUESTIONS ASKED DURING THE HEARING

MAY 13, 2009

RESPONSE TO QUESTION SUBMITTED BY MR. TAYLOR

Secretary GATES and Admiral MULLEN. Section 548 of the FY 2009 National Defense Authorization Act, entitled Increase in Number of Units of Junior Reserve Officers' Training Corps, mandates that the Secretary of Defense, in consultation with the Secretaries of the military departments, develop and implement a plan to establish and support, not later than September 30, 2020, not less than 3,700 units of the Junior Reserve Officers' Training Corps. This section also requires that a report be submitted on my behalf detailing how the unit growth would be realized as well as Department efforts to enhance employment opportunities for qualified former military members retired for disability, especially those wounded while deployed in a contingency operation. My office is working with the Services to submit a report to the Congress that will lay out the expansion initiative as well as the action plan for encouraging wounded warrior employment as instructors. [See page 25.]

RESPONSE TO QUESTION SUBMITTED BY MR. JONES

Secretary GATES and Admiral MULLEN. Hyperbaric oxygen is a treatment, in which a person breathes 100% oxygen intermittently while inside a hyperbaric chamber at a pressure higher than sea level pressure. The Undersea and Hyperbaric Medical Society (UHMS), the primary source of hyperbaric medicine worldwide, follows a robust process to approve indications for hyperbaric oxygen treatment therapy (HBO_2). The UHMS has approved 13 indications for HBO_2, including decompression sickness, carbon monoxide poisoning, problem wounds, and air/gas embolisms. The UHMS has not approved mild traumatic brain injury (TBI) as an indication for HBO_2, noting a lack of scientific literature to support such an endorsement. Some hyperbaric clinicians have used HBO_2 in an "off label" manner to treat patients with mild TBI. Compelling case reports regarding the benefit of "off label" use of HBO_2 for service members with chronic, mild TBI have been reported, but no well-designed clinical trials have been completed; therefore, HBO_2 cannot be accepted as standard of care for mild TBI. Although it is considered relatively safe, potential risks include barotrauma, seizures, and symptoms of high oxygen blood levels.

An HBO_2 study is anticipated to begin in August 2009, pending Food and Drug Administration approval of an Investigative New Drug application. A Department of Defense (DOD) appointed Institutional Review Board has granted provisional approval. Study completion is anticipated within 18 months.

DOD is committed to rapidly, but safely, determining the efficacy of HBO_2 for mild to moderate TBI. Findings from this study may warrant a new standard of care for patients with chronic TBI, justify future research, and change reimbursement policy regarding HBO_2 for TBI. [See page 24.]

RESPONSES TO QUESTIONS SUBMITTED BY MR. FORBES

Secretary GATES and Admiral MULLEN. The non-disclosure statements were signed by the senior leaders of the Department of Defense and other key personnel who participated in the budget process. [See page 26.]

Secretary GATES and Admiral MULLEN. Under Title 10 U.S.C. 231, the Secretary of Defense is required to submit with the Defense Budget an Annual Long Range Plan for the Construction of Naval Vessels and certification that both the budget for that fiscal year and the Future Years Defense Program is adequate.

As the National Security Strategy is due for release this summer, the Navy has advised me that it is prudent to defer the FY 2010 report and submit its next report concurrent with the President's FY 2011 budget. The FY 2010 President's budget fully funds the construction of naval vessels for FY 2010.

The President's budget submission for FY 2010 represents the best overall balance between procurement for future ship and aircraft capability with the resources necessary to meet operational requirements and affordability.

In addition to the National Security Strategy, the statutory guidelines required the report to reflect the Quadrennial Defense Review (QDR). The latest QDR is ongoing in parallel with the National Security Strategy work. Also, the Nuclear Posture Review, which has direct bearing on the numbers of strategic ballistic missile submarines, is due for completion incident with submission of the FY 2011 budget. In addition, a Ballistic Missile Defense Review is ongoing and is also due for completion with the FY 2011 budget. These efforts will likely have a substantive impact on the Navy's force structure requirements.

Although Naval forces are arrayed to meet demands of a number of missions including support of Combatant Commanders, security cooperation, and humanitarian assistance, the Navy has been able to largely meet these demands with the force we have in commission today. [See page 28.]

RESPONSE TO QUESTION SUBMITTED BY MR. SMITH

Secretary GATES and Admiral MULLEN. Pursuant to Section 901 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, Commander, United States Special Operations Command (CDRUSSOCOM) prepared the Personnel Management Plan for Special Operations Forces (SOF). Their plan was closely coordinated with each of the Military Services and Departments, the Joint Staff, and members of my staff.

The plan contains 11 initiatives which increase USSOCOM's involvement in SOF personnel planning and management. Specifically, involvement will increase in areas such as: Service assignment/manning guidance, command selection process, and compensation policies as they relate to special operations personnel. The majority of these initiatives would be implemented through agreements between USSOCOM and the Military Departments or Services, while others may require DOD policy changes.

In one of the initiatives, however, USSOCOM proposes amending title 10, United States Code, to enhance its SOF personnel management authority. Amendment to title 10 is not necessary to achieve USSOCOM's purpose. Instead, a revised Department of Defense Directive will implement much of the substance of the USSOCOM plan.

Unique challenges exist relating to the effective management of our Special Operations Forces. Through the development of the SOF personnel management plan, USSOCOM and the Services discussed current practices, identified areas of concern, and ultimately agreed upon the path forward. This process illuminates USSOCOM's substantial influence regarding the various different decisions that are made in terms of managing the personnel of the special operations community. The plan's initiatives, modified as indicated above, provide USSOCOM the authority necessary to enhance manpower management and improve the overall readiness of special operations forces. [See page 33.]

RESPONSE TO QUESTION SUBMITTED BY MR. TURNER

Secretary GATES and Admiral MULLEN. The Department is currently examining the issues surrounding child custody determinations involving Service members. Upon completion of this evaluation the Department will provide a substantive response by separate letter. [See page 34.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MAY 13, 2009

QUESTIONS SUBMITTED BY MR. THORNBERRY

Mr. THORNBERRY. In addition to everyday operations in Iraq and Afghanistan, the United States defends against cyber attacks every day. What War Powers does the President have, or need, to engage in defensive or offensive cyber warfare while observing the Constitutional power given to Congress to declare war? Do you need Congress to pass a war resolution to launch a cyber war? What is the difference between a cyberwar and everyday cyber operations?

Secretary GATES. Section 3 of the War Powers Resolution (Public Law 93–148) provides that the "President in every possible instance shall consult with Congress before introducing United States Armed Forces into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and after every such introduction shall consult regularly with the Congress until United States Armed Forces are no longer engaged in hostilities or have been removed from such situations." Section 4 further provides that the President shall submit a report to the Speaker of the House of Representatives and to the President pro tempore of the Senate within 48 hours of when U.S. Armed Forces are introduced into hostilities or situations where imminent involvement in hostilities is clearly indicated; into the territory, airspace, or waters of a foreign nation while equipped for combat; or in numbers that substantially enlarge U.S. Armed Forces equipped for combat already located in a foreign nation. Since the enactment of the War Powers Resolution in 1973, Presidents have submitted more than 120 reports to Congress consistent with the War Powers Resolution as a part of their efforts to keep the Congress informed about deployments of U.S. combat-equipped Armed Forces around the world.

DOD defensive and offensive cyber activities are conducted as Information Operations (IO), which involve the integrated employment of Computer Network Operations (CNO), operations security, military deception, electronic warfare, and psychological operations. DOD policy provides that the employment of CNO is a core military competency that is one component of an integrated IO strategy to influence, disrupt, corrupt, or usurp adversarial human and automated decision making while protecting our own. CNO is comprised of computer network attack (CNA), computer network defense (CND), and related computer network exploitation (CNE) enabling operations.

In peacetime, IO supports national objectives primarily by influencing adversary perceptions and decision-making. In crises short of hostilities, IO can be used as a flexible deterrent option to demonstrate resolve and communicate national interest to affect adversary decision-making. In conflict, IO may be applied to achieve physical and psychological results in support of military objectives.

It is DOD policy that IO and CNO contribute to information superiority and are employed in concert with other military strategies and capabilities to provide a fully integrated warfighting capability. IO components, including CNO, are capabilities much like any other capability or weapon, i.e., they may be employed in support of the deployment of U.S. Armed Forces around the world. Their use alone, however, does not implicate the provisions of the War Powers Resolution.

Every day cyber operations include routine CND, CNE, network operations, and information assurance activities. There is no internationally accepted definition of cyberwar, but DOD views the general concept of cyberwar in international law terms of a threat or use of force, which are incorporated in the DOD rules of engagement as hostile intent or hostile act. Specifically, all States retain the inherent right to respond in self-defense to a threat or use of force, and DOD rules of engagement recognize the United States' right to respond in self-defense to demonstrated hostile intent or a hostile act. In exercising its right of self-defense, the United States must comply with international law including the Charter of the United Nations and the law of armed conflict. International law does not define the terms hostile act, hostile intent, or threat or use of force; however, DOD rules of engagement define hostile intent and hostile act as follows:

> Hostile Intent. The threat of imminent use of force against the United States, US forces or other designated persons or property. It also includes the threat

of force to preclude or impede the mission and/or duties of US forces, including the recovery of US personnel or vital USG property.

Hostile Act. An attack or other use of force against the United States, US forces or other designated persons or property. It also includes force used directly to preclude or impede the mission and/or duties of US forces, including the recovery of US personnel or vital USG property.

The President and I provide guidance to commanders through the DOD rules of engagement for when they may use force in self-defense in response to certain activities in and out of cyberspace. The President, however, must determine whether any particular hostile cyber activity against the United States is of such scope, duration, or intensity that the initiation of hostilities is an appropriate exercise of the United States' inherent right of self-defense.

Mr. THORNBERRY. Recently, USD(P) Flournoy eliminated the Senate-confirmed position of Assistant Secretary of Defense for Support to Public Diplomacy. With two active wars ongoing, it is as important now as it ever has been for the US to effectively deliver its strategic communications message to the world. With the elimination of this position, what is the DOD doing to participate in U.S. strategic communications?

Secretary GATES. We are actively assessing how best DOD can contribute to broader U.S. Government strategic communication efforts. To align the organization's structure more closely with policy objectives, many functions of the former office of the Deputy Assistant Secretary of Defense for Support to Public Diplomacy have been shifted to other offices within OSD Policy. Policy's regional offices have primary responsibility for Defense Support to Public Diplomacy, in coordination with appropriate functional Policy offices. OSD Policy is also establishing a new global strategic engagement team to help coordinate DOD-wide strategic communications. This team will work closely with the State Department, the National Security Council staff's new Global Engagement Directorate, and other departments and agencies to ensure effective DOD support for interagency strategic communication efforts.

QUESTIONS SUBMITTED BY MR. MILLER

Mr. MILLER. In recent hearings, Department of Defense (DOD) medical leadership has testified about the challenges of the Armed Forces Health Longitudinal Technology Application (AHLTA). Can you update me on what the Department plans to do to improve the effectiveness of electronic medical records in the future?

Secretary GATES. DOD has a multi-faceted, multi-phased plan for fielding a significantly improved electronic health record (EHR) system intended to benefit Service members, retirees, their families, and other beneficiaries, as well as the Military Health System (MHS) community, operational commanders, and other stakeholders.

DOD's vision is for an agile, responsive, and extensive EHR. DOD must achieve this vision to support the warfighter mission; enable the Virtual Lifetime Electronic Record; aid in the delivery of care for our wounded, ill and injured Service members; enhance health outcomes; improve cost effectiveness; provide for better health resource management and health community satisfaction; facilitate achievement of the patient-centric medical home concept to give patients a simpler, more personalized care experience; and offer enhanced care access, quality, and patient safety.

The plan addresses key challenges with the current enterprise architecture, clinical workflow, interoperability and data sharing capabilities, and EHR design. DOD's detailed plan includes specific IT development and acquisition projects to modernize computing, communications and security infrastructure; improve alignment of MHS clinical workflow; implement an enterprise service bus to enable seamless data sharing; enhance and modernize current EHR back end infrastructure using service oriented architecture principles; improve clinical decision support; and enable an enterprise patient portal, giving patients electronic access to their medical records and health history.

Mr. MILLER. The Administration last month announced its intention to create a single Department of Defense/Department of Veterans Affairs (DOD/VA) electronic medical record. Can you provide any details on the timeline for this implementation as it relates to your Department?

Secretary GATES. On April 9, 2009, President Barack Obama affirmed a mutual strategic objective for the DOD and VA: the definition and construction of a Virtual Lifetime Electronic Record (VLER) system that "will ultimately contain administrative and medical information from the day an individual enters military service throughout their military career, and after they leave the military."

VLER will require the Departments to identify and implement standards, protocols, and service-oriented design methodologies that enable the full electronic exchange and portability of healthcare data, benefits data, and administrative information of Service members and veterans. When fully implemented, VLER must provide gateways and standard interfaces between and among the applications and systems of DOD, VA, and other public and private sector service providers, accessible through adapters or application program interfaces. At all junctures, information must be exchanged in a secure and private format.

The VLER approach will be service-oriented, open-architecture and standards-based. The design will emphasize consistent data definitions, information and exchange protocols, and presentation standards and formats. With more than half of DOD and VA healthcare provided in the private sector, the VLER approach must also provide for interoperability using national standards and the Nationwide Health Information Network. Within twelve months, we will seek to identify private sector healthcare providers to participate in pilot programs involving VLER integration and compliance.

Mr. MILLER. As the New, Post-9/11 GI Bill takes effect later this calendar year, please outline the steps that DOD is taking to inform servicemembers of these educational benefits prior to their separation.

Secretary GATES. The Department of Defense Transition Assistance Program (TAP) is an interagency program and collaboration among the Departments of Defense, Labor, Veterans Affairs and Homeland Security. TAP consist of four components, listed below, with each agency responsible for its component.

1. Pre-separation Counseling—DOD and Military Services responsibility
2. VA Benefits Briefing—VA responsibility
3. Disabled Transition Assistance Program (DTAP)—VA responsibility
4. Department of Labor (DOL) TAP Employment Workshop—DOL responsibility

During the "Pre-separation Counseling" session, separating Service members receive an overview of available transition services and benefits, to include information on education benefits (which has been expanded to include information on the new the Post-9/11 GI Bill). The transition counselor encourages the Service member to sign up for and attend VA Benefits Briefing, where a VA representative provides depth information on all VA benefits with new detailed information on the Post-9/11 GI Bill.

OSD and each Military Department issued its own regulation, policy implementation guidance and instructions governing the Administration of the Post-9/11 GI Bill program. The Military Departments are required to ensure all eligible active duty members and members of he Reserve Components are aware that they are automatically eligible for educational assistance under the Post-9/11 GI Bill program upon serving the required active duty time as established in chapter 33 of Title 38, United States Code. Each Military Department is further required to provide active duty participants and members of the Reserve Components with qualifying active duty service individual pre-separation counseling or release from active duty counseling on the benefits under the Post-9/11 GI Bill and document accordingly. A summary of steps taken by each Military Department follows.

ARMY: The Army conducts mandatory education benefits counseling to all Soldiers separating from the Army no later than 150 days before separation date. Counselors advise Soldiers but have no authority to make benefit determination. VA is the administrator of the Post-9/11 GI Bill program and is responsible for establishing eligibility and payment amounts. The Army's policy mandates education benefits counseling. Soldiers sign Department of the Army (DA) Form 669 [Army Continuing Education System (ACES) Record] attesting to the receipt of counseling after completion of mandatory counseling. The Director, Army National Guard (ARNG) is responsible for ensuring that all ARNG Soldiers are notified of Post-9/11 GI Benefits prior to demobilization. The Chief, Army Reserve is responsible for ensuring that all USAR Soldiers are notified of Post-9/11 GI Bill benefits prior to demobilization. Army soldiers separating are required to clear the local installation education center, where they are also informed about the Post-9/11 GI Bill. Separating Soldiers attending the VA Benefits Briefing (VA's portion of TAP) are also informed about the Post-9/11 GI Bill.

Army policy was already in existence prior to the Post-9/11 GI Bill requiring Soldiers to clear their local installation Education Center as part of out-processing. The Post-9/ll GI Bill has been added to that process.

MARINE CORPS: The United States Marine Corps informs separating Service members about the Post-9/11 GI Bill during the DOD/Military Services portion of TAP, called "Pre-separation Counseling" and during the VA Benefits Briefing (VA's

portion of TAP). In addition, the Marine Corps Transition Assistance Management Program (TAMP) sent the VA Post-9/11 Benefits Briefing slides to all it's TAMP field managers for use to inform transitioning Service members about the Post-9/11 GI Bill. The Marine Corps transition staff also provides a copy of the VA Pamphlet 22–09–1 "The Post-9/11 Veterans Educational Assistance Act of 2008" to transitioning Service members.

NAVY: The Navy Transition Assistance Management Program (TAMP) had made the VA Factsheet 22–08–01, "The Post-9/11 Veterans Education Assistance Act of 2008" available to all Navy Transition Assistance Program sites for dissemination during TAP. The information is also covered during "Pre-separation Counseling" as well as by VA representatives during the VA Benefits Briefings. The Navy web site http://www.npc.navy.mil/CareerInfo/Education/GIBill/Post+9–11+Educational+Assistance+Program.htm is available to provide information to Sailors on the Post-9/11 GI Bill.

AIR FORCE: Air Force policy requires each separating/retiring Airman to complete DD Form 2648, "Pre-separation Counseling Checklist for Active Component Service Members." Separating Airmen must contact the Airmen and Family Readiness Center (A&FRC) to schedule an appointment to receive Pre-separation Counseling. During the counseling session, the A&FRC staff will inform the Airman of available transition services and benefits, to include educational benefits. Airmen will be provided referral information to the Education and Training Section and/or a VA representative for detailed program information, eligibility requirements, etc.

Additionally, the Department of Defense released video and print media regarding the New, Post-9/11 GI Bill.

Mr. MILLER. Given that the Air Force spent nearly three years trying to award a tanker replacement contract, starting with the RFI issued in April 2006, why is the DOD now considering throwing that body of effort away? The GAO provided clear recommendations to solve the problems associated with the contract award decision of Feb 2008. DOD then drafted Amendment 6 to the RFP, which embraced GAO's Decision. Why did DOD suddenly stop and now seem committed to throwing all of that effort aside in pursuit of wholly different acquisition strategy?

Secretary GATES. The Department is fully committed to the Tanker recapitalization program. We are committed to a competitive process that meets the Air Force's requirements while ensuring proper stewardship of taxpayer dollars. The Department anticipates being able to solicit proposals from industry soon with award of a contract by late spring 2010. In our deliberations about the appropriate way ahead, the Departments of Defense and the Air Force have fully considered the GAO findings and all other lessons learned from past efforts. In this regard, we have taken into account the previous body of effort. On September 10, 2008, I notified Congress and the two competing contractors that the Department was terminating the competition for the tanker replacement contract. I determined, in consultation with senior Defense and Air Force officials, that the solicitation and contract award would not be accomplished by January 2009. Rather than hand the next Administration an incomplete and possibly contested process, I decided the best course of action was to provide the next Administration with full flexibility regarding the requirements, evaluation criteria and the appropriate allocation of defense budget to this mission. I have met a number of times with senior Defense and Air Force officials and will continue to do so in the near future as we determine the appropriate course of action with regard to the KC–X acquisition. We intend to consult with Congress as we finalize our approach.

Mr. MILLER. Can you provide me with the Department's updated position on an alternate engine for the Joint Strike Fighter?

Secretary GATES. The President's Budget funds those programs that provide the best value to the taxpayer and the most critical capabilities to the Warfighter, within a constrained fiscal program. The Department acknowledges a competitive engine program could provide non-tangible benefits. The Department also recognizes potential life cycle cost savings could be realized well into the future. However, depending on the method used to calculate investment return, procuring an alternate engine could mean a net cost to the taxpayer. Additionally, a considerable investment would still be required in the near term to complete development of the F136 alternate engine. Finally, the costs required to procure, maintain, and sustain two distinct engines until the alternate engine reaches competitive maturity would require additional funding better used for higher Department priorities.

Mr. MILLER. On May 5, 2009 I received a very informative letter from the Secretary of the Air Force regarding an issue important to my district. Your Deputy Secretary of Defense instructed Secretary Donley to respond on his behalf to my question about an overpass near State Road (SR) 85 near Duke Field at Eglin Air Force Base. As referenced in the letter, can you please update me on the results

of the USACE study and the Defense Access Roads submission? Additionally, can you please inform me what office and/or individuals are authorized to, and are currently working with the Florida Department of Transportation on this issue? I remain concerned that some in the DOD may be hesitant to engage directly with a state transportation agency.

Secretary GATES. In June 2009, the U.S. Army Corps of Engineers completed the study on the best alternative for a SR85 overpass. The preferred alternative is a Conventional Diamond Interchange/Overpass, estimated to cost approximately $8.8 million. The interchange/overpass would span an area capable of accommodating six traffic lanes, which is the long-range, unfunded plan, by Okaloosa-Walton Transportation Planning Organization (OWTPO).

The Army's Surface Deployment and Distribution Command (SDDC) is the Executive Agent for the Defense Access Roads (DAR) Program within the Department of Defense (DOD). SDDC has now received the study to initiate the process to determine whether a SR85 overpass/interchange near Duke Field will qualify under the DAR Program. If the project does qualify, DOD Military Construction (MILCON) appropriations can be used to pay for the overpass but, it will compete with all other MILCON projects for funding within the DOD appropriation process.

The DOD has engaged Florida Department of Transportation (FDOT) and OWTPO as early as 2008 when The U.S. Army Corps of Engineers conducted an area traffic study. However, SDDC serves as the DOD's formal conduit to non-DOD transportation agencies, such as the FDOT and others. As this project moves forward we look forward to continuing both formal and informal communications with FDOT and OWTPO.

We will contact your office when the results from the DAR program review are available.

Mr. MILLER. It is my understanding that you committed to move away 100% exquisite solution to a more affordable commercial solutions that provide 80% of the capability. What is the defense department doing to ensure that commercial solutions are being seriously considered?

Secretary GATES. The key to obtaining more affordable, commercial solutions is to make that a consideration at the very front-end of the process—starting with requirements definition and setting the scope of the analysis of alternatives as a result of the recently instituted Materiel Development Decision (MDD) review led by the Under Secretary of Defense (Acquisition, Technology and Logistics). One of the primary purposes of the MDD is to review the basis for and analysis supporting the need for a material solution and the requirements to be met. During this review, we consider the applicability of a commercial solution and/or the use of commercially available components. Additionally, it is DOD policy that promising technologies must be identified from all sources domestic and foreign, including government laboratories and centers, academia, and the commercial sector. (The conduct of science and technology activities must not preclude and, where practicable, must facilitate future competition.) Consideration of such technologies must be documented in the technology development strategy for the program. It is also Department policy that the Analysis of Alternatives must consider existing commercial off-the-shelf functionality and solutions. As the program moves through technology development, the resultant acquisition strategy for engineering and manufacturing development must also document consideration of commercial solutions and/or commercially available components.

Mr. MILLER. What is the anticipated cost-savings to the taxpayer from making investments in commercial tactical radio products?

Secretary GATES. A competitive business strategy is used for the procurement of commercially developed radios. The Department establishes essential operational requirements and offers industry the opportunity to compete and provide a material solution. This is particularly the case for hand-held radios. This is exemplified by the radios procured under the Consolidated Single Channel Handheld Radio (CSCHR) contract. The CSCHR contract competes the AN/PRC–148 radio against the AN/PRC–152 radio to meet the multi-Service requirement for hand-held radios. Through the CSCHR contract, we have procured 112,514 radios and 12,007 vehicle amplifier adapters to date. The contracting office received $919M from the Services and returned $428M due to savings through competition. It should be noted that the commercial radios procured under this contract all satisfy the safety and security requirements of the military through certification by the National Security Agency for information assurance, the Joint Interoperability Test Center for interoperability, and the Joint Tactical Radio System Test and Evaluation Laboratory for Software Computer Architecture compliance.

Mr. MILLER. Why does the DOD continue its investment in the Single Channel Ground and Airborne Radio System (SINCGARS) radios when more capable, Joint Tactical Radio System (JTRS) approved alternatives are available today?

Secretary GATES. Our commitment to the development of JTRS radios remains strong. As these systems become available, they will be fielded and, in some cases, they will replace current systems in use. JTRS is not, however, a one-for-one replacement for SINCGARS. While SINCGARS is current force technology, it will continue to provide the robust voice communications capability our forces will need well into the future. Furthermore, the SINCGARS waveform is being included in JTRS to ensure interoperability with SINCGARS radios.

Mr. MILLER. My understanding is that since becoming Secretary of Defense you have not signed any documents regarding detainees at Naval Station Guantanamo Bay, Cuba and that in the previous administration Deputy Secretary of Defense England signed all relevant documents. Is this accurate? In the new Administration, who is signing all relevant documents? In the new Administration, who is the senior official in the Department responsible for decisions regarding the detainees?

Secretary GATES. As the head of the Department of Defense, I am ultimately responsible for Department of Defense matters, including for detention policy. I, along with other senior officials in the Department, have signed documents regarding detention issues at Guantanamo. I have also asked former Deputy Secretary England and current Deputy Secretary Lynn to assume daily oversight responsibilities over detention issues, while keeping me fully informed. A number of other senior officials in the Department of Defense and across the U.S. Government also have responsibilities over detention issues.

Mr. MILLER. I request the DOD certify, in writing, that all political appointees, confirmed and nominated, that served in the Clinton Administration were not involved in the practice commonly referred to as extraordinary rendition.

Secretary GATES. The Department of Defense's responsibilities and jurisdictional authority did not extend to monitoring which officials were or were not involved in extraordinary rendition practices during the Clinton Administration, and therefore the DOD cannot provide the certification that you request.

Mr. MILLER. With regard to the technique commonly referred to as waterboarding, what is the DOD's policy on waterboarding members of our military for training purposes? Please provide any relevant unclassified documents stating such policy.

Secretary GATES. The Department of Defense (DOD) guidance on the use of "waterboarding" is that it is not used as a resistance training physical pressure. This guidance has been conveyed by the Defense POW/Missing Personnel Office and the Joint Personnel Recovery Agency in visits to Service Survival, Evasion, Resistance, and Escape (SERE) schools and during the annual SERE Training Conference and annual DOD SERE Psychology Conference since early 2007. Although DOD does not yet have written guidance on this issue, the Defense POW/Missing Personnel Office (DPMO) is currently developing the final draft of a new personnel recovery training DOD Instruction that will soon be ready for Department-wide coordination. This DOD Instruction will provide comprehensive resistance training executive agent guidance on the use of physical pressures. Waterboarding will not be an approved, physical pressure for use in such training.

Prior to 2007, the Navy was the only Service that opted to use the waterboard for training Naval personnel, and the technique was used prior to 2007 at the NAS North Island (San Diego, California) SERE School and from 2000 through 2005 at the NAS Brunswick (Brunswick, Maine) SERE School. Both schools no longer use the technique.

Mr. MILLER. Please provide the number of members of our military that have been waterboarded since 1992.

Secretary GATES. We could find no records that would allow us to answer this question accurately. We do know that waterboarding was used only at the two Navy SERE schools and applied to only a limited number of students and instructors. We do not know with certainty how many persons were waterboarded during training at these schools.

Mr. MILLER. The Base Realignment and Closure Commission of 2005 could not have anticipated the true costs of implementing all of its recommendations. The DOD has made progress in implementing the BRAC 2005 but faces some challenges in meeting the statutory 15 September 2011 deadline. What are you and your staff doing to ensure BRAC 2005 is fully funded and this deadline is met?

Secretary GATES. To ensure BRAC is fully funded, the Department assesses the adequacy of funding during each annual Integrated Program and Budget Review and adjusts the program accordingly. The Department recognizes the unique challenges associated with implementing the more complex recommendations and the synchronization efforts required to manage the interdependencies among many rec-

ommendations. To apprise senior leadership of problems requiring intervention as early as possible, the Department institutionalized an implementation execution update briefing program in November 2008. These update briefings, representing 83 percent of the investment value of all recommendations, provide an excellent forum for business plan managers to explain their actions underway to mitigate the impacts of problem issues. The business managers have and will continue to brief the status of implementation actions associated with recommendations that exceed $100M on a continuing basis through statutory completion of all recommendations (September 15, 2011). The business managers are also required to brief other plans for which they have concerns.

All recommendations are currently fully funded and on track to be implemented by the statutory deadline of September 15, 2011.

Mr. MILLER. In late April, Computer spies have broken into the Pentagon's $300 billion Joint Strike Fighter project—the Defense Department's costliest weapons program ever. It was reported that while the spies were able to download sizable amounts of data related to the jet-fighter, they weren't able to access the most sensitive material, which is stored on computers not connected to the Internet. What is the Departments assessment of this attack? And what is the Department doing to ensure the security of the largest acquisition program ever?

Secretary GATES. The Department's review indicated that no compromise of JSF program classified information has occurred. We remain confident that the Department's ongoing efforts will prevent unauthorized access to, or compromise of, classified U.S. technology and information on JSF and other programs involving industry. In addition, in response to the reported intrusion into JSF contractor unclassified networks, the Air Force Office of Special Investigations (AFOSI) conducted an independent investigation of the possible compromise. This investigation involved law enforcement and counterintelligence activities to determine if there was evidence of criminal activity. If desired, AFOSI can provide a classified briefing of the investigation and findings.

With regard to enhancing overall protection of unclassified DOD information, the Department established the Defense Industrial Base (DIB) Cyber Security and Information Assurance (CS/IA) program in September 2007 to partner with cleared defense contractors to secure critical unclassified DOD information resident on, or transiting, DIB unclassified systems and networks. This DOD–DIB partnering model provides the mechanism to exchange relevant cyber threat and vulnerability information in a timely manner, provides intelligence and digital forensic analysis on threats, supports damage assessments for compromised information, and expands government-to-industry cooperation, while ensuring that industry equities and privacy are protected.

Mr. MILLER. Melissa Hathaway recently completed her review of the government's cybersecurity efforts. Organizational changes will be one of the most important changes required to address a national cybersecurity plan and recent reports indicate that the Department is considering a four-star sub-unified command under STRATCOM to address the cyber threat. What is the Department's plan, in light of this review, to address the cyber threat?

Secretary GATES. We are pursuing a number of initiatives to address the threat in a long-term manner. These initiatives include 1) building a culture that makes cybersecurity a priority by training a cadre of experts who are equipped with the latest technologies while improving the training, awareness and accountability for all service members; 2) improving our capabilities by developing, through DARPA, a national cyber range that will allow us to test the skills and tactics being trained; and 3) developing USCYBERCOM to allow for a more coordinated and effective response to threats.

The decision to create a sub-unified command under USSTRATCOM, USCYBERCOM, and place Joint Forces Component Command Network Warfare (JFCC–NW) and the Joint Task Force Global Network Operations (JTF–GNO) within a single command, will allow for efficiencies that could not be realized through operational command lines between the components. USCYBERCOM, as a Joint Force Commander, will be entitled to a joint staff to coordinate the functions of the command. Under this command, the primary focus will be directing operation and defense of the military's Global Information Grid (GIG). The Department will remain engaged in the national cybersecurity effort, as directed by the Comprehensive National Cybersecurity Initiative (CNCI), through continuous collaboration between cybersecurity centers that include USCYBERCOM once the organization has taken over the missions of JTF–GNO.

Additionally, the Services have created organizations to address the need for coordination and integration. The Army is creating the Network Enterprise Technology Command, the Navy created the Naval Network Warfare Command and the

24th Air Force is being stood up. These organizations will be integrated with the new USCYBERCOM to synchronize each Service's ability to conduct operations in the cyberspace domain. The Department of Defense is also engaged in a review of existing policy and strategy to develop a comprehensive approach to DOD cyberspace operations.

Mr. MILLER. One of the important aspects of Ms. Hathaway's review included the relationship between the government and business. In light of the recent computer attacks on the JSF, how is the Department working with companies like Lockheed Martin so that the data at one of their facilities is not compromised?

Secretary GATES. The Department established the Defense Industrial Base (DIB) Cyber Security and Information Assurance (CS/IA) program in September 2007 to partner with cleared defense contractors to secure critical unclassified DOD information resident on, or transiting, DIB unclassified systems and networks. This DOD–DIB partnering model provides the mechanism to exchange relevant cyber threat and vulnerability information in a timely manner, provides intelligence and digital forensic analysis on threats, supports damage assessments for compromised information, and expands government-to-industry cooperation, while ensuring that industry equities and privacy are protected.

Mr. MILLER. In the past, the QDR (Quadrennial Defense Review) was criticized for being written to support the budget, rather than the other way around. Title X states, "The Secretary of Defense shall every four years, during a year following a year evenly divisible by four, conduct a comprehensive examination (to be known as a "quadrennial defense review") of the national defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies of the United States with a view toward determining and expressing the defense strategy of the United States and establishing a defense program for the next 20 years. How will the Department ensure the QDR is conducted to meet its Title 10 requirements?

Secretary GATES. The Department's conduct of the 2010 Quadrennial Defense Review (QDR) is in full accord with the letter and intent of Title 10, U.S. Code, section 118. I am ensuring the full participation of the Chairman and Vice Chairman of the Joint Chiefs of Staff, the Combatant Commanders, leaders of our Military Departments and Services, and experts within and outside the Department of Defense. The views and recommendations of these experts are critical to our development of a defense program for the next 20 years.

The 2008 National Defense Strategy (NDS) is the strategic point of departure for our analysis. The QDR Terms of Reference and my public statements regarding the President's Budget for Fiscal Year 2010 build on the NDS to further define our strategic priorities. Through the QDR process, we are assessing the right balance of capabilities needed to address current and future threats, taking into account lessons learned from ongoing operations and from prior reviews and analyses. I intend to deliver a QDR that is strategy driven, and am prepared to ask for the resources I believe necessary to meet the Nation's defense needs.

Mr. MILLER. The recent supplemental request by the President includes a new $400 million fund in which Defense and State will work to improve the ability of Pakistan's military to carry out counterinsurgency operations and disrupt the border havens. I would like to hear you elaborate on how this Pakistani Counterinsurgency Contingency Fund (PCCF) will be used? What are your thoughts on how the Department of Defense and the Department of State should work together with respect to this funding?

Secretary GATES. The Pakistan Counterinsurgency Capability Fund (PCCF) focuses on building enduring capabilities for the Pakistani military to conduct counterinsurgency operations in support of U.S. efforts in Operation Enduring Freedom (OEF). The funding is designed to accelerate development of the Government of Pakistan's capacity to secure its borders, deny safe haven to extremists and provide security for the indigenous population in the border areas with Afghanistan. PCCF will fund counterinsurgency requirements such as helicopters, soldier equipment, and training. The Department proposed $400 million for PCCF in the FY09 supplemental and $700 million in the FY10 Overseas Contingency Operations request. DOD is grateful to Congress for supporting its request for $400 million for the Pakistan Counterinsurgency Fund (PCF) in FY 2009. The Secretary of State's concurrence on our use of PCF funding is required, and we will continue to work closely with our colleagues at State to ensure our national security objectives are addressed.

For FY10, we have requested a clean transfer to DOD of the $700 million Congress provided to the State Department to ensure uninterrupted execution of this critical program while both Departments work closely on putting plans in place for the State Department to implement the program in FY 2011. The State Department

must have the flexible authorities, processes, and funding to be responsive to my Department's needs in order to manage this wartime authority.

Mr. MILLER. I support the need for acquisition reform and agree an element of that includes ensuring the workforce is comprised of the right mix of military, civil service and contractor personnel. However, it appears that the department budget assumes major savings as a result of FY10 conversions in contractor positions to civil service positions. I am very concerned with this on two counts. First, there does not appear to be any analysis available to justify "what positions to convert" and the timeline between today and first the day of FY10 is not sufficient to conduct that analysis and execute OPM hiring procedures. Secondly, the savings are assumed and deducted from the FY10 budget lines. Those savings appear to be very optimistic. Specifically, what analysis drove the decision on how many positions to convert?

Secretary GATES. The Department recognized many contractors have been hired post-9/11 to meet the exigencies of temporary wartime needs. Prior to the war, contractors comprised approximately 26 percent of the government workforce, without any degradation of mission. Returning to this pre-war level of 26 percent from the current 39 percent equates to approximately 33,600 personnel. It is correct the Department cannot do that all at once. We developed a phased approach that requires conversion of approximately 13,600 personnel in FY 2010. This equates to an overall hiring increase of approximately 14 percent. The savings are based on the results of the conversions that have occurred to date.

Mr. MILLER. Given that Public Law 97–174, "The Veterans Administration and Department of Defense Health Resources Sharing and Emergency Operations Act," mandated the sharing of Department of Defense/Department of Veterans Affairs (DOD/VA) resources, what is the overall progress, in specific numbers, of joint operations (not agreements signed)?

Secretary GATES. A comprehensive account of the current progress of joint DOD/VA operations can be found in the VA/DOD Joint Executive Council Annual Report to Congress, located on the DOD/VA website at http://www.tricare.mil/DVPCO/default.cfm.

Highlights of the latest numbers include:

- A VA/DOD Joint Strategic Plan (JSP), which includes a continuum of delivery concept, is managed through the Joint Councils (Joint Executive Council, Health Executive Council (HEC), and Benefits Executive Council). The JSP for FY 2009–2011 includes actions to implement more than 400 recommendations from the President's Commission on Care for America's Returning Wounded Warriors and other national advisory and review groups.
- Joint venture medical facilities currently exist at nine locations: North Chicago (Great Lakes Naval Station); New Mexico (Kirtland AFB); Nevada (Nellis AFB); Texas (Ft Bliss); Alaska (Elmendorf AFB); Florida (NAS Key West); Hawaii (Tripler AMC); California (Travis AFB); and Mississippi (Keesler AFB). A project is also underway to expand joint partnerships to full market areas, as well as increase the number of resource sharing sites.
- The North Chicago VA Medical Center and the Naval Health Clinic Great Lakes will merge into the Captain James A. Lovell Federal Health Care Center (FHCC) in 2010, and will serve both DOD and VA beneficiaries. The governance model provides a single line of authority within the FHCC and command and control responsibilities still resting with DOD/Navy and VA. A $20 million four-level parking garage is completed and construction is underway for a $99 million joint ambulatory care center, scheduled for August 2010. Six DOD/VA national workgroups (Leadership, Finance and Budget, Information Management/Information Technology, Human Resource, Clinical, and Administration) oversee identification/resolution of issues.
- The Defense Center of Excellence for Traumatic Brain Injury (TBI) and Psychological Health (PH) established a means to improve consistency and quality of TBI/PH care across DOD and VA:
  - Common access standards were published for mental health services in both DOD and VA.
  - Over 2,700 DOD, VA, and private sector providers were trained in evidence-based treatments for post-traumatic stress disorder and TBI.
  - A common DOD/VA post-deployment TBI assessment protocol was implemented.
- The Joint Electronic Health Records Interoperability Program is designed to support sharing of appropriate protected electronic health information between DOD and VA for shared patients.

- ♦ Since 2001, DOD has transmitted electronic health information on over 4.8 million patients to the Federal Health Information Exchange Data Repository for access by VA. Data includes over 2.5 million Pre- and Post-deployment Health Assessment (PPDHA) forms and Post-deployment Health Reassessment (PDHRA) forms on more than one million separated Service members and demobilized Reserve and National Guard members.
- ♦ The Bidirectional Health Information Exchange (BHIE) enables real-time sharing of clinical data for patients treated in both DOD and VA.
- ♦ Inpatient discharge summaries are available from 20 of DOD's largest inpatient facilities (equating to approximately 55% of total DOD inpatient beds) and from all VA inpatient facilities.
- ♦ Theater clinical data from DOD is viewable by DOD and VA providers on shared patients.
- ♦ DOD electronically sends VA radiology images and scanned medical records for severely wounded and injured Service members transferring from one of three major DOD trauma centers to one of four main VA polytrauma centers.
- ♦ Through the established interoperability between DOD's Clinical Data Repository and VA's Health Data Repository, the agencies continue to exchange computable outpatient pharmacy and medication allergy information which supports drug-drug and drug-allergy checking for shared patients.
- ♦ The Departments established the DOD/VA Interagency Program Office (IPO) in April 2008. The IPO oversees actions to accelerate the exchange of electronic health care information between the DOD and VA, and will monitor and provide input on personnel and benefits electronic data sharing initiatives.
- ♦ The DOD/VA Interagency Clinical Informatics Board (ICIB) was established to ensure clinicians have a direct voice in the prioritization of recommendations for enhancing electronic health data sharing.
- ♦ DOD and VA completed a Joint Inpatient Electronic Health Record (EHR) feasibility study in 2008. The final report, recommending that the Departments pursue a common services strategy to enable DOD/VA inpatient EHR data sharing, was briefed to and approved by DOD/VA executive leadership in August 2008.
- ♦ DOD and VA data sharing activities underway for FY 2009 include:
  - — Inpatient documentation expansion;
  - — Document scanning (initial capability); and
  - — Expansion of questionnaires.

- AHLTA, the military EHR for DOD, is the cornerstone for health information management and technology. AHLTA includes data on more than 9.2 million beneficiaries and is the source of the majority of the health data shared with VA.

Mr. MILLER. How is the Department of Defense (DOD) addressing what appears to be an increasing number of discharges due to preventable, non-combat related injuries and the discharge rate due to the inability of some Service members to maintain weight standards? Oftentimes, these two issues are interrelated as military programs assume that one type of exercise fits all, thus creating injuries while seeking weight loss.

Secretary GATES. Please understand that discharges secondary to inability to maintain weight standards are a personnel and leadership issue for which the individual Services are primarily responsible. Medically, the TRICARE Management Activity (TMA) has identified obesity and alcohol abuse as causes for some preventable, non-combat related injuries and is working to decrease their prevalence.

In an effort to address weight loss and obesity prevention in the Active Duty family member and retiree populations, TMA recently concluded a one-year demonstration project studying the effects of specific weight loss interventions. Due to the successful results of the study, TMA is working to include weight loss tools such as coaching and medications in the TRICARE benefit. Additionally, the TMA Office of the Chief Medical Officer is partnering with TMA Communication and Customer Service on weight loss and nutrition education websites targeted towards our beneficiaries.

The anti-alcohol campaign *That Guy* makes use of edgy humor specifically tailored to reach junior enlisted, with an emphasis on realistic embarrassing consequences of being *That Guy,* the one who gets drunk and out of control. The campaign was designed to be "turn key," and over 1,500 local points of contact at 228 installations

have been engaged in placing over one half million branded items into use. The Headquarters Marine Corps' Semper Fit Program Office continues to be engaged; the Navy Alcohol and Drug Abuse Prevention Program Office collaborated in printing and making the branded materials available through the Navy Logistic Library, and the Army Center for Substance Abuse Program provided funds to support additional central printing of the most popular campaign materials, and also to provide onsite contractor support of the campaign's deployment at their 26 largest installations. Based on the Defense Manpower Data Center's Annual Status of Forces Survey, DOD-wide campaign awareness in the target audience of junior enlisted has increased from 2% in 2006 (phantom awareness, pre-campaign deployment), to 14% in 2007, and 30% in 2008.

Mr. MILLER. Is the Department of Defense (DOD) giving any consideration to developing a policy for Hyperbaric Oxygen Therapy for injuries other than flight or diving incidents, such as traumatic brain injury?

Secretary GATES. Yes, however, such policy will depend on the results of scientific evaluation of the therapy for its use in other situations, such as treatment for mild traumatic brain injury patients. The DOD is preparing a controlled trial that is scheduled to begin in August 2009, pending Food and Drug Administration approval of an Investigative New Drug application. Developing policies covering other potential Hyperbaric Oxygen Therapy uses must be preceded by scientific, orderly, and approved testing.

Mr. MILLER. Considering that the Department of Veterans Affairs (VA) only supports services and compensation for events documented in a medical record, how can the Department of Defense (DOD) ensure events involving contact with the enemy are properly recorded in a Service member's medical record? This is critical for traumatic brain injury (TBI), post-traumatic stress disorder (PTSD), and other related health conditions where a Service member may not have been penetrated by a bullet, for units where contact with the enemy does not provide time at that moment to document health issues in a medical record, or in cases where a medical professional is not available.

Secretary GATES. The DOD agrees that visibility of all events that may impact individuals' short- or long-term health be made available to the VA. Currently, the science is not fully developed enough to identify all the events that may lead to a diagnosis of PTSD, since there is so much variability in individual response. However, DOD is taking the following actions in addressing this concern and will make this data available to the VA:

1. Specific questions are already included in the Post-Deployment Health Assessment and Post-Deployment Health Reassessment for personnel to self-report exposure events potentially causative for PTSD, TBI, and environmental exposures. These assessments are currently included in the medical records and will be made available in the electronic medical record in the future.
2. A longitudinal exposure record is under development, which will include documented occupational and environmental health (OEH) exposures (in medical records) as well as possible or unconfirmed exposures related to OEH surveillance.
3. The Personnel Blast and Contaminant Tracking (PBCT) System, developed by the Army National Guard as a means to identify a population at risk in the vicinity of a blast or chemical exposure incident, is used in Iraq by the Army. DOD intends to more fully develop this system for use for by all Services (Reference: Supplemental Appropriations Act of 2009, Senate Report 111–020, S. 1054).
4. DOD is investing research and development efforts in "smart" technologies to allow capture of individual OEH exposures through the use of biomonitoring and personal chemical detectors that record and integrate exposures over time.

Mr. MILLER. Could you provide the analysis and documentation regarding the 1% of airfield accessibility improvement you stated the C–27J has over the C–130 and can you please provide the locations and ages for the 200 C–130s you claimed were in the inventory?

Secretary GATES. Our airfield accessibility analysis showed that out of an airfield population of 25,122 airfields, there are 399 airfields, outside CONUS, that are more than 50 miles from a C–130 capable airfield which can handle JCAs but not C–130s. To highlight current operational accessibility, only three of the Afghanistan airfields are JCA-only capable. The Department's fleet of more than 400 C–130s is sized to support the demands of a national emergency characterized by two overlapping wars concurrent with other ongoing lesser contingencies and homeland defense; this finite period of extremely high demand is not experienced in day-to-day oper-

ations. Right now, current operations in Operation IRAQI FREEDOM and Operation ENDURING FREEDOM require about 40 C–130s per day. Other operations require about 20 C–130s. In addition to these operational requirements, about 40 C–130s are committed to training, 14 support USPACOM, 8 support USEUCOM, and 60–80 are in depot maintenance. This leaves about 220–240 C–130s available. A list of current locations and ages of the C–130 inventory is attached.

JUNE 2009 C-130 TAI SNAPSHOT

ACTIVE DUTY												
Total Tails: 147 Avg. Age: 32.84 Years (Year aircraft were built)												
	DYESS		LITTLE ROCK (AMC)				POPE	LITTLE ROCK (AETC)		RAMSTEIN		YOKOTA
	39 AS	40 AS	41 AS	50 AS	61 AS	53 AS	2 AS	48 AS	62 AS	37 AS		36 AS
	H/H1	H/H1	J	H3	E	E	E	J	E	E	J	H1
1	1973	1973	2004	1992	1962	1962		2002	1961	1962	2008	1974
2	1973	1974	2004	1992	1962	1963		2004	1961	1962	2008	1974
3	1974	1974	2005	1992	1962	1963		2005	1961	1962		1974
4	1974	1974	2005	1992	1962	1972		1994	1961	1963		1974
5	1974	1974	2006	1992	1962	1962		1994	1962	1963		1974
6	1974	1974	2006	1992	1962	1962		1997	1962	1963		1974
7	1974	1974	2006	1992	1963	1963		1997	1962	1963		1974
8	1974	1974	2006	1992	1963	1963			1962	1964		1974
9	1974	1974	2007	1993	1962	1963			1962	1964		1974
10	1974	1974	2007	1993	1963	1963			1962	1968		1974
11	1974	1974	2007	1993	1972				1962	1970		1974
12	1974	1974	2007	1993	1962				1963	1970		1974
13	1974	1974	2007	1993					1963	1972		1974
14	1974	1974	2007	1993					1963	1963		1974
15	1974	1974	2007						1963			
16	1974	1974							1963			
17	1974								1963			
18									1963			
19									1963			
20									1963			
21									1963			
22									1963			
23									1963			
24									1963			
25									1964			
26									1964			
TOTAL	17	16	15	14	12	10	0	7	26	14	2	14

JUNE 2009 C-130 TAI SNAPSHOT

AFRC												
Total Tails: 102 Avg. Age: 19.02 Years (Year aircraft were built)												
	MITCHELL (Pope)	KEESLER		NIAGARA	MINN	MAXWELL	PETERSON	PITTSBURGH	WILLOW GROVE	YOUNGSTOWN		DOBBINS
	95 AS	815 AS	53 WS	328 AS	96 AS	357 AS	731 AS	758 AS	327 AS	773 AS	757 AS	700 AS
	H2	J	WC-J	H2	H3	H2	H3	H2	E	H2.5	H2	H2
1	1986	2006	1996	1987	1992	1985	1994	1978		1992	1985	1981
2	1986	2002	1996	1987	1992	1985	1994	1978		1992	1989	1981
3	1986	2003	1996	1987	1992	1985	1994	1978		1992	1989	1981
4	1986	2004	1997	1987	1992	1985	1994	1978		1992	1989	1981
5	1986	2005	1997	1991	1992	1985	1994	1978			1989	1981
6	1986	2005	1997	1991	1992	1985	1994	1978			1989	1981
7	1987	2005	1997	1991	1992	1985	1994	1978			1990	1984
8	1988	2005	1998	1991	1992	1986	1994	1978			1990	1984
9	1988		1998	1989			1996					
10	1988		1999	1989			1996					
11	1988			1989			1996					
12	1988			1989			1996					
13	1988											
14	1988											
15	1987											
16	1989											
TOTAL	16	8	10	12	8	8	12	8	0	4	8	8

JUNE 2009 C-130 TAI SNAPSHOT

ANG														
Total Tails: 179 Avg. Age: 22.68 Years (Year aircraft were built)														
	BALTIMORE	BOISE		SELFRIDGE	QUONSET	LOUISVILLE	CHANNEL ILDS	LUIS MUNOZ	PEORIA	LITTLE ROCK	KULIS	SCHENECTADY		MANSFIELD
	135 AS	189 AS		171 AS	143 AS	165 AS	115 AS	198 AS	169 AS	154 AS	144 AS	139 AS		164 AS
	J	H2	H2.5	E	J	H2.5	J	E	H3	E	H2	LC-H2/ H3	H2	H2.5
1	1997		1991		1999	1991	2001	1964	1992	1962	1982	1973	1983	1990
2	1997		1991		1999	1991	2001	1963	1992	1962	1982	1976	1983	1990
3	1997				1999	1991	2001	1963	1993	1962	1982	1976	1983	1990
4	1998				2002	1991	2002	1964	1993	1962	1982	1983	1983	1990
5	1998				2005	1991	2005	1964	1993	1962	1982	1983		1990
6	1998				2005	1991	2005	1962	1994	1962	1982	1983		1990
7					2006	1991	2006	1963	1994	1963	1982	1983		1990
8					2006	1991	2007	1962	1994	1963	1982	1992		1990
9						1991				1963		1992		
10										1962		1993		
TOTAL	6	0	2	0	8	9	8	8	8	10	8	10	4	8

	NASHVILLE		YEAGER	MINNEAPOLIS	CARSWELL	ST. JOSEPH		RENO	CHEYENNE		NEW CASTLE	CHARLOTTE	SAVANNAH
	105 AS		130 AS	109 AS	181 AS	180 AS		192 AS	187 AS		142 AS	156 AS	158 AS
	H2	WC-H	H3	H3	H2	H2	H2.5	H2	H3	H2.5	H2	H3	H2
1	1989	1964	1994	1995	1985	1986		1979	1992	1991	1984	1992	1980
2	1989	1965	1994	1995	1985	1986		1979	1992		1984	1992	1980
3	1989	1965	1995	1996	1985	1986		1979	1992		1984	1993	1980
4	1989	1965	1995	1996	1985	1986		1979	1992		1984	1993	1980
5	1989	1965	1995	1996	1985	1986		1979	1992		1984	1993	1980
6		1965	1995	1996	1985	1986		1979	1992		1984	1993	1980
7			1994	1996	1985	1986		1979	1992		1984	1993	1980
8			1994	1996	1985	1986		1979	1992		1990	1993	1980
9			1994						1993			1993	
10									1993			1993	
11									1993				
TOTAL	5	6	9	8	8	8	0	8	11	1	8	10	8

JUNE 2009 C-130 TAI SNAPSHOT

ACTIVE DUTY STATS				
	PAI	BAI	TAI	%TAI
C-130E	61	1	62	77.50%
C-130H/H1	46	1	47	100%
C-130H3	14	0	14	17.50%
C-130J	24	0	24	44.44%
TOTAL	145	2	147	34.35%

AFRC STATS				
	PAI	BAI	TAI	%TAI
C-130E	0	0	0	0%
C-130H2	60	0	60	51.28%
C-130H2.5	4	0	4	16.67%
C-130H3	20	0	20	25%
C-130J	8	0	8	14.81%
WC-130J	10	0	10	100%
TOTAL	102	0	102	23.83%

ANG STATS				
	PAI	BAI	TAI	%TAI
C-130E	16	2	18	22.50%
C-130H2	56	1	57	48.72%
C-130H2.5	19	1	20	83.33%
C-130H3	45	1	46	57.50%
C-130J	22	0	22	40.74%
LC-130H	10	0	10	100%
WC-130H	4	2	6	100%
TOTAL	172	7	179	41.82%

MAF PAI FLEET CODE BREAKOUT	AD	AFRC	ANG	TOTAL
PRIMARY MISSION CODED (PMAI)	111	94	146	351
PRIMARY TRAINING CODED (PTAI)	32	8	12	52
PRIMARY OTHER ACFT INVENTORY (POAI)	2	0	14	16
BACKUP ACFT INVENTORY (BAI)	2	0	7	9
TOTAL AIRCRAFT INVENTORY (TAI)	147	102	179	428

MAF AVERAGE AGES	
C-130E	44.9
C-130H	21.8
C-130J	4.5
LC-130H	17.1

Mr. MILLER. Could you please tell the committee what has changed since the Quadrennial Roles and Missions document was signed by you earlier in the year?

Secretary GATES. The 2009 Quadrennial Roles and Missions (QRM) Review is a key input to the ongoing Quadrennial Defense Review (QDR). The 2009 QRM prepared the Department to take a hard look at balancing the demands of winning today's wars with preventing tomorrow's conflicts. Many of the areas examined in the QRM Review feed directly into the QDR. For example, the Department has almost completed plans for increasing the size of Special Operations Forces and has begun the process of rebalancing the capabilities of our General Purpose Forces to meet the challenges of the 21st Century. In the area of cyberspace, the Department has recently established a new Deputy Assistant Secretary of Defense with the responsibility of cyberspace oversight, and has established a cyberspace Joint Task Force under U.S. Strategic Command. Intra-theater airlift continues to receive attention as the Air Force and Army develop the C–27J (Joint Cargo Aircraft) Concept of Operations to meet operational demands. Unmanned Aircraft Systems/Intelligence, Surveillance, and Reconnaissance (UAS/ISR) capabilities will be expanded as the Air Force continues procurement and deployment of the MQ–9 Reaper.

Building upon the work completed in the QRM, the Department is developing and evaluating options in the QDR to rebalance U.S. forces for the range of future challenges. The QDR analysis approach emphasizes developing alternative force options to meet the demands of the defense strategy. Thus far, we have conducted a review of strategy and overall guidance, assessed the capabilities of the programmed forces against selected scenarios, and developed proposed alternatives and initiatives to rebalance the force. Some of the proposed initiatives considered have directly capitalized on the QRM work, including irregular warfare, cyberspace and UAS/ISR capabilities. I am confident that we are moving the department to a more balanced set of capabilities to employ in the dynamic and challenging strategic environment, now and in the future.

QUESTIONS SUBMITTED BY MR. BISHOP

Mr. BISHOP. On March 18, 2009, I joined with the entire Utah Congressional Delegation to send you a letter asking you to personally review the matter of sustaining the U.S. Industrial Base with regard to ICBM solid rocket motor sustainment, engineering and manufacture. We received an interim reply from you dated April 10, 2009 which informed us that you had delegated the final response to the Air Force Secretary. However, because of the non-disclosure rule you had in place at the time, the Air Force was unable or unwilling to respond to our concerns, and now 60 days later, we have not yet received a responsive answer from you or anyone at the Department of Defense on that subject in spite of our urgent request.

Secretary GATES. The FY10 President's budget request includes funding for a Solid Rocket Motor (SRM) Warm Line program to maintain a low-rate Minuteman III SRM industrial manufacturing capability. The effort promotes design-unique material availability, sub-tier material supplier viability, and production/manufacturing skills.

As part of the FY09 Omnibus submission the Department of Defense submitted a New Start request to initiate the Warm Line program in 2009, using funds made available by deferring some of the Propulsion Replacement Program (PRP) closeout activities (e.g., storage of tooling and employee severance packages). The scope of the FY09 effort is dependent on final costs for PRP closeout currently under negotiation between the ICBM Prime Integrating Contractor and the sub-contractor.

Mr. BISHOP. What is the disposition of the FY09 close-out funds in Air Force for the Propulsion Replacement Program (PRP)?

Secretary GATES. The FY09 funds for the Minuteman III Propulsion Replacement Program ($62.6M) included $39M for program closeout. The U.S. Air Force obligated $29M for closeout to cover severance actions planned by the sub-contractor (approximately 75 to 80 percent of the PRP workforce). The ICBM Prime Integrating Contractor continues to negotiate with the sub-contractor to identify which of the remaining closeout activities can be deferred to the Solid Rocket Motor (SRM) Warm Line program. Deferral of the remaining closeout tasks will enable the Air Force to initiate the SRM Warm Line program in FY09 as encouraged by Congress. While negotiations are pending, the Air Force proposed realignment of the remaining PRP closeout funds to the SRM Warm Line effort and requested New Start Approval in the FY09 Omnibus submitted to Congress.

Mr. BISHOP. What funding is included in the FY10 defense budget submission for a "warm-line" or industrial base sustainment program for Minuteman III?

Secretary GATES. The FY10 President's Budget requests $43M for the Solid Rocket Motor Warm Line.

Mr. BISHOP. On page 125 of your FY10 budget documents under Missile Procurement, Air Force, it says that the Air Force is proposing acquisition of only one Minuteman III engine set to sustain the "warm line" or industrial base at $43 million ($37.5 million plus $5.7 million for support equipment). The industrial base indicates that a minimum of six engine sets is necessary to maintain an adequate industrial base. What analysis was used by DOD or the Air Force to justify the budgeting of just one motor set in FY10 as being sufficient to maintain a warm line capability for solid rocket ICBM motor engineering, sustainment and manufacturing, when industry insists that six is the minimum number?

Secretary GATES. The ICBM Solid Rocket Motor Warm Line will maintain material supplier availability and touch labor currency. Furthermore, it will maintain continuity of design and engineering personnel unique to the Minuteman weapon system. As a new start in FY 2010, funds will be used for initial long-lead procurement and cold factory start-up following at least a 3-month gap from the last Propulsion Replacement Program (PRP) booster delivery in August 2009. When the Air Force factored in these non-recurring costs, remaining funding in FY 2010 was estimated to be sufficient for one complete booster set. Actual production quantities are unknown until the contract is definitized.

Mr. BISHOP. Was the omission of KEI cancellation in your April 5th statement intentional or inadvertent? If it was intentional, please state your reason.

Secretary GATES. The omission was inadvertent.

Mr. BISHOP. Would you support rescinding the stop-work order temporarily until these important questions can be reviewed and discussed with the Congress?

Secretary GATES. This question is now overcome by events. The termination notice for the KEI program was issued on June 10, 2009.

Mr. BISHOP. Did you have firm contract termination costs associated with the stop-work order on hand prior to approving the stop-work orders? If so, what are those costs?

Secretary GATES. At the time of the Stop Work Order, the Agency had not started the process for negotiation of the termination of the KEI contract; however, termination liability costs were provided by Northrop Grumman in accordance with clause H.4, "Continuation Reviews and Liability" of contract. The termination costs were estimated to be $40M based on termination in June 2009.

Mr. BISHOP. Does the DOD/MDA have a spending plan or proposal for any unspent FY09 KEI funds, and what are those plans?

Secretary GATES. MDA is working through the process of determining the final termination costs and planning for costs associated with disposition of hardware and other assets. The Federal Acquisition Regulation allows the contractor one year from termination notification to provide the termination cost proposal. The Agency will assess use of remaining funds, if there are any, at that time.

Mr. BISHOP. Why do you not support going forward with the planned KEI missile test this summer inasmuch as the engine set has been built and already delivered to the test site, $1 billion in taxpayer funds have already been invested in KEI, and when completing such a test would likely yield important scientific data that could prove useful in future missile defense research and development efforts?

Secretary GATES. There was little utility in flight testing the test article or its design since the flight article was significantly different than the eventual design of the objective KEI booster. Additionally, Northrop Grumman's proposed schedule to complete the launch on September 2009 introduced significant program risk.

Mr. BISHOP. You stated in today's HASC hearing that the KEI program was a 14-year program, when in fact, the current KEI development contract was awarded in 2003. So it is really a 5-year-old program. Upon which facts did you base the assertion that it is a 14-year program?

Secretary GATES. You are correct; the current KEI contract is 5 years old. My reference to a 14 year program was to the actual schedule growth. The original KEI mission grew from a boost phase only mission to a boost and mid-course mission, the development schedule grew accordingly to 12–14 years (from start to projected completion, depending on spirals), and the program costs grew from $4.6B to $8.9B with the missile average unit production cost growth from $25M to over $50M per interceptor. For these reasons the FY 2010 President's Budget submission removed funding from the Kinetic Energy Interceptors (KEI) program following the Missile Defense Executive Board's recommendation that the KEI program be terminated due to cost growth, schedule delays, and technical risk.

Mr. BISHOP. You stated that KEI test firings were a "failure," which contradicts Missile Defense Agency press releases and information to the contrary that seven

out of ten planned test firings were successful. How do you respond to this discrepancy?

Secretary GATES. There were three notable failures during the rocket motor test campaign: a first stage rocket motor case failed during a pressure test, leading to a successful redesign of both first and second stage case winding processes; a materials defect issue caused a second stage rocket motor nozzle failure during a motor firing, leading to a change of nozzle material and nozzle material inspection process; and, a higher than desired motor pressure at startup was noted on that same motor firing and resulted in a change of the internal geometry of the second stage rocket motor. All three corrective actions were demonstrated successfully in the next second stage rocket motor firing. The static fire campaign allowed for failures to be identified, reworked, and then retested while on the ground versus a more costly flight test environment.

Mr. BISHOP. You stated that KEI does not have a platform and relies upon being proximate to the enemy launch area to be successful. I dispute those claims because I am informed that because of KEI's reach, high acceleration and mobility, it does NOT need to be close to enemy launch sites, and that no other planned system has KEI's speed or reach in countering ICBM and IRBM threats. How do you respond to those specific rebuttals?

Secretary GATES. KEI does not have a launch platform in development. Boost phase interception relies on timely sensor detection and tracking, timely communications, as well as weapon proximity and performance (acceleration, speed, and reach) for successful execution.

Mr. BISHOP. In the hearing today, you indicated that you would support continued research and development for the "boost phase" of missile defense. And yet, Secretary Gates' decision to place an immediate stop-work order on completion of the Kinetic Energy Interceptor (KEI) program will also stop a planned test firing of the KEI interceptor in less than five months from now even as the interceptor motor has already been built and delivered to the test site. Given your earlier statement today that you support continued research and development for boost-phase, would it not also be consistent for you to support the completion of this upcoming KEI test that would almost certainly yield tremendous scientific and engineering data that would be beneficial to future missile defense efforts?

Secretary GATES. I support the Secretary's decision. The Missile Defense Agency allowed the contractor to submit a proposal to conduct a flight test with the available funds. The contractor submitted two proposals; both fell short of adequately addressing the technical risk associated with a flight test. Additionally, the KEI development effort to date has provided valuable technical data during both development and static engine tests, which will be utilized in future programs. The stop-work order will ensure sufficient funds remain in FY09 to cover the estimated $40 million legal liability for termination.

The Missile Defense Agency continues R&D efforts in "early intercept" which I view as a derivative of "boost phase" intercept.

QUESTIONS SUBMITTED BY MR. KLINE

Mr. KLINE. USA Today reported on 8 May, 2009 that the Army National Guard is being asked to reduce its end strength by 10,000 soldiers by the end of the fiscal year. The FY10 Defense budget increases the size of the Army Guard by approximately 10,000 soldiers (increase plus the 103-percent over-strength authorization). Why isn't the Department funding the Guard's current strength? It seems counterproductive to force out qualified soldiers now only to enlist new soldiers in October. Additionally, the current high deployment schedule has not allowed the dwell time to reach the goals set for both the AC and RC forces.

Secretary GATES. The Army National Guard (ARNG) proposed growing its end strength to 371K and create a Trainees, Transients, Holdees and Students account in order to increase the readiness of deploying units and decrease cross leveling of Soldiers. Because of funding constraints that proposal was not accepted, and the ARNG is reducing end strength accordingly to congressionally authorized levels. The ARNG has taken numerous actions to discharge Soldiers at an accelerated rate and to slow recruiting. Together these steps have reduced ARNG end strength from 368K to 362K and it continues to fall. Additionally, the elimination of Stop Loss authority will provide new challenges to unit manning for deploying units. The ARNG is requesting authority from the department to use the congressionally authorized end strength variance of 3% and the funding associated with that 3% to achieve an end strength of 358.2K. At this time, we do not have resolution on whether that request with funding will be approved. If approved, the ARNG will be able to sta-

bilize deploying units and provide better dwell for the Citizen-Soldiers who are answering the Nation's call.

Mr. KLINE. When the Yellow Ribbon Program was being considered, DOD insisted on serving as the executive agent for the program; rather than the more decentralized model proposed with NGB serving as the lead, implementing a decentralized state-centric model. Can you address any major initiatives the DOD has promoted to advance the program? Do we need to reconsider implementing a more state-centric management of service member, family, and employer reintegration?

Secretary GATES. The DOD Yellow Ribbon Reintegration Program (YRRP) Office for Reintegration Programs (ORP) has been established and staffed with individual Service Liaison Officers (LNOs) who are the link to their respective National Guard and Reserve component reintegration programs. They are working directly with their Program Managers to align their programs with the goal of the DOD YRRP sharing services to reach all Service members and their families as close to their residence as possible. A Veterans Affairs (VA) Liaison, also assigned to the DOD YRRP ORP, is working closely with DOD YRRP management and the Service LNOs at the policy level, providing technical expertise and guidance relative to the VA benefits and services available to National Guard and Reserve members and their families.

The DOD Yellow Ribbon Program Specialist Pilot is now being launched in ten states. The goal is to have a Program Specialist in each state engaging with the governor's staff to ensure that high quality, robust resourcing is available to support the reintegration events. The DOD YRRP Decision Support Tool (DST), a national calendar and map of events, that captures information to manage and locate events at the national, state, and local levels, has been developed. DOD YRRP Center for Excellence in Reintegration (CfER) has designed a method to sort and evaluate the programs, materials, and presentations from the field to be posted on the DST repository. The DOD YRRP Web site, www.dodyrrp.org, near completion and linked to the DST, provides program policy and information targeted to specific stakeholder audiences, and an extensive links section to other Web sites and information resources related to the YRRP.

The DOD YRRP Department of Defense Instruction (DODI) providing guidance for Services to implement their reintegration programs to align with the mission of the DOD YRRP, is in the final coordination process. DOD YRRP Strategic Communications has developed a logo, slogan, and promotional and marketing materials used at conferences and events to provide information to Service members, their families, providers, leaders and YRRP partnering organizations. Program management best practices have been developed and implemented via the governance plans for risk, quality, and data management, for strategic communications, and program management. The DOD YRRP Charter is under development. The DOD YRRP Advisory Board has been instituted and is proceeding to monitor the DOD YRRP and addressing any requirements to fulfill the full intent of the PL 110–181, Sec. 582, assisting Service members and their families in receiving optimal services during the deployment cycle. Additionally, a Departmental Instruction for the YRRP Advisory Board is being developed.

Mr. KLINE. Can you elaborate how the Yellow Ribbon Program is being funded? I understand costs associated with a deployment were to come from OCO funds and basic program funds would come from the base budget. However, I was recently informed that in the USAR all funds ($58.5mil) were coming from OCO funds. Do we know if this is happening with the ARNG; ANG; and reserve units in the Air Force, Navy, and Marine Corps? Additionally, do we know the total funding for each branch and component?

Secretary GATES. The Yellow Ribbon Reintegration Program (YRRP) is funded primarily in the Department's FY 2010 Overseas Contingency Operations Request. The funding for each branch and component, by appropriation, are provided below. Funding to plan, manage, and stage events is funded in the base budget via the Office of the Assistant Secretary of Defense for Reserve Affairs (OASD (RA)).

FY 2010 YRRP
($ millions)

OCO	O&M	Military Personnel	Total
Army Reserve	25.2	33.3	58.5
Army National Guard	22.5	76.6	99.1
Navy Reserve	3.1	8.4	11.5

FY 2010 YRRP—Continued
($ millions)

OCO	O&M	Military Personnel	Total
Marine Corps Reserve	4.5	8.9	13.4
Air Force Reserve	2.0	17.0	19.0
Air Force National Guard	38.5	18.5	57.0
Defense-Wide JFSAP*	62.0	0.0	62.0
Subtotal OCO	157.8	162.7	320.5
Base			
Defense-Wide (OSD (RA))	24.8	0.0	24.8
Total	182.6	162.7	345.3

*Joint Family Support Assistance Program

Mr. KLINE. Can you report how many Yellow Ribbon Program events the DOD has overseen, the number of service members who have completed the program, and whether the program has been implemented as directed in the Directive-Type Memorandum (DTM) 08–029?

Secretary GATES. The National Guard has fully implemented all programs as prescribed by Directive-Type Memorandum (DTM) 08–029 signed by the Under Secretary of Defense for Personnel and Readiness on 18 July 2008. Furthermore, during the period from 1 October 2008 to 30 June 2009 there have been 1,657 Service Members and 700 Family Members that have attended Yellow Ribbon Reintegration Program Events for the Air National Guard, and 41,460 Service Members and 47,868 Family Members that have attended Yellow Ribbon Reintegration Program Events for the Army National Guard.

QUESTIONS SUBMITTED BY MR. SHUSTER

Mr. SHUSTER. Under your budget, there will only be roughly 100 combat-coded F–22's available at any given time out of the total 186 due to attrition from training and maintenance. The F–35 is designed to work in tandem with the F–22. If there are not sufficient numbers of F–22's to "clear the skies" from threats and allow F–35's to fly uncontested, won't we be sacrificing air superiority in future conflicts and the same protection that has prevented the U.S. from losing a single soldier due to a threat from the air in over a half Century?

Secretary GATES. Analysis has shown that 187 F–22s minus non-operational fighters (training, maintenance, and attrition) combined with a robust buy of the F–35 Joint Strike Fighter, are what we need to deal with future threats. Given its multi-role capabilities, the F–35 Joint Strike Fighter provides adequate offensive and defensive capability against all but the most advanced potential adversary aircraft threats. The Department does not believe we will be sacrificing air superiority in future conflicts.

Mr. SHUSTER. Last month you described this budget as preparing us to "fight the wars we are in today and the scenarios we are most likely to face in the years to come." History has proven that armed conflict is more prevalent in times of economic dislocation. Further, the notion that the future will largely resemble the present is contradictory with America's intelligence failures and repeated inability to accurately predict future threats with precision. What in the threat environment has changed to justify canceling the airborne laser program, halting the F–22 and cutting missile defense funding? Between Iran and North Korea acquiring nuclear weapons and Pakistan on the brink of collapse, isn't the threat environment becoming more unpredictable by the day?

Secretary GATES. Although we have begun to shift resources and institutional weight towards supporting current wars and other potential irregular campaigns, the United States must still contend with security challenges posed by a broader range of threats. I foresee a future security environment that is highly complex, with a multiplicity of actors leveraging wide ranging tools to challenge our interests and strengths, and anticipate that U.S. forces in the future may face conventional threats from nation states, irregular threats from non-state actors, asymmetric threats from rising challengers, or a hybrid approach from a combination of actors. Striving for balance between prevailing in the conflicts we are in today and pre-

paring for other, potentially quite different contingencies in the future threat environment remains one of our central challenges.

The FY10 budget decisions are consistent with this full-spectrum approach that balances capability requirements to provide maximum flexibility across the broadest possible range of threats. To achieve this, we must set priorities and identify inescapable tradeoffs while intelligently apportioning risk. I have decided to restructure or terminate programs where significant affordability and technology problems are evident, where we are buying more capability than the Nation needs, or where a program's proposed operational role is highly questionable. In the area of missile defense, we are restructuring the program to focus on the rogue state and theater missile threat. The Department will continue to fund research and development robustly to improve the capability we already have to defend against long-range rogue missile threats.

Mr. SHUSTER. The Administration has gone to great lengths to describe this defense budget as an increase. However, when you look at the core defense budgets from 2009 to 2010 and take inflation into account, we see a reduction in spending of about $5.5 billion. The 10-year budget blueprint is even more troubling and cannot sustain roughly three-percent average annual growth above inflation necessary to recapitalize military equipment. Isn't this budget really the first of a series of defense cuts planned by the Obama Administration?

Secretary GATES. By our calculations the FY 2010 base budget request is $533.8B—$20.5B higher than the $513.3B enacted for FY 2009. This is an increase of 4%, or about 2.1% after adjusting for inflation (real growth).

Regarding the President's 10-year budget blueprint, it is premature to make any conclusion whether that or any other out-year project will prove to be sufficient for our defense needs. We first must complete and assess the Quadrennial Defense Review to decide what capabilities we really need, and then what funding and savings will enable us to field those capabilities.

QUESTIONS SUBMITTED BY MR. HUNTER

Mr. HUNTER. Mr. Secretary, from my understanding the sole source provider's engine for the F–35 was envisioned as a derivative engine of the Fl19 engine which is used to power the F–22 aircraft. How much has the Government spent to date in developing this so called derivative engine for the F–35?

Secretary GATES. The F135 is a derivative of the F119 engine and is modified for the F–35 missions and usage. The turbomachinery is approximately 70 percent common with the F119 from a parts and manufacturing processes perspective. The engine's compressor shares the most common parts with F119 although part numbers will be different. The rest of the turbomachinery has commonality through design criteria and manufacturing processes.

Funding for F135 engine development totals approximately $7.3 billion from FY 1995 through FY 2009. This funding includes all of the design, development, test and delivery of the core F135 engine as well as the Short Take-off and Vertical Landing Lift System components and exhaust systems. It also includes Concept Development Phase propulsion development efforts for the Boeing Joint Strike Fighter concept that was not selected for system design and development.

QUESTIONS SUBMITTED BY MS. SHEA-PORTER

Ms. SHEA-PORTER. The Department has halted conversion of GS employees into NSPS, and a pause for review was undertaken at the request of Chairman Skelton and my subcommittee Chairman Ortiz. With the increase in the civilian workforce that the Department's budget calls for, under what system will the new employees be hired?

Secretary GATES. In his letter dated March 16, 2009, Deputy Secretary Lynn advised Chairmen Skelton and Ortiz that further conversions of organizations into the National Security Personnel System (NSPS) would be delayed pending the outcome of a comprehensive review of NSPS. However, during the review, those organizations already under NSPS prior to the delay in conversions would continue to operate under NSPS policies and processes. This means processing of normal personnel actions continues for individual employees moving into positions in organizations and functional units now under NSPS. Filling jobs and reclassification of positions are essential tools in helping ensure an organization is successful in meeting mission requirements.

While existing NSPS organizations continue to follow NSPS policies, organizations covered by different human resources (HR) management systems will continue to hire new employees under their respective HR system.

Ms. SHEA-PORTER. In the last several years, submarine accidents have led the Portsmouth Naval Shipyard to have to do unplanned and extensive repair work. Due to mission funding, the Shipyard is not allocated any extra funds to deal with such unanticipated repairs, and must take both workers and funds away from planned work. This impacts Shipyard efficiency, strains a limited budget, and can cause additional overtime. Given that unforeseen incidents will continue to occur, what plans does the Navy have to provide funds and manpower to the Shipyard to allow it to do this emergency repair work without reducing Shipyard efficiency and its budget for scheduled work?

Secretary GATES. The Navy baseline budget does not include allowances for catastrophic events like those that have recently affected USS HARTFORD and USS PORT ROYAL. This would be true in either a mission funded or Navy working capital fund environment. When unforeseen incidents occur that require extraordinary shipyard repair efforts, manpower resources are realigned to the highest priority work and if required, previously scheduled work is deferred. The Navy goes to great lengths to schedule the emergent work to minimize impacts to shipyard efficiency and overtime.

Ms. SHEA-PORTER. Excerpt from GAO–09–6 15 report-May 2009, MILITARY OPERATIONS Actions Needed to Improve Oversight and Interagency Coordination for the Commander's Emergency Response Program in Afghanistan: "DOD has reported obligations of about $1 billion for its Commander's Emergency Response Program (CERP), which enables commanders to respond to urgent humanitarian and reconstruction needs. As troop levels increase, DOD officials expect the program to expand. Although DOD has used CERP to fund projects that it believes significantly benefit the Afghan people, it faces significant challenges in providing adequate management and oversight because of an insufficient number of trained personnel. GAO has frequently reported that inadequate numbers of management and oversight personnel hinders DOD's use of contractors in contingency operations. . . . DOD has not conducted an overall workforce assessment to identify how many personnel are needed to effectively execute CERP. Rather, individual commanders determine how many personnel will manage and execute CERP. Personnel at all levels, including headquarters and unit personnel that GAO interviewed after they returned from Afghanistan or who were in Afghanistan in November 2008, expressed a need for more personnel to perform CERP program management and oversight functions." Do you agree with the GAO assessment? What are your plans to address this lack of trained personnel?

Secretary GATES. The Department of Defense partially concurred with the GAO recommendation to require U.S. Central Command to evaluate workforce requirements and ensure adequate staff to administer the Commander's Emergency Response Program (CERP). Since the visit of the GAO assessment team, the Department has added personnel to manage the program full-time. The Department also acknowledged the need to train personnel administering the CERP program. U.S. Forces-Afghanistan has begun work on implementing instructions to enhance selection processes and training programs for personnel administering the program and handling funding. The Department will monitor the situation closely and make adjustments as required. Additionally, the Army has developed CERP training in support of pre-deployment for units and is also putting this training into their school systems.

QUESTIONS SUBMITTED BY MR. NYE

Mr. NYE. Secretary Gates, the "Overview of the DOD Fiscal 2010 Budget Proposal" issued by the Department on May 7, included the following statement:

"This budget acknowledges that every taxpayer dollar spent to over-insure against a remote or diminishing risk is a dollar that is not available to care for America's service men and women, to reset the force, to win the wars the Nation is in, or to improve capabilities in areas where the U.S. is underinvested and potentially vulnerable."

In addition, you recently commented before the Air War College that, "These recommendations are less about budget numbers than they are about how the U.S. military thinks about and prepares for the future. Fundamentally, the proposals are about how we think about the nature of warfare. About how we take care of our people. About how we institutionalize support for the warfighter for the long term.

About the role of the services, how we can buy weapons as jointly as we fight. About reforming our requirements and acquisition processes."

Moreover, the Navy currently has more than $5 billion in unfunded requirements including:

- $4.6 billion Navy unfunded ship priorities for FY2009
- $800 million in unfunded military construction and restoration projects at its four existing nuclear-capable shipyards
  - Pearl Harbor Naval Shipyard: $183 million
  - Puget Sound Naval Shipyard: $208 million
  - Portsmouth Naval Shipyard: $176 million
  - Norfolk Naval Shipyard: $224 million
- $417+ million surface ship maintenance shortfall (FY09)
  - This number has been reported in the news to have doubled. The Navy has yet to confirm this.

In addition, I recently read a disturbing article related to ship maintenance and repair shortfalls. This article was particularly disturbing considering I recently questioned CNO Admiral Roughead, at the annual Navy Posture Hearing in the House Armed Services Committee, who assured me the Navy was taking care of all ship repair and maintenance issues. I submitted the article below for the record and look forward to your response.

> *Cash-Strapped Navy Puts Hold on Transfers, Goodwill Visits By Ships $930 Million Funding Backlog May Affect Service's Readiness*
>
> *(Honolulu Advertiser, May 17, 2009)*
>
> *A cash-strapped Navy has halted 14,000 duty station moves and is reducing by one-third the sailing time of non-deployed ships and cutting back on aviation flight hours and ship visits to U.S. cities to counter a $930 million ship repair and manpower budget shortfall, officials said. That funding backlog is being addressed by Congress; Sen. Daniel K Inouye, chairman of the Senate Appropriations Committee, on Thursday added $190 million to a defense supplemental bill.*
>
> *The mid-year funds are intended to pay for repairs to the Pearl Harbor-based cruiser Port Royal, which ran aground in February off Honolulu airport, as well as to fix the submarine Hartford and amphibious ship New Orleans following their collision in March in the Strait of Hormuz. Inouye also increased Navy personnel funding by $230 million to address a $350 million manpower-cost shortfall, officials said. The Navy expects to recoup about $89 million with the duty station freeze, the Navy Times reported*

In the context of these comments, I was particularly disappointed to see that the budget request includes approximately $76 million for two construction projects to prepare Naval Station Mayport, Florida to become a homeport for a nuclear carrier. I find the inclusion of these funds especially troubling for a number of reasons, and would appreciate your thoughts in response:

On April 10, the Department of Defense announced "that the final decision on whether to permanently homeport an aircraft carrier in Mayport, Florida will be made during the 2010 Quadrennial Defense Review." If the homeporting decision is to be made next year, why include funds in the budget that effectively implement the decision? In comparison, you have chosen to push numerous other decisions into the QDR—can you account for the apparently different treatment of this one?

Secretary GATES. MILCON Project P–187, $46M (Channel Dredging) and MILCON Project P–777, $30M (Charlie Wharf Repairs) are both programmed for FY10 execution. Neither of these projects begin implementation of homeporting a CVN in Mayport.

In May 09, the Chief of Naval Operations testified that "In FY 2010, the Department will start preparations to make Mayport capable of hosting a nuclear-powered aircraft carrier. This alternative port will provide a safe haven for an aircraft carrier at sea if a man made or natural disaster closes the Norfolk Naval Base or the surrounding sea approaches."

P–777 is a critical recapitalization project on the Ammunition Handling Wharf C and does not provide any capability to support CVNs. Wharf C is the primary ammunition loading wharf for all ship classes currently berthed in Mayport. The upgrades to the wharf will make it possible to efficiently and safely conduct ammunition on-loads for all ship types, including large deck amphibious ships such as the LHD and LHA classes.

For Naval Station Mayport to be capable of providing a safe haven for CVN class ships, dredging is required to provide the ability to berth and maneuver without draft or tide restrictions. At present, CVNs can only enter Mayport during high tide and without the air wing and normal stores on board. In order to accommodate unrestricted access of a CVN, a depth of 50′ must be provided in accordance with direction from the Program Executive Officer, Aircraft Carriers. MILCON Project P–187, $46M (Channel Dredging) is programmed for FY10 execution and will dredge the turning basin, entrance channel, and federal channel to the required 50′.

Both P–777 and P–187 are critical projects for Naval Station Mayport missions irrespective of the Homeporting decision.

Mr. NYE. I recently received a letter from SECNAV B.J. Penn, which stated that the sole reason for requesting $76 million for dredging and pierwork at Mayport was to port a CVN in case of natural or manmade disaster at NAVSTA Norfolk. And Mr. Penn recently stated—during questioning in front of the Armed Services Committee on the Navy's Budget proposal—that in the event of an emergency a CVN would be docked at any available port, including an existing civilian port with sufficient draft depth. If this is the case, why is the Administration requesting $76 million for dredging and pier-work at Mayport if they can already dock a CVN at a civilian port? Please explain if the Department considered the use of existing civilian ports for temporary emergency purposes instead of making an enormous financial and environmental impact at Mayport?

Secretary GATES. In the event of an emergency, civilian port facilities will likely be in high demand from both commercial and military shipping. The Navy would need assurance that it will be able to berth ships for ammunition loading and maintenance to retain operational capability. Berthing a CVN requires a port that is accessible and free of restrictions to CVN operations, such as liquid loading and aircraft loading in addition to force protection requirements which are standard at naval ports. The short list of East Coast commercial ports and their berthing capabilities and restrictions is classified, and can be provided via the appropriate channels. It is important to note that these ports cannot provide nuclear maintenance facilities and lack many facilities required to support operational requirements.

Mayport could support operational requirements and is only limited by the lack of nuclear maintenance capability. The only existing CVN capable facilities that can provide nuclear maintenance are in the Hampton Roads area.

Dredging in Mayport (at a cost of $46M in FY10) would provide a military port on the Atlantic Coast in which the U.S. Navy can be assured CVN berthing capability, can provide adequate levels of force protection, and can conduct maintenance with the advantage of not disrupting civilian port loading schedules in the event that Hampton Roads facilities are incapacitated. This would ensure that the U.S. Navy can maintain a level of operational capability in the event that a CVN would need to temporarily berth outside of the Hampton Roads area.

The remaining $30M for pier work in Mayport is for upgrades to Wharf C. Wharf C is the primary ammunition loading wharf for the 21 ships berthed in Mayport and is degraded. The upgrades to the wharf will make it possible to conduct ammunition onloads for all types of ships including large deck amphibious ships such as the LHD and LHA classes.

Mr. NYE. For example, Baltimore, Maryland, Mobile, Alabama, and several other ports have channels that are deeper than the existing channel to Mayport, so using them may require fewer MILCON dollars and result in fewer environmental impacts. Wouldn't it make more sense to deepen channels and strengthen piers at civilian ports that would see a long-term commercial and economic benefit from the work, such as Corpus Christi, Texas or Mobile, Alabama instead of at Mayport, where no additional commercial shipping traffic would result if the channel were deepened due to its location on the river? That way, if the QDR determined that Mayport should not become a nuclear carrier homeport, the funds would have been put to a use that benefits the economy and the commercial shipping activities of our Nation, rather than digging a 50 foot "trench to nowhere". Considering that the decision to homeport a carrier at Mayport has been deferred, why does the Navy's justification book clearly indicate that future projects at Mayport include a Controlled Industrial Facility, Ship Maintenance Support Facilities, and other construction projects that would only be necessary if a carrier is homeported at Mayport? Are you aware that the Navy has programmed these projects in their future budget plans? If so, please explain the disconnect between the apparent budget planning and decision deferral. It seems to me that the $76 million is an effort to continue the effort to homeport a CVN at NAVSTA.

Secretary GATES. The use of commercial facilities after a disaster will likely be in high demand and cannot be guaranteed to support Navy requirements. Additionally, these facilities would likely need other upgrades in addition to dredging and

pier strengthening to support a CVN. Naval Station Mayport provides the force protection requirements and the weapons handling ability which are not readily available at commercial facilities. The Navy has evaluated all MILCON requirements to possibly homeport a nuclear powered carrier at Naval Station Mayport and determined the above listed projects would be required to support this effort. Following the QDR review of the Navy's decision to homeport a nuclear powered carrier at Naval Station Mayport, the Navy is prepared to program these requirements in future budgets if required.

Mr. NYE. The dredging project included in the request indicates that work would be completed by January 2011. Considering that the environmental impact analysis conducted by the Navy indicated that the port would become a carrier homeport in 2014, does it make sense to make this investment three years ahead of time?

Secretary GATES. Yes, it does. The Navy currently does not have a CVN-capable facility on the East Coast other than Hampton Roads. By upgrading NAVSTA Mayport, the Navy will have a second military port in which a CVN can berth in case of any emergency or if a catastrophic event occurs in the Hampton Roads area. One of these upgrades is dredging the turning basin, entrance channel and federal channel to a depth of 50 feet. Additionally, there are certain facilities available at NAVSTA Mayport that could be used to maintain a certain level of operational capability for a CVN and ensure the Navy would be able to meet its Title 10 requirements. The dredging project is critical to supporting CVN operations, irrespective of the QDR 2010 Homeporting decision.

The Navy has at least three CVN capable ports on the West coast and should not wait until 2014 to have a second CVN-capable port on the East Coast which can serve as an alternative safe haven.

Mr. NYE. Secretary Gates, we have received numerous indications from within the Department of the Navy that the service intends to utilize the QDR to justify the homeporting of a nuclear carrier at Mayport. Needless to say, these are troubling reports that raise proverbial "cart before the horse"-type questions about the QDR process and whether the review is driving strategy decisions or if desired strategic outcomes are driving the QDR. Given the force structure, strategic impacts, costs to taxpayers, and environmental consequences of the Mayport homeporting decision, will you commit to personally ensuring that the QDR is not used to justify a predetermined Mayport homeporting decision and that the homeporting decision is made upon a rational evaluation of risk, benefit, and strategic requirements?

Secretary GATES. As I stated in my press release on April 10, 2009, the QDR will assess the need for carrier strategic dispersal in the broad context of future threats, future Navy force structure, and likely cost effectiveness. The DOD will carefully review these potential costs and will assess the potential benefits associated with an additional homeport on the East Coast before committing to any future direction.

Mr. NYE. As the Department's budget overview notes, every taxpayer dollar spent to over-insure against a remote or diminishing risk is a dollar that is not available to care for America's service men and women, to reset the force, to win the wars the Nation is in, or to improve capabilities in areas where the U.S. is underinvested and potentially vulnerable. Please explain why the $76 million included in the budget request for these projects is not "over-insuring against a remote risk".

Secretary GATES. The $76 million included in the current budget request is not being used for insurance against a remote or diminished risk. This money is intended to be used to address deteriorating conditions and limiting factors which prevent the full execution of current naval assets and the most effective use of Naval Station Mayport. These improvements are unrelated to a decision to make Mayport a homeport for a nuclear aircraft carrier.

The $76 million is to establish for two different projects. First, $46 million will be used to dredge the turning basin, entrance channel and federal channel to the required 50 feet to allow access for a nuclear-powered aircraft carrier (CVN). The requirement for dredging the Mayport channel and turning basis will remain regardless of the outcome of the carrier homeport decision. Navy CVNs currently make use of Mayport in normal operations. However, the water depth at Mayport places serious restrictions on these operations. CVNs can only enter Mayport during high tide and without the air wing and normal stores on board. The dredging at Mayport is designed to remove these restrictions as soon as possible.

Second, the remaining $30 million will fund Charlie Wharf repairs. Charlie Wharf is Mayport's primary weapons loading wharf. It is also the primary wharf for berthing visiting big decks (including carriers, amphibs, and ammo ships). Mayport has 21 homeported ships and regularly supports ten or more visiting ships, which requires all the berthing areas available. Charlie Wharf has an old and deteriorating bulkhead, which has lost 75% of its thickness in places and immediate repairs are needed. Load limits are in place on certain areas of the wharf which impact the abil-

ity to perform missions. Upgrading this wharf is necessary whether or not the Navy plans to berth a CVN in Mayport.

Mr. NYE. In testimony before this committee, Admiral Stavridis, commander of U.S. Southern Command, testified that he had no role in making the Mayport homeporting decision. Based upon the Secretary of Defense's actions, there is a commitment to reform of our military requirements processes, jointness, institutionalizing support for the warfighter, and ensuring that our combatant commanders have input into critical decisions. In this case, many of us believe that the homeporting of smaller ship assets at Mayport would better support SOUTHCOM's regional engagements than an aircraft carrier. Will you commit to ensuring that the combatant commanders have a role in the carrier homeporting decision making process?

Secretary GATES. Yes. All Combatant Commands (COCOMs) have the opportunity to influence Service-led decisions, such as the decision to homeport a carrier in Mayport. Venues for influence vary and range from submitting an Integrated Priority List (IPL) to quarterly Defense Senior Leadership Conferences, which are chaired by Secretary of Defense and include all COCOMs, Joint Chiefs of Staff, and various other key members. COCOM requirements for all assets are usually addressed through the Global Force Management Process, which balances requirements against resources. We are continuing to study this decision with the Services and COCOMs through the Quadrennial Defense Review.