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S. HRG. 110–611

# *Senate Hearings*

***Before the Committee on Appropriations***

# Department of Defense Appropriations

***Fiscal Year*** 2009

110*th* CONGRESS, SECOND SESSION

**DEPARTMENT OF DEFENSE**
**NONDEPARTMENTAL WITNESSES**

# Department of Defense Appropriations, 2009

S. HRG. 110–611

# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2009

## HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

SECOND SESSION

**Department of Defense**
**Nondepartmental Witnesses**

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# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2009

**WEDNESDAY, FEBRUARY 27, 2008**

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.*

The subcommittee met at 10:25 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Leahy, Dorgan, Mikulski, Murray, Stevens, Cochran, Domenici, and Shelby.

## DEPARTMENT OF DEFENSE

### DEPARTMENT OF THE ARMY

### OFFICE OF THE SECRETARY

**STATEMENT OF HON. PETE GEREN, SECRETARY**

**ACCOMPANIED BY GENERAL GEORGE W. CASEY, JR., CHIEF OF STAFF, DEPARTMENT OF THE ARMY**

STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. This morning, we welcome the Honorable Pete Geren, Secretary of the Army, along with General George Casey, the Army Chief of Staff. Gentlemen, thank you for being with us here today as the subcommittee reviews the Army's budget requests for fiscal year 2009.

The Army's fiscal year 2009 budget request is $140.7 billion, an increase of $12.3 billion over the last year's inactive budget, excluding $48.7 billion appropriated through the Army in the fiscal year 2008 bridge supplemental. Additionally, the pending fiscal year 2008 supplemental budget request includes $66.5 billion for the Army, and the subcommittee expects to receive a fiscal year 2009 supplemental request in the near term.

As we review these budget requests, we are mindful of the fact that upward of 250,000 soldiers are deployed in nearly 80 countries. And the Army remains highly engaged in the global war on terror (GWOT). There is no question of the continuous hard pace of current operations has taken a toll on both Army personnel and equipment.

Yet, as we address current, urgent needs, we cannot lose sight of the future. It is imperative that we prepare for the diverse warfighting demands of the 21st century. It is critical that we

strike the right balance among the sometimes competing priorities, and we must do this with the Army's most powerful weapon in mind, our soldiers and their families.

The challenge is not easy, and we are faced with many difficult decisions as we address the current demands, while continuing to prepare the Army for the future. The Army has embarked on the path toward addressing the challenge in various ways, for instance, by rapidly increasing the end strength by investing in new weapons and technologies and by repositioning its forces around the world.

The Army's fiscal year 2009 budget request is designed to strike a sensible balance among these priorities. Yet there are questions that should not be ignored for the sake of urgency. For instance, the Army proposes to accelerate its growth, the force initiative which began last year, and to complete it 2 years earlier than initially planned. But are we able to achieve this goal without sacrificing the quality of our recruits?

Additionally, several high-priced modernization programs to include the future combat system and the Army reconnaissance helicopter have been beset by repeated cost overruns, schedule delays, and program restructures. Are we trying to do too much too fast? Do we have the right personnel to manage and oversee these complex modernization programs? What is the Army doing to address these acquisition challenges? And finally, are we confident that the goal of repositioning of forces appropriately addresses our current and future needs?

It is the subcommittee's hope that today's hearing will help answer some of these questions and eliminate how the Army's fiscal year 2009 budget request addresses these challenges in a responsible manner.

And so, gentlemen, we sincerely appreciate your service to our Nation, and the dedication and sacrifices made daily by the men and women in our Army. We could not be more grateful for what those who wear our uniform do for our country each and every day. Your full statements will be included in the record.

And now, I wish to turn to my illustrious co-chairman, Senator Stevens, for his opening statement.

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much, Mr. Chairman, and welcome, Secretary Geren. I'm pleased to see you back before the subcommittee again. General Casey, again, thank you. And thank you, publicly, for coming to Alaska to appear before the Military Appreciation Day at the dinner that night, sponsored by the Armed Forces YMCA.

And this is your first appearance before this subcommittee as Chief of Staff, and we look forward to the hearings we're going to have. I commend you for your service in the past, and look forward to working with you in the future. You are both here to discuss the 2009 budget request. The chairman's outlined that. I don't need to repeat what he has said. We have total agreement with regard to this budget.

I do think, however, that we should take into account some of the comments being made by the Secretary of Defense about really the lack of funding of the Army to prepare for the wars that we've en-

tered into, and look to the future to make certain that we're not going to have a similar situation where we might have another engagement where we were not prepared or trained for.

So we look forward to your testimony, and welcome you to the subcommittee. Thank you very much.

Senator INOUYE. Thank you very much.

Before you begin Mr. Secretary, Senators Cochran and Hutchison have submitted statements that they would like included in the record.

[The statements follow:]

PREPARED STATEMENT OF SENATOR THAD COCHRAN

Mr. Chairman, I am pleased to join you in welcoming the Secretary Geren and General Casey this morning.

While we are here today to discuss the Army's fiscal year 2009 base budget request for $140 billion, we should also hear from Secretary Geren and General Casey about supplemental appropriations funding. In your posture statement that you provided the subcommittee today, you note you have relied on supplemental funding for increasing proportions of your budget and are in a situation today where "the Army's base budget does not fully cover the cost of both current and future readiness requirements." You go on to say "some base programs would be at risk if supplemental funding is precipitously reduced or delayed." I look forward to hearing more about this and how next year's budget will reverse this trend and restore what you call "fiscal balance" to your budget.

This has been a year of many challenges and successes for our Armed Forces and the Army remains on the front lines protecting the United States in the Global War on Terrorism. Our All-Volunteer forces and their families have performed remarkably and our Nation owes them a debt of gratitude for their sacrifices.

Secretary Geren, General Casey, thank you for your service, and I look forward to your testimony.

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PREPARED STATEMENT OF SENATOR KAY BAILEY HUTCHISON

Secretary Geren, General Casey, thank you both so much for coming today, but most importantly for what you do for our country and the soldiers of the world's finest Army.

The State of Texas is proud of its defense industrial base which does so much for national defense programs of record and for rapid acquisition and rapid fielding of equipment needed for the warfighter in theater.

To maintain such an industrial complex, to assure a sound budget, and to make certain our nation's soldiers are receiving what they need when they need it, a strong and trusted relationship with the Acquisition Secretary of each of our Defense Department's Services is required.

Of note, my relationship with the current Acting Army Acquisition Executive, Mr. Dean G. Popps, has been an exceptional one and one which involves mutual cooperation, responsiveness, and respect for our nation's common goal of winning this war and seeing our troops come home victoriously.

I would like to take this opportunity to commend Mr. Popps and his staff, and commend the Army for positioning him as the service's Assistant Secretary for Acquisition. I could think of no better leader with the resident knowledge to fulfill this most demanding position as we begin to debate the fiscal year 2009 defense budget. I very much look forward to the continued relationship between his office and ours for the remaining months of this administration.

Thank you, Mr. Chairman.

Senator INOUYE. Secretary Geren.

Mr. GEREN. Thank you, Mr. Chairman, Senator Stevens, and Senator Shelby. It's a privilege to come before your subcommittee, and we've provided the subcommittee ahead of time the full posture statement. And I'd like to just summarize some of my comments.

It's certainly an honor for General Casey and I to appear before you to discuss our United States Army. An Army that's built on a

partnership between soldiers and this Congress, and it's a partnership that's older than this country.

The President's budget for 2009 is before the Congress, nearly $141 billion for the Army. And as always is the case, the Army's budget is mostly about people, and operations and maintenance (O&M) to support our people. Our personnel and our O&M budget make up two-thirds of the entire Army budget. As General Abrams reminded us often, "People are not in the Army. People are the Army."

And our budget reflects that reality. Today, we are an Army long at war. In our seventh year at war in Afghanistan, and next month we will be 5 years in Iraq. It's the third-longest war in American history, behind the Revolutionary War and the Vietnam war, and it's the longest war we have fought with an all-volunteer force.

Our Army is stretched by the demands of this long war, but it remains an extraordinary Army. It's the best-led, best-trained, best-equipped Army we've ever put in the field, with Army families standing with their soldiers as they serve and as they re-enlist. And it's an Army of all volunteers—volunteer soldiers and volunteer families. We currently have 250,000 soldiers deployed to 80 countries around the world, and over 140,000 deployed to Iraq and Afghanistan. Our 140,000 soldiers in harm's way are our top priority, and we will never take our eye off of that ball. This budget and the supplementals ensure that our soldiers have what they need, and they have it when they need it.

And today, and over the last 6 years, our reserve component—the Guard and Reserves—they've continued to shoulder a heavy load for our Nation. Since 9/11, we've activated 184,000 reservists and 268,000 guardsmen in support of the GWOT, and they've answered the call here at home whether it was for Hurricanes Katrina or Rita, brush fires, forest fires, or support along our borders.

And we truly are one army. The active component cannot go to war without the National Guard and Reserves. The challenge before us, and the challenge that's addressed in this budget, is to continue the transformation of the reserve component to an operational reserve. Match the organizing, training, and equipping with the reality of the role of today's Guard and Reserves. And this budget continues the steady investment in new equipment for the reserve component.

Over the next 24 months, prior years of investment will bear fruit. Over $17 billion of new equipment, over 400,000 pieces of new equipment will flow into the Guard. And this budget includes $5.6 billion for Guard equipment and $1.4 billion for Reserve equipment.

And the strength of our Army, active Guard and Reserves, comes from the strength of Army families. Our Army families are standing with their soldier loved ones, but this long war is taking a toll. We owe our Army families a quality of life equal to their service. Over one-half of our soldiers today are married, with over 700,000 children in Army families. Nearly one-half of all soldiers who deploy, deploy with children 2 years of age or younger.

And when a married soldier deploys, he or she leaves behind a single-parent household and all the challenges associated with that

family dynamic. And when a single parent deploys, he or she leaves a child behind in the care of others.

In the 2009 budget, we are doubling funding for family programs. We're adding 26 new child development centers to the 35 that Congress appropriated for us last year. And over the past year, with your strong support, we have expanded the availability and we've reduced the cost of childcare for our Army families.

We've asked much of our volunteer spouses who've carried the burden of family support programs, a burden that grows heavier with each successive deployment, and they need help. Our 2008 budget and this 2009 budget provide much-needed support for those spouses. We are hiring over 1,000 family readiness support system assistants, and nearly 500 additional Army community service staff to provide full-time support to our spouse volunteers and Army families.

And to meet the needs of geographically displaced families, a great challenge with the Guard and Reserves, we are fielding an Internet portal to bring together the Army programs, other Government programs, and public and private family support programs together in one site.

In the 1990s Congress launched the privatized housing initiative for our military, an initiative that has replaced Army housing with Army homes, and it's an initiative that's created livable communities and vibrant neighborhoods on our posts. This budget builds on the great success of your initiative. Our budget for Army homes, new and refurbished in 2009, is $1.4 billion.

This budget continues the programs and the progress the Army has made in meeting the needs of wounded, ill, and injured soldiers. Last year, Congress gave us resources to hire needed medical personnel to provide better healthcare for our wounded warriors and meet the needs of family members who are supporting their loved ones. We stood up 35 warrior transition units to serve our wounded, ill, and injured soldiers, with each soldier supported by a triad of care.

This budget continues to advance those initiatives, continues to address personnel shortages, improve facilities, and work to accomplish the seamless transition from the Department of Defense to the Veterans Affairs for our soldiers returning to private life. And we will continue to grow our knowledge and improve the care and treatment of the invisible wounds of this war, traumatic brain injury and post-traumatic stress disorder (PTSD), and better meet the needs of soldiers who suffer these wounds and better support their families.

The generous support of Congress last year has provided us resources to make great progress on this front.

In this budget, we look to the future. We never wanted to send our soldiers into a fair fight. This budget continues our investment in the programs of tomorrow, our highest modernization priority, future combat systems, which not only will shape the future of our Army, but extending out technologies today into today's fight.

The armed reconnaissance helicopter, unmanned aerial vehicles (UAVs), the light utility helicopter, and the joint cargo aircraft are part of that future, and we thank you for your past support of those programs.

We want to be able to say 10 years from now what we say today, "We're the best-equipped Army in the world." And this budget makes a major step forward ensuring the long-term strength and help for our Army by moving the cost of 43,000 active-duty soldiers from supplemental funding to the base at the cost of $15 billion.

And we've accelerated the 65,000 growth and active duty Army from 2012 to 2010, with a commitment that we'll maintain recruit quality at least at the 2006 levels. We are a Nation long at war, facing an era of persistent conflict. Our soldiers and families are stretched. We are an Army out of balance, and we are consuming readiness as fast as we build it.

But our Army remains strong—stretched, out of balance—but strong. And those who seek parallels with the hollow Army of the late 1970s will not find it. Our Army is stretched, but we have young men and women ready to do our Nation's work around the world and here at home.

Every year, 170,000 young men and women join the United States Army, a number that equals the size of the entire United States Marine Corps. And every year, 120,000 soldiers proudly re-enlist. They're volunteer soldiers, and they're volunteer families, and they're proud of what they do, and they're proud of who they are.

Mr. Chairman, and members of this subcommittee, thank you for your support of our soldiers and their families, and for the resources and the support you provide every year.

I also want to thank you individually for your travels across this country and around the world to meet with our soldiers. To meet with them in the hospital, in their garrisons, and on the frontlines. It means a great deal to them, and thank you for doing that. And thank you for your support, and thank you for building this United States Army, Mr. Chairman.

Senator INOUYE. I thank you very much, Mr. Secretary.

[The statement follows:]

PREPARED STATEMENT OF THE HONORABLE PETE GEREN AND GENERAL GEORGE W. CASEY, JR.

THE ARMY FAMILY COVENANT

We recognize:
—The commitment and increasing sacrifices that our Families are making every day.
—The strength of our Soldiers comes from the strength of their Families.

We are committed to:
—Providing Soldiers and Families a Quality of Life that is commensurate with their service.
—Providing our Families a strong, supportive environment where they can thrive.
—Building a partnership with Army Families that enhances their strength and resilience.

We are committed to Improving Family Readiness by:
—Standardizing and funding existing Family programs and services.
—Increasing accessibility and quality of health care.
—Improving Soldier and Family dousing.
—Ensuring excellence in schools, youth services and child care.
—Expanding education and employment opportunities for Family members.

FEBRUARY 26, 2008.

Our Nation has been at war for over six years. Our Army—Active, Guard and Reserve—has been a leader in this war and has been fully engaged in Iraq, Afghanistan, and defending the homeland. We also have provided support, most notably by the Army National Guard and Army Reserve, to civil authorities during domestic emergencies. Today, of the Nation's nearly one million Soldiers, almost 600,000 are serving on active duty and over 250,000 are deployed to nearly 80 countries worldwide.

We live in a world where global terrorism and extremist ideologies threaten our safety and our freedom. As we look to the future, we believe the coming decades are likely to be ones of persistent conflict—protracted confrontation among state, non-state, and individual actors who use violence to achieve their political and ideological ends. In this era of persistent conflict, the Army will continue to have a central role in implementing our national security strategy.

While the Army remains the best led, best trained, and best equipped Army in the world, it is out of balance. The combined effects of an operational tempo that provides insufficient recovery time for personnel, Families, and equipment, a focus on training for counterinsurgency operations to the exclusion of other capabilities, and Reserve Components assigned missions for which they were not originally intended nor adequately resourced, result in our readiness being consumed as fast as we can build it. Therefore, our top priority over the next several years is to restore balance through four imperatives: Sustain, Prepare, Reset, and Transform.

The Army's strength is its Soldiers—and the Families and Army Civilians who support them. The quality of life we provide our Soldiers and their Families must be commensurate with their quality of service. We will ensure that our injured and wounded Warriors, and their Families, receive the care and support they need to reintegrate effectively into the Army or back into society. We never will forget our moral obligation to the Families who have lost a Soldier in service to our Nation.

We are grateful for the support and resources we have received from the Secretary of Defense, the President, and Congress. To fight the wars in Afghanistan and Iraq, transform to meet the evolving challenges of the 21st century, and to regain our balance by 2011, the Army will require the full level of support requested in this year's base budget and Global War on Terror (GWOT) Request.

GEORGE W. CASEY, JR.,
*General, United States Army, Chief of Staff.*

PETE GEREN,
*Secretary of the Army.*

"The U.S. Army today is a battle-hardened force whose volunteer Soldiers have performed with courage, resourcefulness, and resilience in the most grueling conditions. They've done so under the unforgiving glare of the 24-hour news cycle that leaves little room for error, serving in an institution largely organized, trained, and equipped in a different era for a different kind of conflict. And they've done all this with a country, a government—and in some cases a defense department—that has not been placed on a war footing."——— Secretary of Defense, Honorable Robert M. Gates, October 10, 2007, AUSA Meeting

The Army—Active, Guard and Reserve—exists to protect our Nation from our enemies, defend our vital national interests and provide support to civil authorities in response to domestic emergencies. Our mission is to provide ready forces and land force capabilities to the Combatant Commanders in support of the National Security Strategy, the National Defense Strategy, and the National Military Strategy.

While "what" the Army does for the Nation is enduring, "how" we do it must adapt to meet the changing world security environment. We are in an era of persistent conflict which, when combined with our on-going global engagements, requires us to rebalance our capabilities. We do this remembering that Soldiers, and the Families who support them, are the strength and centerpiece of the Army. And, while our Nation has many strengths, in time of war, America's Army is The Strength of the Nation.

STRATEGIC CONTEXT

*An Era of Persistent Conflict*

Persistent conflict and change characterize the strategic environment. We have looked at the future and expect a future of protracted confrontation among state, non-state, and individual actors who will use violence to achieve political, religious, and other ideological ends. We will confront highly adaptive and intelligent adversaries who will exploit technology, information, and cultural differences to threaten U.S. interests. Operations in the future will be executed in complex environments and will range from peace engagement, to counterinsurgency, to major combat operations. This era of persistent conflict will result in high demand for Army forces and capabilities.

*Trends Creating the Conditions for Persistent Conflict*

The potential for cascading effects from combinations of events or crises arising from the trends described below compounds the risk and implications for the United States.

*Globalization and Technology*

Increased global connectivity and technological advances will continue to drive global prosperity—yet they also will underscore disparities, such as in standards of living, and provide the means to export terror and extremism around the world. Globalization accelerates the redistribution of wealth, prosperity, and power, expanding the "have" and "have not" conditions that can foster conflict. The scale of this problem is evident in the projection that 2.8 billion people are expected to be living below the poverty line by 2025. While advances in technology are benefiting people all over the world, extremists are exploiting that same technology to manipulate perceptions, export terror, and recruit the people who feel disenfranchised or threatened by its effects.

*Radicalism*

Extremist ideologies and separatist movements will continue to have an anti-western and anti-U.S. orientation. Radical and religious extremist groups, separatists, and organizations that support them are attractive to those who feel victimized or threatened by the cultural and economic impacts of globalization. The threats posed by Sunni Salafist extremists, like Al-Qaeda, as well as Shia extremists with Iranian backing, represent a major strategic challenge.

*Population Growth*

The likelihood of instability will increase as populations of several less-developed countries will almost double in size by 2020—most notably in Africa, the Middle East, and South and Southeast Asia. The "youth bulge" created by this growth will be vulnerable to antigovernment and radical ideologies and will threaten government stability. This situation will be especially true in urban areas in which populations have more than doubled over the last 50 years.

By 2025, urban areas with concentrations of poverty will contain almost 60 percent of the world's population.

*Resource Competition*

Competition for water, energy, goods, services, and food to meet the needs of growing populations will increase the potential for conflict. Demand for water is projected to double every 20 years. By 2015, 40 percent of the world's population will live in "water-stressed" countries. By 2025, global energy demands are expected to increase by 40 percent, threatening supplies to poor and developing nations.

*Climate Change and Natural Disasters*

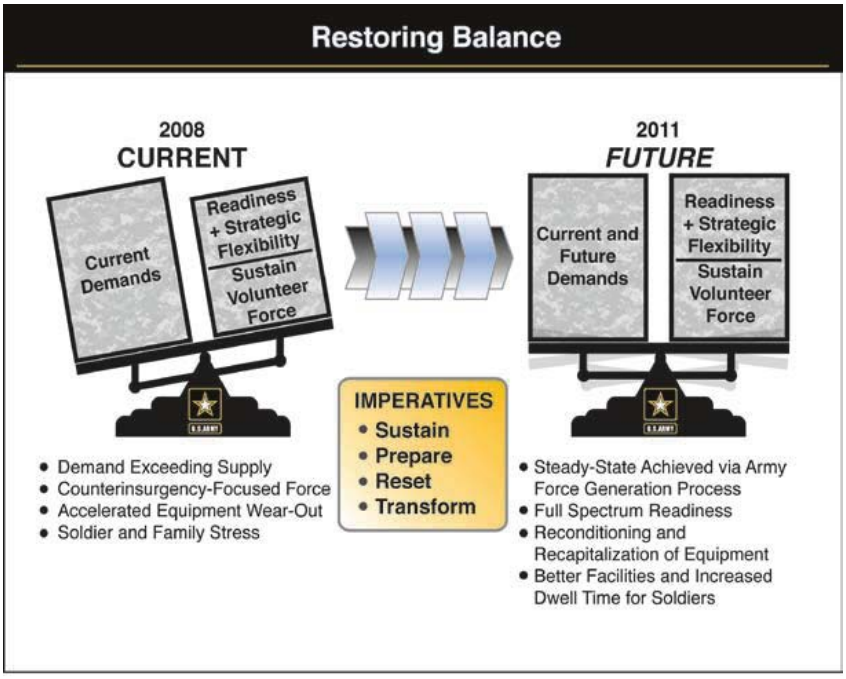
Climate change and other projected trends will compound already difficult conditions in many developing countries. These trends will increase the likelihood of humanitarian crises, the potential for epidemic diseases, and regionally destabilizing population migrations. Desertification is occurring at nearly 50,000–70,000 square miles per year. Today more than 15 million people are dying annually from communicable diseases. The number of people dying each year could grow exponentially with increases in population density and natural disasters.

*Proliferation of Weapons of Mass Destruction*

The diffusion and increasing availability of technology increases the potential of catastrophic nuclear, biological, and chemical attacks. Many of the more than 1,100 terrorist groups and organizations are actively seeking weapons of mass destruction.

*Safe Havens*

States that are unable or unwilling to exercise control within their borders create the potential for global and regional groups to organize and export terror. Territories under the control of renegade elements or separatist factions will challenge central government authority, potentially creating a base from which to launch broader security threats. The trends that fuel persistent conflict characterize the strategic environment now and into the future and will require integration of all elements of our national power (diplomatic, informational, economic, and military) to achieve our national objectives. The implication for the Army is the need to be modernized, expeditionary and campaign capable, and prepared to operate across the full spectrum of conflict.




*Challenges of Providing Forces with the Right Capabilities*

The Army recruits, organizes, trains, and equips Soldiers who operate as members of Joint, interagency, and multi-national teams. The Army also provides logistics and other support to enable our Joint and interagency partners to accomplish their missions, as well as support civil authorities in times of national emergencies. Responding to the strategic environment and the national security strategy that flows from it, we are building an expeditionary and campaign quality Army. Our expeditionary Army is capable of deploying rapidly into any operational environment, conducting operations with modular forces anywhere in the world, and sustaining operations as long as necessary to accomplish the mission. To fulfill the requirements of today's missions, including the defense of the homeland and support to civil authorities, approximately 591,000 Soldiers are on active duty (currently 518,000 Active Component, 52,000 Army National Guard, and 21,000 Army Reserve). Forty-two percent (251,000) of our Soldiers are deployed or forward-stationed in 80 countries around the world. Additionally, more than 237,000 Army Civilians are performing a variety of missions vital to America's national defense. Of these, more than 4,500 are forward deployed in support of our Soldiers.

Our current focus is on preparing forces and building readiness for counterinsurgency operations in Iraq and Afghanistan. Despite this current and critical mission, the Army also must be ready to provide the Combatant Commanders with the forces and capabilities they need for operations anywhere around the world, ranging from peace-time military engagement to major combat operations.

Examples of Army capabilities and recent or ongoing operations other than combat include the following:

—Supporting the defense of South Korea, Japan, and many other friends, allies, and partners.
—Conducting peacekeeping operations in the Sinai Peninsula and the Balkans.
—Conducting multi-national exercises that reflect our longstanding commitments to alliances.
—Continuing engagements with foreign militaries to build partnerships and preserve coalitions by training and advising their military forces.
—Participating, most notably by the Army National Guard, in securing our borders and conducting operations to counter the flow of illegal drugs.
—Supporting civil authorities in responding to domestic emergencies, including natural disasters and threats at home and abroad.
—Supporting interagency and multi-national partnerships with technical expertise, providing critical support after natural disasters, and promoting regional stability.
—Supporting operations to protect against weapons of mass destruction and block their proliferation.

It is vital that our Army ensures that units and Soldiers have the right capabilities to accomplish the wide variety of operations that we will conduct in the 21st century. Continuous modernization is the key to enhancing our capabilities and maintaining a technological advantage over any enemy we face. We never want to send our Soldiers into a fair fight.

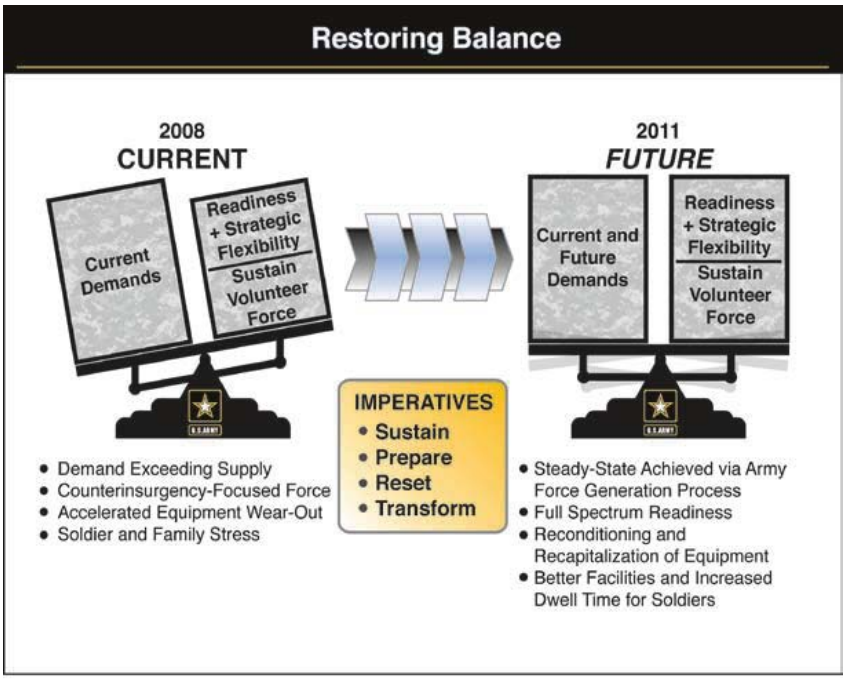
Future Combat Systems (FCS) are the core of our modernization effort and will provide our Soldiers an unparalleled understanding of their operational environment, increased precision and lethality, and enhanced survivability. These improved capabilities cannot be achieved by upgrading current vehicles and systems. FCS will use a combination of new manned and unmanned air and ground vehicles, connected by robust networks, to allow Soldiers to operate more effectively in the complex threat environments of the 21st century. Maintaining our technological edge over potential adversaries, providing better protection, and giving our Soldiers significantly improved capabilities to accomplish their mission are the reasons for FCS. FCS capabilities currently are being tested at Fort Bliss, Texas. They are proving themselves valuable in the current fight and are being fielded to our Soldiers in Iraq. FCS and their capabilities will continue to be integrated into the force over the next 20 years.

## TWO CRITICAL CHALLENGES: RESTORING BALANCE AND FUNDING

### *An Army Out of Balance*

Today's Army is out of balance. The current demand for our forces in Iraq and Afghanistan exceeds the sustainable supply and limits our ability to provide ready forces for other contingencies. While our Reserve Components (RC) are performing magnificently, many RC units have found themselves assigned missions for which they were not originally intended nor adequately resourced. Current operational requirements for forces and insufficient time between deployments require a focus on counterinsurgency training and equipping to the detriment of preparedness for the full range of military missions.

We are unable to provide a sustainable tempo of deployments for our Soldiers and Families. Soldiers, Families, support systems, and equipment are stretched and stressed by the demands of lengthy and repeated deployments, with insufficient recovery time. Equipment used repeatedly in harsh environments is wearing out more rapidly than programmed. Army support systems, designed for the pre-9/11 peacetime Army, are straining under the accumulation of stress from six years at war. Overall, our readiness is being consumed as fast as we build it. If unaddressed, this lack of balance poses a significant risk to the All-Volunteer Force and degrades the Army's ability to make a timely response to other contingencies.




*Restoring Balance*

We are committed to restoring balance to preserve our All-Volunteer Force, restore necessary depth and breadth to Army capabilities, and build essential capacity for the future. Our plan will mitigate near-term risk and restore balance by 2011 through four imperatives: Sustain, Prepare, Reset and Transform.

*Sustain*

To sustain our Soldiers, Families, and Army Civilians in an era of persistent conflict we must maintain the quality and viability of the All-Volunteer Force and the many capabilities it provides to the Nation. Sustain ensures our Soldiers and their Families have the quality of life they deserve and that we recruit and sustain a high quality force.

Goals for Sustain:

—Offer dynamic incentives that attract quality recruits to meet our recruiting objectives for 2008 and beyond.

—Provide improved quality of life and enhanced incentives to meet our retention objectives for 2008 and beyond.

—Continue to improve the quality of life for Army Families by implementing the Army Family Covenant and other programs that: standardize services, increase the accessibility and quality of health care, improve housing and installation facilities, provide excellence in schools and youth services, and expand spousal education and employment opportunities.

—Continue to improve care for Wounded Warriors and Warriors in Transition through a patient-centered health care system, Soldier and Family Assistance Centers, and improved Warrior Transition Unit facilities.

—Continue to support Families of our fallen with sustained assistance that honors the service of their Soldiers.

*Prepare*

To prepare our Solders, units, and equipment we must maintain a high level of readiness for the current operational environments, especially in Iraq and Afghanistan.

Goals for Prepare:

—Continue to adapt and enhance the rigor of institutional, individual, and operational training to enable Soldiers to succeed in complex 21st century security environments.
—Train Soldiers and units to conduct full spectrum operations with improved training ranges to operate as part of a Joint, interagency, or multinational force.
—Provide Soldiers the best equipment through the Rapid Fielding Initiative, the Rapid Equipping Force, and modernization efforts.
—Partner with private industry to rapidly develop and field equipment needed on today's battlefield.
—Continue to improve the Army Force Generation (ARFORGEN) process which increases the readiness of the operating force over time by generating recurring periods of availability of trained, ready, and cohesive units.

*Reset*

To reset our force we must prepare our Soldiers, units, and equipment for future deployments and other contingencies.

Goals for Reset:
—Develop an Army-wide reset program that repairs, replaces, and recapitalizes equipment that our Soldiers need.
—Retrain our Soldiers to accomplish the full spectrum of missions they will be expected to accomplish.
—Revitalize our Soldiers and Families through implementation and full resourcing of the Soldier Family Action Plan (SFAP) and our warrior care and transition programs.

*Transform*

To transform our force, we must continuously improve our ability to meet the needs of the Combatant Commanders in a changing security environment.

Goals for Transform:
—Help balance our force and increase capacity to provide sufficient forces for the full range and duration of current operations and future contingencies by growing as quickly as possible.
—Upgrade and modernize to remain an agile and globally responsive force with Future Combat Systems (FCS) as the core of our modernization effort.
—Continue organizational change through modularity and rebalancing to become more deployable, tailorable, and versatile.
—Improve expeditionary contracting and financial and management controls.
—Continue to adapt institutions and the processes, policies, and procedures, including business practices, to more effectively and efficiently support an expeditionary Army at war.
—Complete the transition of the RC to an operational reserve and change the way we train, equip, resource, and mobilize RC units.
—Integrate Grow the Army initiative, Base Realignment and Closure (BRAC), Global Defense Posture Realignment, and the operation of installations and facilities to increase readiness, improve efficiency, and improve the quality of life for our Soldiers, Families, and Army Civilians.
—Develop agile and adaptive leaders who can operate effectively in Joint, interagency, intergovernmental, and multi-national environments.

*Compelling Needs for Sustain, Prepare, Reset, and Transform*

To achieve balance through the four imperatives, the Army will require sustained, timely, and predictable base budget and GWOT funding. The Armys compelling needs for fiscal year 2009 are:

Support and Fund:
—Recruiting and retention incentives and benefits to enable Active and Reserve Components to meet end-strength objectives and achieve Army standards for recruit quality.
—Quality of life programs to sustain our Soldiers and Army Civilians commitment to serve and the continued support of our Army Families.
—Programs to help our wounded, ill, and injured Warriors in Transition to return to duty or to civilian life.
—BRAC and military construction to execute the Army's global repositioning plan.
—Operations and maintenance for air and ground operations, depot maintenance, base operations, and space and missile defense capabilities.
—Leader training and development to make Soldiers culturally astute and better able to integrate and complement the other elements of national power (diplomatic, informational, and economic).
—Efforts to develop technical and procedural solutions to defeat the threat of improvised explosive devices.

—The Rapid Equipping Force (REF).
—Equipment repair, replacement, and recapitalization programs.
—Retraining Soldiers to execute their new and future missions.
—Programs to revitalize our Soldiers and Families as they reintegrate after deployments.
—End-strength growth of approximately 74,000 by 2010.
—Army modernization programs including Future Combat Systems, aviation, Patriot PAC–3, LandWarNet, intelligence, logistics automation, and other advanced technologies.
—Planned modular transformations in 2009—two Brigade Combat Teams and 13 support brigades.
—Transformation of the Reserve Components to an operational reserve.

"America's ground forces have borne the brunt of underfunding in the past and the bulk of the costs—both human and material—of the wars of the present. By one count, investment in Army equipment and other essentials was underfunded by more than $50 billion before we invaded Iraq. By another estimate, the Army's share of total defense investments between 1990 and 2005 was about 15 percent. So resources are needed not only to recoup from the losses of war, but to make up for the shortfalls of the past and to invest in the capabilities of the future."———Secretary of the Defense, Honorable Robert M. Gates, October 10, 2007, AUSA Meeting

*Funding Challenges*

Recruiting and retaining the most combat-experienced Army in our Nation's history require predictable and sustained funding. Sustaining this high-quality and professional All-Volunteer Force will not be possible without investing in and supporting our quality of life efforts and providing competitive pay and benefits. As a manpower-intensive organization, we will continue to spend the bulk of our funds to sustain people and maintain vital infrastructure, but we also must maintain investment in equipment and technology required for future readiness.

To support our Soldiers, the centerpiece of the Army, we must rebuild and recapitalize our equipment including vehicles and weapons systems, maintain readiness for current operational demands, and build readiness for future challenges. It takes years beyond the end of hostilities to complete rebuilding and recapitalizing equipment. The fact that the number of vehicles and weapon systems currently in Army depots are sufficient to equip five Brigade Combat Teams and one Combat Aviation Brigade demonstrates the importance of timely recapitalization and reconditioning.

*The Fiscal Year 2009 President's Budget*

The fiscal year 2009 President s Budget requests $140.7 billion for the Army. This request and the amounts in the Global War on Terror (GWOT) Request are necessary to support current operations, fight the wars in Iraq and Afghanistan, sustain the All-Volunteer Force, and prepare for future threats to the Nation. This year the President approved accelerating the end-strength of the Army's Active Component to 547,000 and the Army National Guard to 358,200 by 2010.

The Army Reserve will increase in size to 206,000 by 2013. This most significant increase in the fiscal year 2009 budget is the result of permanent end-strength increases of 44,300 Soldiers in two components—43,000 in the Active Component and over 1,300 in the Army National Guard. The Army s fiscal year 2009 budget includes $15.1 billion for all the costs associated with Grow the Army, which is an increase of $7.4 billion over the costs of this initiative in fiscal year 2008. This growth will enhance combat capabilities, help meet global force demand, and reduce stress on deployable personnel. Amounts requested by major appropriation category in the fiscal year 2009 President s Budget as well as the change from the amounts enacted in fiscal year 2008 are:

*Military Personnel*

The fiscal year 2009 budget requests $51.8 billion, a $5.5 billion increase from fiscal year 2008. This includes $4 billion for Grow the Army, an increase of $3.4 billion over fiscal year 2008. This amount also funds pay, benefits, and associated personnel costs for 1,090,000 Soldiers: 532,400 Active, 352,600 Army National Guard, and 205,000 Army Reserve. The GWOT Request will fund special pays and incentives and the mobilization of Reserve Component Soldiers.

*Operation and Maintenance*

The fiscal year 2009 budget requests $40.2 billion, a $3.6 billion increase from fiscal year 2008. This includes $2.6 billion for Grow the Army, an increase of $1.9 billion from fiscal year 2008. The increase funds training and sustainment of Army forces and includes the maintenance of equipment and facilities. The GWOT Request will fund the day-to-day cost of the war, training to prepare units for deployment, and the reset of forces returning from deployment.

*Procurement*

The fiscal year 2009 budget requests $24.6 billion, a $2 billion increase from fiscal year 2008. This includes $4.2 billion for Grow the Army, an increase of $100 million from fiscal year 2008. This increase continues procurement of weapons systems for the Army to include the Non-Line of Sight Cannon, an FCS-designed system. The GWOT Request will fund procurement of weapon systems to improve force readiness and replace battle losses and the reset of forces returning from deployment.

*Research, Development, Test, and Evaluation*

The fiscal year 2009 budget requests $10.5 billion, approximately the same amount requested last year, but a $1.5 billion decrease in the amount appropriated in fiscal year 2008. The fiscal year 2009 request reflects a $100 million decrease to the FCS Research, Development, Test, and Evaluation as the programs transition to procurement.

*Construction, Base Realignment and Closure (BRAC), and Army Family Housing*

The fiscal year 2009 budget requests $11.4 billion, a $1.8 billion increase from fiscal year 2008. This includes $4.3 billion for Grow the Army, an increase of $1.9 billion from fiscal year 2008. The increase funds the construction of facilities to support the growth and re-stationing of Army Forces. The GWOT Request will fund construction in and around the Iraq and Afghanistan theaters of operation.

*Other Accounts*

The Army executes the Chemical Agents and Munitions Destruction Program. Funding for this account is stable at $1.6 billion in fiscal year 2008 and fiscal year 2009. The Army also has fiscal responsibility for the Iraq Security Forces Fund (ISFF), Afghanistan Security Forces Fund (ASFF), and Joint Improvised Explosive Device Defeat Organization (JIEDDO) appropriations. The Army budgets for recurring sustainment costs of JIEDDO with fiscal year 2009 at $500 million, an increase of $400 million from fiscal year 2008. The GWOT Request will fund JIEDDO initiatives. The ISFF and ASFF are funded entirely through the GWOT Request.

*Restoring Fiscal Balance*

Timely and full funding of the Army's fiscal year 2009 request of $140.7 billion will ensure the Army is ready to meet the needs of the Nation and continue the process of putting us back in balance. However, it is important to note that over the last six years, the Army has received increasing proportions of its funding through supplemental and GWOT appropriations. This recurring reliance on GWOT funds and a natural overlap between base and GWOT programs means that the Army's base budget does not fully cover the cost of both current and future readiness requirements. Because the GWOT planning horizon is compressed and the timing and amount of funding is unpredictable, some base programs would be at risk if supplemental funding is precipitously reduced or delayed. An orderly restoration of the balance between base and GWOT requirements is essential to maintain Army capabilities for future contingencies.

STEWARDSHIP, INNOVATION, AND ACCOMPLISHMENTS

Our goals are to be good stewards of the resources we are provided by Congress and to free human and financial resources for higher priority operational needs. Through the use of innovations such as Lean Six Sigma we are improving support to our people while reducing waste and inefficiencies. Integral to achieving our goals is the development of an Army-wide cost-management culture in which leaders better understand the full cost of the capabilities they use and provide and incorporate cost considerations into their planning and decision-making. This approach will enable us to achieve readiness and performance objectives more efficiently. Concurrently, we are strengthening our financial and management controls to improve contracting in expeditionary operations and ensure full compliance with the law and regulations. Our goal to improve long-term sustainability will be achieved through

effective stewardship of human, financial, and natural resources. Some examples of our ongoing initiatives include:

—Adjusting our national and global footprint to improve efficiency and sustainability.

—Transforming installations, depots, arsenals, and the information network that connects them to become more effective, energy efficient, and environmentally conscious.

—Transforming the Army's training, structure, systems, and processes to better sustain and prepare the force.

—Adapting our activities to protect the environment.

Our accomplishments over the past year further illustrate our commitment to improving efficiency and effectiveness throughout the Army.

ARMY ACCOMPLISHMENTS

Initiated the Army Medical Action Plan to improve medical care for our Wounded Warriors.

Initiated the Soldier Family Action Plan bringing to life the Army Family Covenant.

Initiated Soldier Family Assistance Centers throughout the Army to provide a single point of entry for Families and Wounded Warriors for health-care and related issues.

Recognized with the prestigious Malcolm Baldrige Award; the Army Armament, Research and Development Engineering Center is the only organization in the federal government to have received this honor.

Recognized for world-class excellence in manufacturing, the Army Materiel Command's depots and arsenals earned 12 Shingo public sector awards.

Formed the Army Contracting Task Force to review current contracting operations and then immediately began implementing improvements.

Converted approximately 10,000 military positions to civilian positions through the end of fiscal year 2007.

Privatized more than 4,000 homes, bringing the total to over 75,000 homes that are privately managed.

Reduced energy consumption on our installations through fiscal year 2007, achieving levels down 8.4 percent since 2003 and 28.9 percent since 1985.

Reset 123,000 pieces of equipment, including 1,700 tracked vehicles, 15,000 wheeled vehicles, 550 aircraft, and 7,400 generators.

Improved property accountability by providing Army-wide visibility of 3.4 billion items valued in excess of $230 billion.

Destroyed over 15,000 tons of chemical agents contained in 1.8 million chemical munitions and containers.

Moved 10 million square feet of unit cargo in support of the GWOT and humanitarian aid missions.

Merged the Joint Network Node program into the Warfighter Information Network-Tactical, resulting in better integration and cost savings.

Began fielding Mine Resistant Ambush Protected (MRAP) vehicles to units in Iraq.

Established the Army Evaluation Task Force and fielded first "spin-outs" from FCS.

Developed the Automated Reset Management Tool to provide a collaborative integrated tool for equipment reset planning and execution of the Army Force Generation process.

Increased the rigor in training new Soldiers by requiring graduates of basic training to be Combat Lifesaver certified.

Fielded Human Terrain Teams to assist commanders in gaining objective knowledge of a population's social groups, interests and beliefs.

Employed National Guard Soldiers worldwide who aided in seizing nearly 4,000 vehicles, approximately a million pounds of marijuana, and roughly 600,000 pounds of cocaine.

While we are proud of these accomplishments, we continue to identify and pursue additional ways to improve our stewardship, efficiency, and effectiveness throughout the Army.

PRESERVING THE STRENGTH OF THE NATION

The Army has been at war for over six years. Our Soldiers have demonstrated valor, endured countless hardships, and made great sacrifices. Over 3,000 Soldiers have died and many more have been wounded. The awards our Soldiers have earned reflect their accomplishments and bravery on the battlefield. Our Army Families have stood shoulder to shoulder with their Soldiers throughout these challenging times.

Our examination of the current and future security environments confirms the need to restore balance and build readiness across all components of the Army as quickly as possible. Four imperatives—Sustain, Prepare, Reset, and Transform—frame how the Army will restore balance by 2011 and begin to build readiness for the future. To accomplish our plan, we will continue to require timely and predictable resources and support.

The Army will remain central to successfully achieving U.S. national security objectives, particularly in an era in which operations will be waged increasingly among people in urban environments. As the decisive ground component of the Joint and interagency teams, the Army operates across the full spectrum of conflict to protect our national interests and affirm our Nation's commitment to friends, allies, and partners worldwide. Our goal is a more agile, responsive, campaign quality and expeditionary Army with modern networks, surveillance sensors, precision weapons, and platforms that are lighter, less logistics dependent, and less manpower intensive.

As we restore balance and build readiness for the future, we continue to invest in our centerpiece—Soldiers—and the Families that support them. Of the million Soldiers in uniform, over half of them are married, with more than 700,000 children. The Army Family Covenant, the Soldier Family Action Plan, and the Army Medical Action Plan are examples of our commitment to caring for our Soldiers, Families, and Army Civilians in these challenging times. With the continued support from the Secretary of Defense, the President, and Congress for our legislative and financial needs, the Army will restore balance, build the readiness necessary in an era of persistent conflict, and remain The Strength of the Nation.

ADDENDUM A—RESERVE COMPONENTS READINESS

Sections 517 and 521 of the National Defense Authorization Act (NDAA) 1994 require the information in this addendum. Section 517 requires a report relating to implementation of the pilot program for active component support of the Reserves under Section 414 of the NDAA 1992 and 1993. Section 521 requires a detailed presentation concerning the Army National Guard (ARNG), including information relating to implementation of the ARNG Combat Readiness Reform Act of 1992 (Title XI of Public Law 102–484, referred to in this addendum as ANGCRRA). Section 521 reporting was later amended by Section 704 of NDAA 1996. U.S. Army Reserve information is also presented using Section 521 reporting criteria.

*Section 517(b)(2)(A)*

The promotion rate for officers considered for promotion from within the promotion zone who are serving as active component advisors to units of the Selected Reserve of the Ready Reserve (in accordance with that program) compared with the promotion rate for other officers considered for promotion from within the promotion zone in the same pay grade and the same competitive category, shown for all officers of the Army.

[In percent]

| | AC in RC [1] | Army Average [2] |
|---|---|---|
| Fiscal year 2006: | | |
| Major | 93.9 | 96.5 |
| Lieutenant Colonel | 68.7 | 90.9 |
| Fiscal year 2007: | | |
| Major | 100.0 | 94.9 |
| Lieutenant Colonel | 100.0 | 91.0 |

[1] Active Component officers serving in Reserve Component assignments at time of consideration.
[2] Active Component officers not serving in Reserve Component assignments at the time of consideration.

*Section 517(b)(2)(B)*

The promotion rate for officers considered for promotion from below the promotion zone who are serving as Active Component advisors to units of the Selected Reserve

of the Ready Reserve (in accordance with that program) compared in the same manner as specified in subparagraph (A) (the paragraph above).

[In percent]

| | AC in RC [1] | Army Average [2] |
|---|---|---|
| Fiscal year 2006: | | |
| Major | 5.1 | 6.8 |
| Lieutenant Colonel | 3.2 | 8.1 |
| Fiscal year 2007: | | |
| Major | [3] 50.0 | 9.0 |
| Lieutenant Colonel | ..... | 9.7 |

[1] Below the zone Active Component officers serving in Reserve Component assignments at time of consideration.
[2] Below-the-zone Active Component officers not serving in Reserve Component assignments at time of consideration.
[3] One officer promoted below the zone out of two eligible for consideration.

*Section 521(b)*

1. The number and percentage of officers with at least two years of active-duty before becoming a member of the Army National Guard or the U.S. Army Reserve Selected Reserve units:

—ARNG officers: 20,811 or 55.5 percent.

—Army Reserve officers: 4,968 or 7.9 percent.

2. The number and percentage of enlisted personnel with at least two years of active-duty before becoming a member of the Army National Guard or the U.S. Army Reserve Selected Reserve units:

—ARNG enlisted: 119,269 or 37.8 percent.

—Army Reserve enlisted: 11,247 or 18.8 percent.

3. The number of officers who are graduates of one of the service academies and were released from active duty before the completion of their active-duty service obligation and, of those officers:

a. The number who are serving the remaining period of their active-duty service obligation as a member of the Selected Reserve pursuant to section 111 2(a)(1) of ANGCRRA:

—In fiscal year 2007, no graduates of a service academy were released to the Selected Reserve to complete their obligation.

b. The number for whom waivers were granted by the Secretary of the Army under section 1112(a)(2) of ANGCRRA, together with the reason for each waiver:

—In fiscal year 2007, no waivers were granted by the Secretary of the Army.

4. The number of officers who were commissioned as distinguished Reserve Officers' Training Corps graduates and were released from active duty before the completion of their active-duty service obligation and, of those officers:

a. The number who are serving the remaining period of their active-duty service obligation as a member of the Selected Reserve pursuant to section 1112(a)(1) of ANGCRRA:

—In fiscal year 2007, one distinguished Reserve Officers' Training Corps (ROTC) graduate was released before completing his active-duty service obligation.

b. The number for whom waivers were granted by the Secretary of the Army under section 1112(a)(2) of ANGCRRA, together with the reason for each waiver: In fiscal year 2007, one waiver was granted by the Secretary of the Army. The reason for the waiver was personal hardship (i.e., a child of the service member, born with a congenital heart defect, must be within 10–15 minutes from a major center specializing in pediatric cardiology for services as required).

5. The number of officers who are graduates of the Reserve Officers' Training Corps program and who are performing their minimum period of obligated service in accordance with section 1112(b) of ANGCRRA by a combination of (a) two years of active duty, and (b) such additional period of service as is necessary to complete the remainder of such obligation served in the National Guard and, of those officers, the number for whom permission to perform their minimum period of obligated service in accordance with that section was granted during the preceding fiscal year:

—In fiscal year 2007, no ROTC graduates were released early from their active-duty obligation. Of this number, none are completing the remainder of their obligation through service in the ARNG, and none through service in the Army Reserve.

6. The number of officers for whom recommendations were made during the preceding fiscal year for a unit vacancy promotion to a grade above first lieutenant, and of those recommendations, the number and percentage that were concurred in by an active duty officer under section 1113(a) of ANGCRRA, shown separately for

each of the three categories of officers set forth in section 1113(b) of ANGCRRA (with Army Reserve data also reported):

—2,129 ARNG officers from units were recommended for position-vacancy promotion and promoted.

—37 Army Reserve officers from units were recommended for position-vacancy promotion and promoted.

7. The number of waivers during the preceding fiscal year under section 1114(a) of ANGCRRA of any standard prescribed by the Secretary establishing a military education requirement for non-commissioned officers and the reason for each such waiver:

—In fiscal year 2007, no waivers were granted by the Secretary of the Army.

8. The number and distribution by grade, shown for each State, of personnel in the initial entry training and non-deployability personnel accounting category established under section 1115 of ANGCRRA for members of the Army National Guard who have not completed the minimum training required for deployment or who are otherwise not available for deployment. A narrative summary of information pertaining to the Army Reserve is also provided:

—In fiscal year 2007, the ARNG had 61,700 Soldiers were considered nondeployable because of incomplete initial entry training, officer transition, medical issues, nonparticipation, or restrictions on the use or possession of weapons and ammunition under the Lautenburg Amendment. The National Guard Bureau (NGB) maintains the detailed information.

—In fiscal year 2007, the Army Reserve had 35,049 (AR) Soldiers who were considered nonavailable for deployment for reasons outlined in Army Regulation 220–1, Unit Status Reporting (e.g., pending administrative/legal discharge or separation, medical non-availability).

9. The number of members of the Army National Guard, shown for each State, that were discharged during the previous fiscal year pursuant to section 1115(c)(1) of ANGCRRA for not completing the minimum training required for deployment within 24 months after entering the National Guard, Army Reserve data also reported:

—The number of ARNG Soldiers discharged during fiscal year 2007 pursuant to section 1115(c)(1) of ANGCRRA for not completing the minimum training required for deployment within 24 months after entering the Army National Guard is 161 officers and 11,095 enlisted Soldiers from all U.S. states and territories. The breakdown by each state is maintained by the NGB.

—The number of Army Reserve Soldiers discharged during fiscal year 2007 for not completing the minimum training required for deployment within 24 months after entering the Army Reserve is 15 officers and 436 enlisted Soldiers. Those Soldiers who have not completed the required initial entry training within the first 24 months are discharged from the Army Reserve under AR 135–178, Separation of Enlisted Personnel. Those officers who have not completed a basic branch course within 36 months after commissioning are separated under AR 135–175, Separation of Officers.

10. The number of waivers, shown for each State, that were granted by the Secretary of the Army during the previous fiscal year under section 1115(c)(2) of ANGCRRA of the requirement in section 1115(c)(1) of ANGCRRA described in paragraph (9), together with the reason for each waiver:

—In fiscal year 2007, no waivers were granted by the Secretary of the Army.

11. The number of Army National Guard members, shown for each State, (and the number of AR members), who were screened during the preceding fiscal year to determine whether they meet minimum physical profile standards required for deployment and, of those members: (a) the number and percentage that did not meet minimum physical profile standards for deployment; and (b) the number and percentage who were transferred pursuant to section 1116 of ANGCRRA to the personnel accounting category described in paragraph (8):

a. The number and percentage who did not meet minimum physical profile standards required for deployment:

—In fiscal year 2007, 155,662 ARNG Soldiers underwent a physical. Of these personnel, 5,606 or 3.6 percent were identified for review due to a profile-limiting condition or failure to meet retention standards.

—In fiscal year 2007, 56,384 Army Reserve Soldiers underwent a physical. Of these personnel 9,073 or 16 percent were identified for review due to a profile-limiting condition or failure to meet retention standards.

b. The number and percentage that were transferred pursuant to section 1116 of ANGCRRA to the personnel accounting category described in paragraph (8).

—In fiscal year 2007, 5,821 ARNG Soldiers were transferred from deployable to nondeployable status for failing to meet medical deployability standards. This

number includes Soldiers returning from a mobilization with a new medical condition and reflects an increase in the use of electronic databases.

—In fiscal year 2007, 839 Army Reserve Soldiers were considered nonavailable for deployment for failing to meet medical deployability standards. This is a decrease of 784 from the previous fiscal year.

12. The number of members and the percentage total membership of the Army National Guard shown for each State who underwent a medical screening during the previous fiscal year as provided in section 1117 of ANGCRRA:

—Public Law 104–106 (NDAA 1996), Div A, Title VII, Section 704 (b), February 10, 1996, repealed Section 1117 of ANGCRRA.

13. The number of members and the percentage of the total membership of the Army National Guard shown for each State who underwent a dental screening during the previous fiscal year as provided in section 1117 of ANGCRRA:

—Public Law 104–106 (NDAA 1996), Div A, Title VII, Section 704 (b), February 10, 1996, repealed Section 1117 of ANGCRRA.

14. The number of members and the percentage of the total membership of the Army National Guard shown for each State, over the age of 40 who underwent a full physical examination during the previous fiscal year for purposes of section 1117 of ANGCRRA:

—Public Law 104–106 (NDAA 1996), Div A, Title VII, Section 704 (b), February 10, 1996, repealed Section 1117 of ANGCRRA.

15. The number of units of the Army National Guard that are scheduled for early deployment in the event of a mobilization, and of those units, the number that are dentally ready for deployment in accordance with section 1118 of ANGCRRA:

—Public Law 104–106 (NDAA 1996), Div A, Title VII, Section 704 (b), February 10, 1996, repealed Section 1118 of ANGCRRA.

16. The estimated post-mobilization training time for each Army National Guard combat unit (and Army Reserve unit), and a description, displayed in broad categories and by State of what training would need to be accomplished for Army National Guard combat units (and AR units) in a post-mobilization period for purposes of section 1119 of ANGCRRA:

—Information on the type of training required by units during post-mobilization is maintained by First United States Army. The data are not captured and provided by the state.

—ARNG units are striving to train in accordance with the Army Force Generation (ARFORGEN) process in order to prepare for operational missions and reduce post-mobilization training time. The ARFORGEN process requires increasing resources as necessary for maximum company-level training proficiency prior to mobilization. This training generally consists of individual warrior training tasks, weapons qualification and gunnery, battle staff training, and maneuver training. This is followed by theater-specific tasks and higher level collective training to complete the predeployment requirements for the unit's specific mission. The goal for post-mobilization training time for a brigade-size organization is approximately 60 days.

—Post-mobilization training time is contingent upon the amount of certified pre-mobilization training conducted, the type of unit, and its assigned mission. In order to reduce post-mobilization training time, the ARNG has developed programs and products such as the ARNG Battle Command Training Capability, the eXportable Combat Training Capability (XCTC), myriad training devices and range complexes for our units. The combination of programs and products, provide our units with the capability to accomplish more pre-mobilization training and reduce post-mobilization training time.

—The Army Reserve Training Strategy (ARTS) envisions execution of both the provisions of section 1119 as well as the Office of the Secretary of Defense train-alert-deploy paradigm. Specifically, the ARTS requires higher levels of pre-mobilization readiness through completion of increasingly higher levels of training as units progress through the ARFORGEN cycle. Thus, the initial focus on individual and leader training migrates to low-level unit and battle staff, culminating in multiechelon, combined-arms exercises in the Ready year. The goal is to provide trained and ready combat support/combat service support platoons and trained and proficient battle staffs, battalion level and above, to the mobilization station. Realization of this strategy is dependent upon additional resources as it requires additional active training days and support funds. The majority of the additional training days are currently being resourced in the base budget, but the additional operational tempo is funded via GWOT Requests.

—Per January 2007 direction from the Secretary of Defense (SECDEF) Reserve Component unit mobilizations are now limited to 400-day periods, including a

30-day post-mobilization leave. Perhaps the most significant impact of this policy change is the inclusion of post-mobilization training time in the 400-day mobilization period. Thus, many training tasks previously conducted during post-mobilization periods of three to six months have been identified for pre-mobilization training, and Army Reserve units are training to standard on as many of these tasks as resources permit.

—Post-mobilization training for Army Reserve units is directed and managed by the First Army. First Army conducts the theater-specified training required and confirms the readiness of mobilized Army Reserve units to deploy to overseas theaters. ARFORGEN's Ready Year 2 (the year before mobilization) is particularly critical to implementation of the ARTS and SECDEF policies. During the Ready Year 2, Army Reserve units complete collective pre-mobilization training in a 29-day period, including training on many of the theater-identified tasks formerly covered by First Army during post-mobilization. Timely alert for mobilization—at least one year prior to mobilization—is crucial.

—Army goals for post-mobilization training for Army Reserve headquarters and combat support/combat service support units range from 30 to 60 days. Post-mobilization training conducted by First Army typically consists of counterinsurgency operations, counter-improvised-explosive-device training, convoy live-fire exercises, theater orientation, rules of engagement/escalation-of-force training, and completion of any theater-specified training not completed during the pre-mobilization period. Typical post-mobilization periods for various units are outlined below.

POST MOBILIZATION TRAINING DAYS

| | Current | Bridging [1] | Objective |
|---|---|---|---|
| Military Police (Internet Resettlement) | 77 | 60 | 46 |
| Engineer Battalion (Route Clearance) | 75 | 60 | 44 |
| Military Police Company | 86 | 60 | 46 |
| Supply Company | 60 | 45 | 33 |
| Postal Company | 95 | 30 | 22 |
| Engineering Company (Construction) | 60 | 45 | 35 |
| Transportation Company (Heavy Equip Trans) | 60 | 45 | 33 |

[1] The period roughly from Training Year 2008 through Training Year 2010, when required training enablers (e.g., dollars, training days, training support structure, training facilities) are resourced and thus support the higher levels of pre-mobilization individual, leader, and collective training needed to maximize boots on ground/deployed time.

17. A description of the measures taken during the preceding fiscal year to comply with the requirement in section 1120 of ANGCRRA to expand the use of simulations, simulators, and advanced training devices and technologies for members and units of the Army National Guard (and the Army Reserve):

—During fiscal year 2007, the ARNG continued to synchronize the use of existing and ongoing live, virtual, and constructive training aids, devices, simulations and simulators (TADSS) programs with the training requirements of the ARFORGEN training model. By synchronizing the use of TADSS with ARFORGEN, the ARNG continues to improve unit training proficiency prior to mobilization.

—To support the training requirements of M1A1 Abrams and M2A2 Bradley-equipped Brigade Combat Teams (BCTs), the ARNG continued the fielding of the Advanced Bradley Full-Crew Interactive Simulation Trainer, which provides full crew-simulations training for M2A2 units, Tabletop Full-fidelity Trainers for the M2A2 and the Conduct of Fire Trainer XXI for M1A1 and M2A2. When fully fielded, these devices, in addition to the Abrams Full-Crew Interactive Simulation Trainer XXI, will be the primary simulations trainers to meet the virtual gunnery requirements of M1A1 and M2A2 crews.

—In order to meet the virtual-maneuver training requirements in the ARFORGEN process, M1A1 and M2A2 units use the Close-Combat Tactical Trainer (CCTT) and the Rehosted Simulations Network (SIMN ET) XXI, in addition to the Rehosted SIMNET CCTT Core. The CCTT, SIMNET XXI, and SIMNET CCTT provide a mobile training capability to our dispersed units.

—In order to train all ARNG units on the tactics, techniques, and procedures (TTPs) of convoy operations, the ARNG is fielding the Virtual Convoy Operations Trainer (VCOT). The VCOT, through the use of geospecific databases, provides commanders with a unique and critical mission rehearsal tool. Currently, 32 VCOT systems are positioned in the ARNG force to train units on the fundamentals of convoy operations.

—In order to meet basic and advanced rifle marksmanship requirements, the ARNG is fielding the Engagement Skills Trainer (EST 2000).

This system is the Army s approved marksmanship-training device. The ARNG is also continuing use of its previously procured Fire Arms Training System (FATS) until EST 2000 fielding is complete. The EST 2000 and FATS are also used to provide unit collective tactical training for dismounted Infantry, Special Operations Forces, Scouts, Engineer, and Military Police squads, as well as combat support and combat service support elements. These systems also support units conducting vital homeland defense missions.

—The ARNG supplements its marksmanship-training strategy with the Laser Marksmanship Training System (LMTS). The ARNG currently has over 900 systems fielded down to the company level. The LMTS is a laser-based training device that replicates the firing of the Soldier's weapon without live ammunition. It is utilized for developing and sustaining marksmanship skills, diagnosing and correcting marksmanship problems, and assessing basic and advanced skills.

—The ARNG has further developed its battle command training capability through the three designated Battle Command Training Centers (BCTCs) at Fort Leavenworth, Camp Dodge, and Fort Indiantown Gap, and the Distributed Battle Simulation Program (DBSP). BCTCs provide the backbone of the program as collective hubs in the battle command training strategy. The DBSP provides Commanders assistance from Commander s Operational Training Assistants, TADSS facilitators, and Technical Support Teams. BCTCs and the DBSP collectively help units in the planning, preparation, and execution of simulations-based battle staff training that augments the Department of the Army-directed Warfighter Exercises and greatly enhances battle staff and unit proficiency.

—In order to provide the critical culminating training event of ARFORGEN, the ARNG has implemented the XCTC. The XCTC program provides the method to certify that ARNG combat units have achieved company-level maneuver proficiency prior to mobilization. The XCTC incorporates the use of advanced live, virtual, and constructive training technologies to replicate the training experience until now only found at one of the Army's Combat Training Centers. The centerpiece of the XCTC is the Deployable Force-on-Force Instrumented Range System (DFIRST). DFIRST utilizes training technologies that allow for full instrumentation of the training area from major combat systems down to the individual Soldier, role player, and civilian on the battlefield.

—The most important part of every training exercise is the After-Action Review (AAR). By full instrumentation of the units, Soldiers, and training areas, units receive an AAR complete with two-dimensional, three-dimensional, and video playback of the actual training exercise. This allows Commanders and Soldiers to see what occurred during the training exercise from a different perspective, further enhancing the training experience.

—The Army Reserve continues to leverage—to extent resources permit—TADSS into its training program. Implementation of Army Campaign Plan Decision Point 72 continues with establishment of the 75th Battle Command Training Division (BCTD) (Provisional). This division, with five battle command training brigades, employs legacy constructive simulations to provide battle command and staff training to Army Reserve and Army National Guard battalion and brigade commanders and staffs during pre-mobilization and post-mobilization. The concept plan as well as requirements for supporting Army battle command systems and simulations drivers for the 75th BCTD is pending Headquarters Department of the Army (HQDA) approval.

—The Army Reserve continues to partner with the Program Executive Office, Simulations, Training and Instrumentation; Training and Doctrine Command agencies; and HQDA to define TADSS requirements for combat support and combat service support units. During fiscal year 2007 the Army Reserve refined concepts for the integration of live, virtual, and constructive environments to train Soldiers and units. Most notably, during the Pacific Warrior exercise in July 2007, the Army Reserve attempted to integrate live and constructive environments as it trained senior battle staffs in both constructive and live environments while lower echelon units conducted platoon lanes. The distinction between live and constructive was apparent to the senior battle staff managing exercise play. The lack of key TADSS enablers was identified in concept plans (e.g., 75th BCTD, Army Reserve Operations Groups) awaiting HQDA approval. Upon approval and subsequent fielding of the required TADSS, this gap will be filled. The 75th BCTD is on the Entity-level Resolution Federation (ERF) fielding plan. The ERF provides a high-resolution (e.g., individual Soldier-level fidel-

ity aggregated to unit resolutions) joint constructive battle staff training simulation.

—The LMTS and EST 2000 remain essential elements of Army Reserve marksmanship training. LMTS procurement continues, and distribution throughout the Army Reserve force continues to increase. The LMTS has also been adapted to support convoy operations training. In either individual premarksmanship training or convoy modes, the system allows the Soldier to use an assigned weapon, as well as crew-served weapons, in a simulation/training mode. EST 2000 systems have been fielded to many Army Reserve Engineer and Military Police organizations to enable full use of its training capabilities by units with high densities of crew-served weapons their at home stations.

—The Army Reserve also has a number of low-density simulators it employs to reduce expensive "live" time for unique combat service support equipment. For example, Army Reserve watercraft units train on the Maritime Integrated Training System (MITS), a bridge simulator that not only trains vessel captains but the entire crew of Army watercraft. In 2007 the Army Reserve invested in communications infrastructure so that the MITS at Mare Island, California, can communicate and interact with another Army MITS at Fort Eustis, Virginia. This will provide the capability to conduct distributed multiboat collective training among all the simulators. Of note, the MITS is also used by U.S. Navy, U.S. Coast Guard, and harbor management agencies. Other simulators include locomotive simulators used by Army Reserve railroad units and a barge derrick simulator for floating watercraft maintenance units. Other simulator requirements have been and are being identified in requirements documents.

—To further the use of simulations and simulators, the Army Reserve hosted a Functional Area 57 (Simulations Operations Officer) course in Birmingham, Alabama, for 26 officers of the 4th Brigade, 75th BCTD. Conducted by HQDA cadre in August and September 2007, the course was a proof-of-principle effort to assess the viability of exporting the resident course from Fort Belvoir to Army Reserve home stations. The Army Reserve intends to continue off-site delivery to the other four brigades of the 75th Division as well as the three Operations Groups while continuing to use resident school quotas to meet formal schooling requirements. Having a qualified cadre of schooled training supporters is the foundation of the use of simulations and simulators, as well as the authoring of requirements documents conducive to the procurement of simulators and simulations to meet combat support and combat service support needs.

—The Army Reserve recommendation for a low overhead driver/staff trainer for brigade-battalion combat support and combat service support Commanders was adopted as a Quick Win by the Total Army Training Capability Study (collective training). The Army is planning on procuring a solution in fiscal year 2008-fiscal year 2009 to allow Commanders to conduct stressful and doctrinally correct staff training at home station without the need for a significant investment in facilities or support technicians.

18. Summary tables of unit readiness, shown for each State, (and for the Army Reserve), and drawn from the unit readiness rating system as required by section 1121 of ANGCRRA, including the personnel readiness rating information and the equipment readiness assessment information required by that section, together with:

a. Explanations of the information: Readiness tables are classified. This information is maintained by the Department of the Army, G–3. The data is not captured and provided by state.

b. Based on the information shown in the tables, the Secretary's overall assessment of the deployability of units of the ARNG (and Army Reserve), including a discussion of personnel deficiencies and equipment shortfalls in accordance with section 1121: Summary tables and overall assessments are classified. This information is maintained by the Department of the Army, G–3.

19. Summary tables, shown for each State (and Army Reserve), of the results of inspections of units of the Army National Guard (and Army Reserve) by inspectors general or other commissioned officers of the Regular Army under the provisions of Section 105 of Title 32, together with explanations of the information shown in the tables, and including display of:

a. The number of such inspections.

b. Identification of the entity conducting each inspection.

c. The number of units inspected.

d. The overall results of such inspections, including the inspector s determination for each inspected unit of whether the unit met deployability standards and, for

those units not meeting deployability standards, the reasons for such failure and the status of corrective actions.

—During fiscal year 2007, Inspectors General and other commissioned officers of the Regular Army conducted 252 inspections of the ARNG, including 672 ARNG units. The bulk of these inspections (208) were executed by Regular Army officers assigned to the respective states and territories as Inspectors General. Of the remaining 44, 37 were conducted by First Army and the Department of the Army Inspector General and the remaining 7 by the U.S. Army Forces Command (FORSCOM); Training and Doctrine Command (TRADOC); Communications-Electronics Command; and the U.S. Army Audit Agency. Because the inspections conducted by Inspectors General focused on findings and recommendations, the units involved in these inspections were not provided with a pass/fail rating. Results of such inspections may be requested for release through the Inspector General of the Army.

—Operational Readiness Evaluation data for the Force Support Package and expanded separate brigades are unavailable, as inspections there of were eliminated as requirements in 1997. Data available under the Training Assessment Model (TAM) relates to readiness levels and is generally not available in an unclassified format. TAM data are maintained at the state level and are available upon request from state level-training readiness officials.

—In accordance with AR 1–201, Army Inspection Policy, the U.S. Army Reserve Command (USARC) conducts inspections of regional readiness commands and direct support units within requirements of the USARC Organizational Inspection Program (OIP). Per the Army Regulation, OIPs at division levels and above, mainly comprise staff inspections, staff assistance visits and Inspectors General. Staff inspections are only one aspect by which Commanding Generals can evaluate the readiness of their commands. The Inspector General conducts inspections and special assessments based on systemic issues and trends analysis with emphasis on issues that could impede the readiness of the Army Reserve.

—The Chief, Army Reserve, directed the Inspector General to conduct special assessments in fiscal year 2007 prompted by concerns over systemic issues. One was the Special Assessment of Property Accountability. It focused on policies and guidance for, compliance with standards of, and adherence to the Command Supply Discipline Program; the effectiveness of the reconstitution process; and the impact of stay-behind-theater-provided equipment on property accountability, with emphasis on transportation and communications equipment.

—Another was the Special Assessment of the Organizational Inspection Program, which evaluated the OIP to determine if Commanders were using it to assess readiness and to reinforce goals and standards withintheir commands. These assessments also encompassed an annual regulatory review of compliance with and effectiveness of, the Army Voting Assistance Program, a program of special interest to the Department of the Army.

—The Army Reserve is meeting regulatory requirements through a combination of Battle-Focused Readiness Reviews (BFRRs) and staff assistance visits, with the assistance visits conforming to regulatory requirements of AR 1–201. The BFRR is the tool used by major subordinate Commanders to provide the Army Reserve Commanding General a status on resources and readiness of their commands, and resolve systemic issues/trends in order to achieve continuous improvements in readiness. The Army Reserve conducted 16 BFRRs in fiscal year 2007. The staff assistance visits were more oriented to a particular topic in the staff proponent's area.

20. A listing, for each ARNG combat unit (and U.S. Army Reserve FSP units) of the active-duty combat units (and other units) associated with that ARNG (and U.S. Army Reserve) unit in accordance with section 1131(a) of ANGCRRA, shown by State, for each such ARNG unit (and for the U.S. Army Reserve) by: (A) the assessment of the commander of that associated active-duty unit of the manpower, equipment, and training resource requirements of that National Guard (and Army Reserve) unit in accordance with section 1131(b)(3) of the ANGCRRA; and (B) the results of the validation by the commander of that associated active-duty unit of the compatibility of that National Guard (or U.S. Army Reserve) unit with active duty forces in accordance with section 1131 (b)(4) of ANGCRRA:

—There are no longer ground combat active or reserve component associations due to operational mission requirements and deployment tempo.

—As FORSCOM's executive agent, First Army and USARPAC (U.S. Army Pacific) for Pacific based Reserve Component units, executes the legislated active duty associate unit responsibilities through both their pre-mobilization and post-mobilization efforts with reserve component units. When reserve component units

are mobilized they are thoroughly assessed in terms of manpower, equipment, and training initially by the appropriate chain of command, and that assessment is approved by First Army or USARPAC as part of the validation for unit deployment.

—Validation of the compatibility of the reserve component units with the active duty forces occurs through the mobilization functions with the direct oversight of First Army, USARPAC and FORSCOM at the Mobilization Centers.

—The Army's Transformation from a division-centric to brigade-centric organization, execution of ARFORGEN, and acceleration of modularity and rebalancing efforts in the ARNG and Army Reserve, coupled with lack of available active ground combat units to conduct annual assessment of reserve component units, should obviate the reporting requirement stipulated in Title 10, U.S. Code, Section 10542, Army National Guard Combat Readiness Annual Report.

21. A specification of the active-duty personnel assigned to units of the Selected Reserve pursuant to section 414(c) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 261 note), shown (a) by State for the Army National Guard (and for the US Army Reserve), (b) by rank of officers, warrant officers, and enlisted members assigned, and (c) by unit or other organizational entity of assignment:

—As of September 30, 2007, the Army had 3,251 active component Soldiers assigned to Title XI positions. In fiscal year 2006, the Army began reducing authorizations in accordance with the National Defense Authorization Act 2005 (Public Law 108–767, Section 515). Army G–1, and U.S. Army Human Resources Command carefully manages the authorizations and fill of Title XI positions. The data are not captured and provided by state.

TITLE XI (FISCAL YEAR 2007) AUTHORIZATIONS

| | OFF | ENL | WO | TOTAL |
|---|---|---|---|---|
| OA–22 | ..... | 2 | ..... | 2 |
| U.S. Army Reserve | 25 | 83 | ..... | 108 |
| TRADOC | 83 | 80 | ..... | 163 |
| FORSCOM | 1,155 | 2,225 | 121 | 3,501 |
| ESGR | ..... | ..... | ..... | ..... |
| USARPAC | 30 | 54 | 1 | 85 |
| TOTAL | 1,293 | 2,444 | 122 | 3,859 |

ADDENDUM B—INFORMATION PAPERS

For more information about the topics below: www.army.mil/aps/08/information__papers/information__papers.php

*Sustain*

Army Career Intern Program
Army Career Tracker
Army Community Services
Army Family Action Plan
Army Continuing Education System
Army Family Housing
Army Family Team Building Information
Army Integrated Family Support Network
Army Medical Action Plan
Army Referral Bonus Pilot Program
Army Reserve Child and Youth Services
Army Reserve Employer Relations
Army Reserve Voluntary Education Services
Army Reserve Voluntary Selective Continuation
Army Retention Program
Army Spouse Employment Partnership
Army Strong
Army Suicide Prevention Program
Army Transferability of GI Bill Benefits to Spouses Program
ARNG Active First
ARNG Education Support Center
ARNG Family Assistance Centers
ARNG Freedom Salute
ARNG GED Plus
ARNG Periodic Health Assessment
ARNG Post Deployment Health Reassessment
ARNG Recruit Sustainment Program
ARNG Recruiter Assistance Program
ARNG Yellow Ribbon Program
Better Opportunity for Single Soldiers
Child and Youth School Transition Services
Commissary and Exchange Quality Of Life
Community Based Health Care Organization
Defense Integrated Military Human Resource System

Deployment Cycle Support
Diversity
Equal Opportunity and Prevention of Sexual Harassment
Exceptional Family Member Program Respite Care
Family Advocacy Program
Family Readiness Support Assistant
Freedom Team Salute
Full Replacement Value and Families First
Job Swap Program
Medical and Dental Readiness
Military Family Life Consultants
Military One Source
Military to Civilian Conversions
Morale Welfare and Recreation
MyArmyLifeToo
National Security Personnel System
Officer Retention
Privatization of Army Lodging
Residential Communities Initialization
Sexual Assault Prevention
Soldier and Family Assistance Centers
Soldier and Family Readiness Board of Directors
Strong Bonds
U.S. Army Wounded Warrior Program
U.S. CENTCOM Rest and Recuperation Leave Program
Warrior in Transition
Wellness Assessment and Education

*Prepare*

Add-on Armor for Tactical Wheeled Vehicles
Army Asymmetric Warfare Group
Army Asymmetric Warfare Office
Army Combat Training Center Program
Army Distributed Learning Program
Army Initiatives to Improve Irregular Warfare Capability
Army National Guard Readiness Centers
Army Training Support System
ARNG Exportable Combat Training Capability
Basic Officer Leader Course
Biometrics
College of the American Soldier
Combating Weapons of Mass Destruction
Contractor-Acquired Government-Owned Equipment
Global Force Posture
Interceptor Body Armor
Live Virtual Constructive Integrating Architecture
Mine Resistant Ambush Protected Vehicles
Multi-Source Assessment and Feedback Program
Persistent Conflict
Property Accountability
Rapid Equipping Force
Rapid Fielding Initiative
Red Team Education and Training
Robotics
Sustainable Range Program
Unit Combined Arms Training Strategies
U.S. Army Combat Training Centers
Up-Armored High-Mobility Multipurpose Wheeled Vehicle
Warrior Tasks
Western Army National Guard Aviation Training Site

*Reset*

360-Degree Logistics Readiness
Army Equipping and Reuse Conference
Army Sustainability
Black Hawk Utility Helicopter
Building Army Prepositioned Stocks
CH–47 Medium Lift Helicopter
Depot Maintenance Initiatives
Equipment Reset Program
Life Cycle Management Initiative
Longbow Apache
Raven Small Unmanned Aircraft System
Retained Issue
Retrograde
Shadow Unmanned Aircraft System
War Reserve Secondary Items

*Transform*

Accelerate Army Growth
Active Component Reserve Component Rebalance
Armed Reconnaissance Helicopter
Army Distributed Learning Program
Army Force Protection Division Initiative
Army G–4 Lean Six Sigma
Army Integrated Logistics Architecture
Army Intelligence Transformation
Army Leader Development Program
Army Modernization Plan
Army Netcentric Data Strategy
Army Officer Education System
Army Power Projection Platform
Army Reserve Facility Management
ARNG Chemical, Biological, Radiological, Nuclear and High-Yield-Explosive—Enhanced Response Forces
ARNG Civil Support Teams
ARNG Operational Support Airlift Agency
ARNG State Partnership Program
Barracks Modernization Program
Base Realignment and Closure Program
Battle Command as a Weapons System
Campaign Quality Force
Civil Works
Civilian Education System
Common Levels of Support
Common Logistics Operating Environment

Concept Development and Experimentation
CONUS Theater Signal Command
Cultural and Foreign Language Capabilities
Cyber Operations
Defense Support to Civil Authorities
Defense Support to Civil Authorities Special Events
Defense Support to Civil Defense Coordinating Officer
Digital Training Management System
Enhancing Joint Interdependence
Every Soldier is a Sensor/Human Terrain Teams
Expeditionary Capabilities
Expeditionary Contracting
Expeditionary Theater Opening
Flat Network Intelligence Access
Full Spectrum Operations
Intelligence Training
Interceptor Body Armor
Joint Knowledge Development and Distribution
Joint National Training Capability Activities
Joint Precision Airdrop System
Joint Tactical Radio System
Lakota
LandWarNet and the Global Information Grid
Logistics Automation
Major Acquisition Programs Future Combat System
MANPRINT
Medium Extended Air Defense System
Micro Electrical Mechanized Systems with RFID
Military Construction Transformation
Military Intelligence Capacity and Rebalance
Modular Force Conversion
Next Generation Wireless Communications
Non-Commissioned Officer Education System
Pandemic Influenza Preparation
Persistent Surveillance
Restructuring Army Aviation
Revitalizing Army Human Intelligence
Science and Technology
Single Army Logistics Enterprise
Spiral Technology and Capabilities
Stability Operations Capabilities
Transform
Warrior Unmanned Aircraft System
Warfighter Information Network-Tactical (WIN–T)

*Other Important Information Papers Army Medical Action Program*

Army Knowledge Online—DKO
Army Direct Ordering
Army Environmental Programs
Army Values
ARNG Agribusiness
ARNG Counterdrug
ARNG Environmental Programs
ARNG Fishing Program
ARNG Youth Challenge
Building Partnership Capacity
Civilian Corps Creed
CONUS Theater Signal Command
Energy Strategy
Fixed Regional Hub Nodes
Funds Control Module
General Fund Enterprise Business System
Institutional Training
Information Assurance and Network Security
Lean Six Sigma 2007
Organizational Clothing and Individual Equipment
Real Estate Disposal
Redeployment Process
Soldier as a System
Single DOIM and Army Processing Centers
Soldiers Creed
Streamline OCIE Processes
U.S. Army Combat Training Center Program
U.S. Army North
Warrior Ethos
Western Hemisphere Institute for Security Cooperation

ADDENDUM C—WEBSITES

Army Business Transformation Knowledge Center: This site provides information on Army Business Transformation.

http://www.army.mil/ArmyBTKC/index.htm

Army Center Capabilities and Information Center (ARCIC): This site provides background on ARC IC.

http://www.arcic.army.mil

Army Logistics Transformation Agency: This site provides information on Army logistics transformation.

http://www.lta.army.mil

Army Medicine: This site provides information on Army medical programs.

http://www.armymedicine.army.mil

Army Modernization Plan: This site provides a detailed overview of the Army's organizational and materiel modernization efforts.

http://www.army.mil/features/MODPlan/2006/

Army National Guard: This site provides information about the Army National Guard.

http://www.arng.army.mil

Army Posture Statement: This site provides the web-based version of the Army Posture Statement which includes amplifying information not found in the print version.

http://www.army.mil/aps

Army Sustainability: This site provides information on Army sustainability efforts.

http://www.sustainability.army.mil

Army Training and Doctrine Command (TRADOC): This site provides background on TRADOC.

http://www.tradoc.army.mil

Army Website: This site is the most visited military website in the world, averaging about seven million visitors per month or 250 hits per second. It provides news, features, imagery, and references.

http://www.army.mil

Army Wounded Warrior Program: This site provides information on the Army's Wounded Warrior Program which provides support for severely wounded Soldiers and their Families.

https://www.aw2.army.mil/

Chief Information Officer, CIO/G–6: This site provides information on Army information operations.

http://www.army.mil/ciog6/

Deputy Chief of Staff for Intelligence, G–2: This site provides information on Army Intelligence initiatives.

http://www.dami.army.pentagon.mil

Deputy Chief of Staff for Logistics, G–4: This site provides information on Army logistics.

http://www.hqda.army.mil/logweb/

Deputy Chief of Staff for Operations, Plans, and Policy, G–3/5/7: This site provides information on Army operations, policies and plans.

http://www.g357extranet.army.pentagon.mil/#

Deputy Chief of Staff for Personnel, G–1: This site provides information on personnel issues.

http://www.armyg1.army.mil

Deputy Chief of Staff for Programs: This site provides information on materiel integration.

http://www.g8.army.mil

Future Combat Systems: This site provides information on the Future Combat Systems program.

http://www.army.mil/fcs

My ArmyLifeToo Web Portal: This site serves as an entry point to the Army Integrated Family Support Network (AIFSN).

http://www.myarmylifetoo.com

United States Army Reserve: Provides information about the Army Reserve.

http://www.armyreserve.army.mil/usar/home

Western Hemisphere Institute for Security Cooperation (WHINSEC): This site provides the history and overview of WHINSEC.

https://www.infantry.army.mil/WHINSEC/

ADDENDUM D—ACRONYMS AND INITIALIZATIONS

AC—Active Component
ACOM—Army Command
AMC—Army Materiel Command
APOE—Aerial Port of Embarkation
APS—Army Prepositioned Stocks
ARFORGEN—Army Force Generation
ARI—Army Research Institute
ARNG—Army National Guard
ASC—Army Sustainment Command
ASCC—Army Service Component Command
ASV—Armored Security Vehicle
AW2—U.S. Army Wounded Warrior Program
BCT—Brigade Combat Team
BfSB—Battlefield Surveillance Brigade
BOLC—Basic Officer Leader Course
BRAC—Base Realignment and Closure
BT—Business Transformation

CBRN—Chemical, Biological, Radiological, and Nuclear
CBRNE—Chemical, Biological, Radiological, Nuclear and High Yield Explosives
CES—Civilian Education System
CM—Consequence Management
COIN—Counterinsurgency
CPI—Continuous Process Improvement
CS—Combat Support
CSS—Combat Service Support
CT—Counter Terrorist
CTC—Combat Training Center
CWMD—Combating Weapons of Mass Destruction
DCGS–A—Distributed Common Ground System—Army
DMDC—Defense Manpower Data Center
DOD—Department of Defense
ES2—Every Soldier a Sensor
FCS—Future Combat Systems
FTS—Full Time Support
GBIAD—Ground Based Integrated Air Defense
GCSC–A—Global Combat Service Support—Army
GDP—Gross Domestic Product
GDPR—Global Defense Posture Review
GFEBS—General Fund Enterprise Business System
GWOT—Global War on Terrorism
HMMWV—High Mobility Multipurpose Wheeled Vehicle
HSDG—High School Diploma Graduates
HST—Home Station Training
HUMINT—Human Intelligence
IBA—Improved Body Armor
IED—Improvised Explosive Device
ISR—Intelligence, Surveillance, and Reconnaissance
IT—Information Technology
JIEDDO—Joint Improvised Explosive Device Defeat Organization
JIOC–I—Joint Intelligence Operations Capability—Iraq
JTF—Joint Task Force
LMP—Logistics Modernization Program
LSS—Lean Six Sigma
METL—Mission Essential Task List
MFO—Multinational Force and Observers
MI—Military Intelligence
NCO—Non-Commissioned Officer
NDAA—National Defense Authorization Act
OA&D—Organizational Analysis and Design
OEF—Operation Enduring Freedom
OIF—Operation Iraqi Freedom
OPTEMPO—Operational Tempo
O&M—Operations and Maintenance
PLM+—Product Lifecycle Management Plus
QDR—Quadrennial Defense Review
RC—Reserve Component
RCI—Residential Communities Initiative
RDA—Research, Development, and Acquisition
REF—Rapid Equipping Force
RFI—Rapid Fielding Initiative
SDDC—Surface Deployment and Distribution Command
SIGINT—Signals Intelligence
SMS—Strategic Management System
TPFDD—Time Phased Force Deployment Data
QOL—Quality of Life
UAS—Unmanned Aerial Systems
USAR—United States Army Reserve
VA—Veterans Affairs
WMD—Weapons of Mass Destruction

Senator INOUYE. And now, may I call upon General Casey?

STATEMENT OF GENERAL GEORGE W. CASEY, JR.

General CASEY. Thank you, Mr. Chairman, Senator Stevens. Thank you. Very good. Thank you, Senator Inouye, Senator Stevens, members of the subcommittee.

It is my first appearance here, and I do welcome the opportunity to speak with you today and to provide some context for this fiscal year 2009 budget that we're presenting to you today.

Our country is in our seventh year at war, and your Army remains fully engaged around the world and at home. I believe, as the Secretary mentioned, that we are in and will be in a decade or so of what I call "persistent conflict." And I define persistent conflict as a period of protracted confrontation among state, nonstate, and individual actors who are increasingly willing to use violence to accomplish their political and ideological objectives.

And as I look to the future, that is what I see for us, and that's the future that I believe that we as an Army and we as a Nation need to prepare for. Now, on top of that, as I look at the international security environment, I see some trends that will actually exacerbate and prolong this period of persistent conflict.

For example, globalization. There is no question that globalization is having positive impacts around the world. But unfortunately, those positive impacts are unevenly distributed, and it's creating an environment of have and have-not states. And if you look primarily south of the equator—South America, Africa, Middle East, South Asia—you see what I mean. And what happens is that these have-nots states create fertile recruiting bases for global extremist groups.

Technology is another double-edged sword. The same technology that is pushing knowledge to anyone in the world with a computer is being used by terrorists to export terror around the world.

Demographics are going in the wrong direction. But, by some estimates, some of these developing countries are expected to double in population in the next 10 to 20 years, and some projections are that 60 percent of the world's populations are going to live in these sprawling cities in 10 or 20 years. That will create, again, breeding grounds for extremist recruitment.

Two trends that worry me the most? Weapons of mass destruction. We know there's over 1,200 terrorist groups around the world. Most, if not all of them, are working hard to get weapons of mass destruction. And there's no question in my mind that if they get them they will intend to use them against a developed country.

And the second thing that worries me the most are safe havens. Ungoverned space or states that allow terrorists to operate from their territory that can be used to plan and export terrorist operations, much like we saw in Afghanistan.

So facing that future, and having been at war for 7 years, we believe that our Army must be versatile enough to adapt to the rapidly—rapidly to the unexpected circumstances that we'll face. And we are building, and have been building, an agile, campaign-capable, expeditionary Army that we believe can deal with these challenges.

Now, as the Secretary said, the cumulative effects of 6-plus years at war have put us out of balance. Let me just describe what I

mean by that. Basically, the current demands on our forces exceed the sustainable supply. And we're consumed with meeting our current requirements, and as a result are unable to provide forces as rapidly as we would like for other things, and we're unable to do the things we know we need to do to sustain this magnificent all-volunteer force.

Our reserve components are performing magnificently, but in an operational role for which they were neither organized nor resourced. The limited periods of time between deployments necessitate that we focus on counter insurgency training at the expense of training for the full spectrum of operations. Our soldiers, our families, our support systems, and our equipment are stretched by the demands of these repeated deployments. So, as the Secretary said, overall we're consuming our readiness just as fast as we can go.

Now, I wrestled hard to find the right words to describe the state of the Army. Because it isn't broken, it isn't hollow, it's a hugely competent, professional, and combat-seasoned force. But, as I think we all acknowledge, we are not where we need to be. Now, with your help, Mr. Chairman, we have a plan to restore balance and preserve this all-volunteer force and restore the necessary breadth and depth to Army capabilities.

And we've come up with four imperatives that we believe that we need to execute to put ourselves back in balance—sustain, prepare, reset and transform. Let me just say a few words about each of them.

First and foremost, we have to sustain our soldiers, families, and civilians. They are the heart and soul of this Army. And they must be supported in a way that recognizes the quality of their service. The Secretary mentioned some of the initiatives that we're taking, and these will continue with your support.

Now, second, prepared. We cannot back away from our commitment to continue to prepare our soldiers for success in this current conflict and give them the tools that they need to be successful. They must have an asymmetric advantage over any enemy that they face.

Third is reset. And reset is about returning our soldiers and their equipment to appropriate conditions for future deployments and contingencies. In fiscal year 2007, you provided us the resources to properly reset the force. And, as a result, we've made significant strides in putting capabilities and systems into the force. But resources for reset are the difference between a hollow force and a versatile force for the future.

And last, transform. Several of you mentioned—the chairman and the co-chairman mentioned—that even as we're working to put ourselves back in balance, we can't take our eyes off the future, and we thoroughly agree with that. We must continue to transform our Army into an agile campaign-quality expeditionary force for the 21st century.

And for us, transformation is a holistic effort. It's adapting how we train, how we fight, how we modernize, how we develop leaders, and how we take care of our soldiers and families.

To guide our transformation, we're releasing the first adaptation of our Basic Operations Doctrine since September 11, 2001—Field

Manual 3 (FM3) Operations. We expect this to guide our transformation and it describes—one, how we see the future security environment, and two, how we believe Army forces should operate for success in that environment. Let me just give you five key elements that are represented here in this manual.

First, it describes the complex and multidimensional operational environment of the 21st century. An environment where we think war will increasingly be fought among the people.

Now, second, this manual elevates stability operations to the level of offense and defense. And in the core of it is an operational concept called Full Spectrum Operations. Army formations apply offense, defense, and stability operations simultaneously to seize the initiative and achieve decisive results.

Third, it describes a commander's role in battle command that is an intellectual process, more designed to solving developing solutions for the tough, complex problems our commanders will face, than a military decisionmaking process to prepare operations orders.

Fourth, it emphasizes the importance of information superiority in modern conflict.

And last, it acknowledges that our soldiers, even in this 21st century environment, remain the centerpiece of our formations.

So we believe this doctrine is a great starting point on which to build on the experience of the last 7 years and to shape our Army for the future. So that's our plan Senators—sustain, prepare, reset, and transform.

In the last 2 years, you have given us the resources to begin this process for putting the Army back in balance. The fiscal year 2009 budget, the war on terrorism supplemental that will accompany it, and the balance of the 2008 war on terrorism supplemental will allow that process to continue.

We certainly appreciate your support. And I want to assure you that we have worked very hard to put the resources that you have given us here to good use. And let me just give you a couple of examples.

First, we've made great strides through the Army Medical Action Plan in improving care to our wounded warriors.

Second, we've initiated an Army Soldier Family Action Plan to improve the quality of support for our families.

Third, we are over 60 percent through our conversion to modular organizations. This is the largest organizational transformation of the Army since World War II, and these formations that we're building are 21st century formations. I've seen the power of them on the ground in Baghdad.

We're also over 60 percent complete a rebalancing of 120,000 soldiers from skills we needed in the cold war to skills more relevant to the 21st century. We've reset 120,000 pieces of equipment. We've privatized more than 4,000 homes just last year, giving us over 80,000 privatized homes for our soldiers and families. And the depots of our Army Materiel Command have won industry prizes for efficiency. They won 12 of what they call Shingo Awards from commercial industry for their efficiency.

So, as you can see, we are not sitting still, and we are working hard to give the Nation the Army it needs for the 21st century.

Now, let me just close here, Senators, with a story about quality, because I get—and I suspect will get today—questions on the quality of the Army. I was up in Alaska in December right before Christmas, and I had the occasion to present a Distinguished Service Cross to a sergeant. This was Sergeant Greg Williams.

He was on a patrol with his Stryker in Baghdad in October 2006. That patrol came into an ambush. And they were taken under fire from three different directions and with four explosively formed penetrator Improved Explosive Devices (IEDs). And those are the armor piercing IEDs that can be very, very lethal to our forces. They all struck simultaneously.

He was knocked out, eardrum burst. He awoke to find his uniform on fire, and his Stryker on fire. He put his uniform out. His first instincts? Grab the aid bag and start treating my fellow soldiers. He did that. He didn't realize that his lieutenant was still in the burning vehicle. He ran back in the burning vehicle, dragged the lieutenant to safety, still under fire.

He was returning fire when he realized that the .50 caliber machine gun on the Stryker was not being manned. That was the most potent weapon in the squad. He ran back in the burning vehicle which, oh by the way, still contained about 30 pounds of TNT and detonating cord. He got on the .50 caliber, brought it to bear, broke the ambush, and the squad escaped.

Now, that's the type of men and women that we have in the Army today. And you can be extremely proud of the job they're doing around the world, while our success in the future will require more than the courage and valor of our soldiers to ensure that we can continue to fight and win the Nation's wars in an era of persistent conflict.

It will require recognition by national leaders, like yourselves, of the challenges that America faces in the years ahead. And it will require full, timely, and predictable funding to ensure that the Army is prepared to defeat those threats and to preserve our way of life.

So thank you very much for your attention. And the Secretary and I will be very glad to take your questions.

CONTRACTOR PERSONNEL

Senator INOUYE. I thank you very much, General. And thank you, Secretary. Mr. Secretary, to the credit of the United States Army, last September commissioned a special investigating commission to look into acquisitions, personnel—especially contracting personnel—the so-called Gansler Commission.

And together with the Government Accountability Office (GAO) reports and other Army reviews that were conducted under your supervision, have all noted the need for more numbers of sufficiently trained contract oversight personnel, and the need for specialized training in contracting in expeditionary operations.

The Gansler report, for example, highlighted that only 56 percent of the military officers and 53 percent of civilians in the contracting career are certified for their current positions. What steps are we taking now?

Mr. GEREN. We've made great progress since that time. When I commissioned the Gansler report, I also commissioned a task force,

and the job of the task force was to do everything we could do immediately, and not wait until the commission finished. And the task force and the Gansler Commission worked hand-in-hand over the course of the couple months that it took Dr. Gansler to produce his report.

But we've taken the recommendations of that commission as a blueprint for building the contracting force that we need for the future. We've established a two-star contracting command, as recommended by Dr. Gansler. Unfortunately, and as we tried to implement many of his recommendations, we don't have the deep bench in contracting in order to fill these positions.

But we created a two-star contracting command, which temporarily is filled by an SES two-star equivalent. We've created a one-star command for expeditionary contracting, and we've created another one-star command for installation contracting, and we've set up seven contracting brigades so it gives us seven 06 colonel-level positions.

So we can start building a bench, so people that are in the contracting community in our Army have a future in the Army. We also have instructed our selection boards to take into consideration the contracting experience as they promote officers. We have made great progress. We also have added 400 additional personnel into contracting, and are seeking to add another 800 into it, and building training programs along the way.

The fact is, we have had a very empty bench in the contracting area. Dr. Gansler did a good job of laying out blueprints of where we need to go. But over the course of the 1990s and in the early parts of this century, we allowed our contracting capability to wither. And when we look at the Army of the future, the deployable Army of the future, it is always going to deploy with a very significant support from contractors. Dr. Gansler estimated from here on it will always be about 50/50—50 percent uniformed military, 50 percent contractors.

So we need to have in our Army people who are trained to supervise, trained to execute, and trained to operate the acquisition and contracting side. We've taken steps. It's going to be a multiyear process to get us back to where we need to be, and be something that we're starting in a hole, but we're making progress.

Senator INOUYE. We have been advised that the Army's Criminal Investigation Division has 90 ongoing investigations in Iraq, Kuwait, and Afghanistan, and that 24 U.S. citizens, including 19 civilian or military officials, have been indicted or convicted. And the contracts involved in the investigations have a potential value of more than $6 billion.

The Army has identified more than $15 million in bribes, and more than $17 million levied in fines or forfeitures. Can you give us a current situation?

Mr. GEREN. Sir, the statistics that you cited, they are accurate. And last summer, it was recognition of the problem in Kuwait that led me to set up the task force and to establish the Gansler Commission.

We have doubled the personnel over in Kuwait. We have taken many of the contracts that were in Kuwait, up to 18,000 of them, and used reach-back capabilities here in the United States to re-

view all those contracts. We've already achieved significant savings in excess of $10 million.

We've put new leadership over there. We have a colonel running the operation, who has got the operation in shipshape. We've given him the personnel he needs, we've given him the trained people that he needs, and we're providing support here back at home.

The Kuwait Contracting Office was not properly staffed and not properly trained to accommodate—to handle the huge volume of contracts that were going through that office. The number of contracts in Kuwait quintupled, and we did not staff up to meet that. Last summer, in recognition of that, we completely overhauled the operation, put in new leadership, and supported it with reach-back capabilities here. I believe we have it in hand today.

It's a sad day for the Army that we have seen that kind of criminal conduct, both by civilians and senior leaders of our military. It's a very black mark on our Army, but we have taken steps to correct it. And I believe today you would be satisfied with the operation we have in Kuwait.

Senator INOUYE. So you're satisfied that it's under control?

Mr. GEREN. Yes, sir. I am.

RECRUTING AND RETENTION

Senator INOUYE. I have one more question here on the DOD recruiting. We set a quality benchmark up until now of 90 percent high school grads. I've been told that in fiscal year 2007, less than 80 percent of the recruits had high school diplomas, which is a 2 percent decrease from 2006.

What is the Army doing to address this problem?

Mr. GEREN. The Secretary of Defense's goal for high school diploma grads is 90 percent. It's important to note, though, every soldier that we bring into the Army has a high school diploma or a high school equivalent. They are either a diploma grad or a GED.

But we did fall below our goals in 2007, and we've made a commitment that, as we work to grow the force and accelerate the growth of the force, that we will not fall below the 2006 quality marks. And we're taking a number of steps in order to improve the quality marks. I think some of the recruiting initiatives that are going to help us in that regard. We are still above the congressional requirements in those areas, but we're not where we need to be.

But I think when you look at—we try to use those quality indicators as predictors of whether or not a young man or young woman will succeed in the Army. As you see also, we've increased the number of waivers of young men and women that we bring in the Army, for a variety of reasons. We've found that those soldiers we bring in under waivers—and it's a very painstaking and labor intensive process—but every soldier that we bring in under a waiver is required to go through a 10-step approval process.

And somebody with any sort of serious information in his or her past has to be reviewed by a general officer. We've found that those waivered soldiers—and we did a study of all 17,000 waivered soldiers that came in from 2001 to 2006—and we've done a good job of picking those soldiers out of the many applicants that seek to join the Army.

They've proven to promote faster than those who came in through the normal process. They've had more awards for valor than those who came in outside of the waiver process. They have re-enlisted at a higher rate. And even though some think, because they're waivers they're lesser quality, this process that we use to pick through all those who seek waivers and identify ones who are qualified to join the Army, has really been a success.

So that's an area that we have had a lot of questions about, but when we examined it, it showed that we were finding soldiers that were performing well.

But I think one of the most important things to keep in mind when we think about recruits, we are an Army at war. We are a Nation at war. And a lot of intangibles go into determining whether or not a young man or young woman is going to be a good soldier. But commitment, and commitment to selfless service, has to be at the top of the list.

And every young man or woman that joins the Army today knows they're joining an Army at war. 170,000 of them joined an Army at war this last year. And we are not where we want to be on high school diploma grads, but that's the screening—that's the bottom line that everybody has to pass when they join the Army today. And I think that's helped us get the kind of young men and women that make good soldiers.

But we're working to try to meet those quality marks. I can't tell you we'll do it in 2008, but I can tell you we're not going to let it drop below where we were in 2006.

Senator INOUYE. Thank you very much, Mr. Secretary, and your statement and response is most reassuring. Senator Stevens.

FACILITIES TO SUPPORT GROW THE ARMY

Senator STEVENS. Thank you very much. I do have some questions I'll submit for the record. But, Mr. Secretary, we're looking at adding 65,000 new troops within 4 years, it looks like, and that goal seems to be doable. But what about the facilities that we have to have for those people? Most of them now are married and they're all volunteers. Are we keeping up with the facilities requirement for 65,000 new people?

Mr. GEREN. We are. And we budgeted fully for all the costs and all the facilities for that 65,000 growth. And we've added—in order to speed up that growth, move it from 2012 to 2010—we have added money in our supplemental requests. But we have in the base budget $70 billion over the future years' defense programs to cover the cost of bringing those soldiers and their families into the Army. And we believe that we can do it.

Now, in order to accomplish that, we need to have timely and predictable funding. And particularly in the military construction area, over the last several years, the delays in getting the funding to the Army have made synchronization of some of these construction programs a challenge. And, as you know, a continuing resolution also fails to give us the authorities for new starts that we need.

So we're having to manage a system that requires a lot of synchronization without having the kind of predictability in funding. But we do have the money in the budget to do it, and we're on

track to do it. But, last year, also, we had a $560 million cut from our base realignment and closure (BRAC) budget. So those hiccups along the way make the planning and the synchronization a challenge. But we do have the money in the budget to do it.

ENLISTMENT WAIVERS

Senator STEVENS. You've mentioned this problem of these waivers. When I was home last week, I found and sent—General Casey was up there—I found that the dropout rate in our high schools is increasing, but a large number of those people are going into the National Guard Challenge Program. They really want to get into uniform. They're the people of 17 and 18 years old that don't want to finish high school. They really want to go into the service.

You do have an age barrier there in terms of enlistment, right? They have to be at least 18?

Mr. GEREN. Well, you can actually sign up when you're 17.

Senator STEVENS. You can.

Mr. GEREN. Uh-huh.

Senator STEVENS. But you have to have a GED or a high school diploma, right?

Mr. GEREN. Yes, sir. Uh-huh. And we——

Senator STEVENS. What do you do about these people coming in from the Guard's Challenge Program? Do they come in automatically? Is a GED automatic for that program?

Mr. GEREN. Well, as I understand the Guard program, they go through the Challenge and they earn a GED. The active Guard and Reserve, we're all working on innovative programs to try to provide additional educational opportunities for young men and women who want to join the Army. The dropout rate is a serious problem, and it varies across the country. There are certain States where we have a very high dropout rate, and many of those States are States where people have a high propensity to join the military.

So we are coming up with plans that I think will really bear fruit over the next several years, where we try to get these young people who have good aptitude, and they want to serve, and help them get their GED, or in some cases, help them stay in school and get their high school diploma.

As an Army, as we look to the future, and we look to large segments of the population that are not finishing high school, many of them could be contributors in our Army or other places. We're trying to help our society as a whole get these young people educated, and the Guard has been very innovative in that area. And the active duty has learned some good ideas from them, and we're implementing them.

Other issues, too, that are going to affect the long-term—obesity. You look at these long-term trends, young people, unfortunately, aren't as physically fit. And so we've got a lot of challenges like that. High school diploma grads in certain parts of the country, obesity in certain parts of the country—they're challenges that, as the Army looks 10 years down the road, that we're going to have to be very creative in figuring out ways to identify the young people who can succeed in the Army that may fall outside of the metrics that we've looked at in the past.

LANGUAGE TRAINING

Senator STEVENS. General Casey, Senator Inouye—and I were on a trip over to the Philippines one time, at Mindanao, and we found your people training some of the Philippine soldiers on how to deal with al Qaeda and the terrorists that are apparently in some of those islands.

It raised a question with me as to whether or not we ought to have greater training in terms of languages within the Army. What are we doing about preparing our people to deal with these languages? That was one of the stumbling blocks in Iraq, and certainly been a stumbling block in Afghanistan. As we go into this 21st century Army, are we going to emphasize language training anymore?

General CASEY. We absolutely have to do that. And just as an aside, Senator, the young man, Sergeant Greg Williams, who I mentioned earlier in my opening comments, I found out while I was up in Alaska last weekend that he's actually in the Philippines right now helping train some of those Philippine Army soldiers.

You're absolutely right. We need to greatly increase what we're doing to prepare our soldiers to deal in these other cultures. We have several levels that we're working on now. First of all, our foreign area officers and our linguists who require a skill are about a small percentage of our force. They get first-rate quality training, and obviously they're getting a lot of experience on the ground in Iraq and Afghanistan.

The second program that we've begun here is operational language testing where we take soldiers who are getting ready to deploy, for example, to Iraq or Afghanistan, and send a number of them off to Defense Language Institute for about 10 months. And they get a good dipping in the local language.

Third, for the bulk of the soldiers that are deploying, there is some basic language training in the commands and things they need to operate in the environment they're operating with. And we're working with some industries to develop these translators where you can just put in a phrase, hit a button, and it comes out in another language. But those are a few more years out.

We're also looking at language requirements for officers and how we should adapt our policies for our, for example, ROTC scholarship graduates. And I have instructed my training and doctrine commanders responsible for these initiatives to come back in about the next several months here and give us a complete laydown on a holistic policy.

But we are moving. We are not going as fast as I would like us to go, because I believe, as you do, that it's critical for our soldiers, if we're going to work in these other cultures, to have the basic understanding of the languages they are dealing in.

Senator STEVENS. Well, I was interested in what Secretary Geren just said, because if you look at these school districts now, I think we're teaching in high schools in Anchorage some 40 different languages right now. I don't think we're taking advantage of the multicultural situation in many parts of our country.

Some of those students could be trained in the language that you need, as easy as anything else. It is a variance thing. I've got to

tell you, personally, I don't agree with it. I think we ought to teach all our kids in the English language, but we still have the problem of doing that in terms of some of the newcomers. I would hope—let me ask just one last question, Mr. Chairman.

RESET

It is my understanding that the reset program for the 4th of the 25th up there in Fort Richardson was a model. It was sort of a pilot project. What have you learned from the pilot project as far as reset is concerned? It is my understanding, they were reset at home. They were brought home for reset, instead of stopping off in someplace on the way home.

General CASEY. Right. What we're trying to do here is to come up with a standardized, 6-month reset model for Army units. So when they come back from an extended deployment, they have time to rest. But at the same time, they are put back in a deployable posture in 6 months, so they're ready to either begin training for whatever's next or to deploy again.

And to do that, it requires doing our personnel and equipment policies differently. So, yes, what did we learn from the 4/25th up there in Alaska? When I went up there to talk to them this last week, the biggest concern they had was that we had some difficulty with our personnel policies.

They needed assignment orders for about 400 or 500 folks they were having difficulty getting. And so I sent a team from the Department up there to sort that out, and they're up there now doing that this week.

The other thing that we're doing is our Training and Doctrine Command has developed programs of instruction for our noncommissioned officer education programs that are about 60 days. That took a lot of doing, because there are a lot of different skill sets required. But all but a handful now are done within about 60 days.

And for the large populations of those skills, we're able to deploy teams to their home station. So it's kind of what you suggested, Senator, that they were reset at home. Where we send trainers up to Alaska, for example, they conduct the training that used to be conducted back in the lower United States right on home station. So our soldiers are coming home after being gone for 12 to 15 months, and don't have to pack up and go off for 60 days again. So we're not doing that for every skill set, but that's part of the overall reset program.

The equipment side of things, they reported, was going pretty well. Now, they were able to send some of the equipment off from Iraq that went directly to depots, and will return to them before the 6 months is up. And we have small-armored pair teams, for example, that come from our Army Materiel Command, and they spend several weeks in the brigade fixing all the weapons that had been used over the time that they'd been deployed.

So I'm heartened by it. I think it's going to be useful to us as an Army. And it will help us sustain the quality of life for these soldiers and families, and at the same time get us back to its efficient level of readiness rapidly.

Senator STEVENS. Thank you very much. Thank you, Mr. Chairman.

Senator INOUYE. Thank you. Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman, Secretary Geren, General Casey. We all appreciate your service to the Nation.

PROGRESS IN IRAQ

General Casey, could you bring us up to date on where we are from your perspective as Chief of Staff of the Army, former Commander in Iraq, where we are today, February 2008, and where you believe we will be at the end of the year?

General CASEY. In Iraq or here?

Senator SHELBY. In Iraq.

General CASEY. That's really a question for General Petraeus, and he's coming back here in April. I, like everyone, have been waiting to hear where he thinks he's going to be able to get to by April.

Senator SHELBY. Well, what do you believe? I mean, you're the Chief of Staff of the Army.

We've seen progress being made.

General CASEY. We certainly——

Senator SHELBY. We've certainly seen a lot of progress. We've seen a lot more stability that we had. It's not a stable area, but a lot more than we had 1 year ago. We've seen great progress with the surge. So from—you're the former commander, you're the Chief of Staff of the Army. From your perspective?

General CASEY. I think from a security perspective——

Senator SHELBY. Uh-huh.

General CASEY [continuing]. It's difficult to predict the future, but I think we will see continued improvement in the capabilities of the Iraqi Security Forces. That's been a constant trend.

Senator SHELBY. That would include the Army and the police?

General CASEY. Army and the police. That's correct. I think our forces will continue to be successful. I mean, that has never been at question. Our soldiers are the best in the world at what they do, and their ability to provide security has never been in question.

I don't have as good a view on the political side as I used to. I can't follow it as closely.

Senator SHELBY. I understand that.

General CASEY. And that's really where the long-term progress in Iraq is going to be sustained.

Senator SHELBY. It's got to have a political—ultimately, a big part of the equation there. Is that correct?

General CASEY. Oh, absolutely. I think we've all said, time and again, that there is not a strictly military solution to this problem or the one in Afghanistan.

PROGESS IN AFGHANISTAN

Senator SHELBY. Well, over to Afghanistan. A lot of us are concerned about the resurgence of the Taliban. It looks like some of our allies perhaps are getting a little soft on their commitments to us and others in Afghanistan. I see Afghanistan is possibly at risk down the road if things don't change.

General CASEY. I'm——

Senator SHELBY. I don't think they've gotten better in the last year, in other words.

General CASEY. When I talked to General McNeil——

Senator SHELBY. Uh-huh.

General CASEY [continuing]. The NATO commander there, and General Rodriguez, they both believed that they are making progress and have made progress over the last years. I mean, I think, you've heard Secretary Gates has been quite vocal about what our NATO allies have not provided. And I think that's fairly common knowledge.

Senator SHELBY. General Casey, shifting back to equipment, and what our troops need, and what they use—UAVs. How important is it to the Army to have control in the tactical use of UAVs? General Petraeus told me in Iraq it's of the utmost importance.

General CASEY. It's absolutely, absolutely critical. And I have met with General Mosley——

Senator SHELBY. Uh-huh.

General CASEY [continuing]. Twice here. Once with my training and doctrine commander and his air combat commander, just the four of us. And then we had the first Army/Air Force staff talks in 5 years, where we had all of our three stars together.

And the outcome of that session was that we agreed that in the three levels of war—tactical, operation, and strategic—that the Army had to have control at the tactical level, that the Air Force needed control at the strategic level——

Senator SHELBY. Sure.

General CASEY [continuing]. And that the level that we shared, the operational level, we needed to work and build a joint concept of operations for how we would operate effectively there at the operational level, which is really the theater level.

Senator SHELBY. Absolutely.

General CASEY. And I think we have a team working on that, and they'll come back to General Mosley and I here in 1 month or so.

Senator SHELBY. I believe the marines and the Navy share the same position you do on that. Right?

General CASEY. That's correct. Yeah. We've also had a session with the Commandant of the Marine Corps and his three stars where we discussed the same thing.

Senator SHELBY. I'll try to be quick on this. Secretary Geren, JAGM, formerly the JCM, the joint air-to-ground missile, I understand that the request for proposals has not come out yet? When do you expect that to come?

Mr. GEREN. I don't know. Let me get back to you.

Senator SHELBY. Will you get back to the subcommittee and to me on that?

Mr. GEREN. I sure will.

Senator SHELBY. That's a very important program for the future, is it not?

Mr. GEREN. It certainly is. I'll get back with you with that information.

[The information follows:]

JOINT-AIR-TO-GROUND MISSILE REQUEST FOR PROPOSAL RELEASE DATE

The Joint-Air-To-Ground Missile (JAGM) Request for Proposal (RFP) Phase 1 (Technology Demonstration) was approved for release on March 5, 2008 by Major General James R. Myles, Commanding General of the U.S. Army Aviation and Missile Command (AMCOM).

FUTURE COMBAT SYSTEMS

Senator SHELBY. What about you had mentioned the future combat systems, where we're going to be in the future? How important is the future combat system to the Army? General Casey might want to pick up on that.

General CASEY. It is the core of our modernization efforts. As you know, it is our only modernization program in the last 20 years. I will tell you, as I have looked at warfare in the 21st century, the future combat system is a full-spectrum combat system. It's capable at the high-end at major conventional war.

And because of the unmanned aerial vehicles and unmanned ground sensors, it gives us a great capability to collect precise intelligence, which is absolutely required when you're operating among the people in environments like Iraq and Afghanistan.

Now, in conventional war, you may be looking for the second echelon army, which is pretty easy to—relatively easy to find. In Iraq and Afghanistan, you're trying to find a terrorist on the sixth floor of a high-rise apartment building. That requires very precise and persistent intelligence capabilities, like you said, like you have in UAVs and the sensors.

So it is the core of our modernization efforts. It's a full-spectrum system. And it's the type of system we need in the 21st century.

Senator SHELBY. Thank you. Thank you, Mr. Chairman. Senator Inouye: Thank you. Senator Domenici.

Senator DOMENICI. Thank you very much, Mr. Chairman, and thanks to the two of you for coming and answering honestly to us here today.

AN OUT OF BALANCE ARMY

General, I didn't write down the words, but both you and the Secretary used words to describe the current situation of our military as being out of focus.

Mr. GEREN. Out of balance, right.

Senator DOMENICI. Yeah. That could be very fairly serious if we don't get it fixed as soon as possible. Right?

Mr. GEREN. That is correct. And it is going to take us 3 or 4 years to put ourselves back in balance. And I think that's important that everyone understand that. That when we get out of balance, it is not an immediate fix.

Senator DOMENICI. What is it that is out of balance, and how do you describe its impact on the military?

Mr. GEREN. Well, as I said, first, we're—the current demands exceed our sustainable—our ability to sustain. In other words, we strive to have a level where our soldier deploys for 1 year and is home for 3 years. We're not there. They're deploying for 15 months and home for 1 month.

And as we grow, as we increase the size of the Army, and as the demand comes down to the 15 brigade combat teams in Iraq that

we expect to have in by July, you will gradually see that ratio of boots on the ground, the time at home, improve. And that has to happen. That has to happen.

Our soldiers and leaders need to see that over time they won't be deploying for 15 months and home for 12 months. That's just not the sustainable.

Senator DOMENICI. All right. And, Mr. Secretary, the money to try to bring that balance is appropriate to fund at this time and it's in the budget, right?

Mr. GEREN. It is. If we can stay on track that we—and a lot of it, though, it depends upon what the demand from theater is. And we don't have any control over that, but——

Senator DOMENICI. You mean if the ground changes under you, then you aren't going to make as much headway in this balancing as you might expect. Is that what you're talking about?

Mr. GEREN. That's right.

EDUCATION

Senator DOMENICI. All right. In terms of the educational capacity of the military, let me talk 1 minute with you about the schools within the military. I understood that one thing you were excellent at was educating the people in new languages.

Is that still correct? Are you—is the United States military one of the superior educators in foreign languages that we have in our country?

Mr. GEREN. We do have excellent language training.

Senator DOMENICI. You spoke about educational needs with one of our Senators, and I think it was Senator Stevens. I didn't hear either of you say that we are dramatically increasing our educational capacity to make up for deficiencies of those of who are coming in or the needs for those coming in to know languages.

Did I miss something, or are we increasing our capacity to be educators in the military?

Mr. GEREN. We're broadening the language instruction in the Army and looking at ways to incentivize language instruction in our ROTC students. We are not where we need to be. We're trying to have more soldiers, both educated in culture of other countries, as well as languages of other countries.

But we recognize the need for that and are putting more resources into those areas, and trying to provide training to more soldiers in languages and in foreign cultures, as well.

Senator DOMENICI. I sensed that when you were speaking with Senator Stevens about recruits, and whether they had to have GEDs, or whether they had to be high school graduates, and the fact that there were just a number of so-called dropouts in America that really wanted to be in the military.

Do you find that if they have a high school diploma they are more apt to be able to meet the demands that you place upon them? Or does the fact that they want to be in the military supply for that deficiency in education?

Mr. GEREN. Well, everybody that comes in has to have either a diploma equivalent or a diploma. The diploma has—we consider it a quality mark, and also a measure of the attrition possibility of

a young person. We have seen that if somebody finishes high school, they tend to show determination to stick with tasks.

But we have found that in many cases, and the quality high school education varies a lot across the Nation, and varies a lot within States, that we have many young men and women who are high school diploma grads who don't score as well on the aptitude tests as some of the young people we bring in who are not high school diploma grads.

So we—when we look at aptitude, our aptitude test we feel are good indicators of somebody's ability to succeed in the Army.

ENGINEER BATTALION AT WSMR

Senator DOMENICI. Can I change to a parochial issue? And I hope I have time for it. And, if not, I'll just submit it. Last spring, the Army announced, as part of the President's Grow the Army Plan, an engineering battalion would be located at White Sands Missile Range (WSMR) in New Mexico. Do you know the status of that relocation?

Mr. GEREN. I do not.

General CASEY. I do. We're on track, Senator. You should expect to see advance parties showing up there in the June timeframe, and their activation will be around October. And there's about $71 million that's been authorized and appropriated to build the facilities that they need there at White Sands. So, I would say it's on track.

Senator DOMENICI. Well, there is $70 million in Milcon for White Sands for that purpose, but I understand that there's no funding in the 2009 budget for other moves to White Sands. Will you check that out for me?

General CASEY. I will check that out. I know it's in 2008. I'll check that out.

[The information follows:]

FUNDING FOR WHITE SANDS MISSILE RANGE IN FISCAL YEAR 2009

Congress authorized and appropriated $71 million in fiscal year 2008 to provide permanent facilities for the 2nd Engineer Battalion at White Sands Missile Range. As this satisfies the unit's requirements for permanent facilities, we did not submit a construction request for fiscal year 2009. Advanced parties of the 2nd Engineer Battalion are scheduled to arrive in June. We will begin constructing permanent facilities later this summer and activate the unit on October 16, 2008.

Initially the unit will be housed in, and operate from, renovated existing facilities and some relocatable facilities.

Senator DOMENICI. Oh, and one last one. There's a very sophisticated system called the high energy laser system test facility. The high energy laser facility, commonly known as HELSTF, you've heard of it, I think.

General CASEY. I've visited it.

Senator DOMENICI. Yeah. It is a pre-eminent laser test facility and a major range and test base facility. Your budget calls for deactivating portions of that. I wonder, how do you—how do these cuts comply with your duty to maintain HELSTF as a major range and a test base facility for the good of all of DOD, not just for that particular function? Do you have an answer?

Mr. GEREN. I don't, Senator. We'll take that for the record.

Senator DOMENICI. I would appreciate it if you'd submit that for the subcommittee, please. That's all I have. I thank you very much.

[The information follows:]

DEACTIVATION OF HIGH ENERGY LASER TEST FACILITY (HELSTF)

When preparing the fiscal year 2009 President's budget, the Army consulted with potential users across the Department of Defense (DOD) regarding requirements for use of the High Energy Laser System Test Facility (HELSTF) megawatt laser capabilities. At that time, we concluded there were no firm requirements for either the Mid-Infrared Advanced Chemical Laser or the Sea Lite Beam Director. The DOD Test Resource Management Center (TRMC) concurred with our decision when it certified our fiscal year 2009 test and evaluation budget on January 31, 2008.

As required by the fiscal year 2008 National Defense Authorization Act, the Army, with TRMC as the lead, is conducting a cost benefit analysis of the proposed reduction of funding at HELSTF. The analysis will include an updated survey of all DOD and Service projected requirements to determine if future year requirements have emerged since the initial survey for megawatt class chemical lasers.

HELSTF remains operational to support laser programs. HELSTF will be a vital asset as the DOD moves forward with solid state laser development.

Senator INOUYE. Thank you very much. Senator Dorgan.

Senator DORGAN. Mr. Chairman, thank you. Mr. Secretary and General, thanks for being here. I want to ask about two things. One is contracting, and the second is the issue of out of balance.

OUT OF BALANCE ARMY

So let me take the issue of out of balance first. A recently retired four star gave a presentation the other day, I understand, in New York. I got a call from someone who was there. And he essentially said this. He said, "It's dysfunctional to have one-third of the Army's budget funded on an emergency basis." He said, "The way we're headed—" he didn't use out of balance, but he apparently said, "The way we are headed we will have great military bands, and lots of generals and admirals, and substantially diminished military capability."

I've heard this before from others who retire, and then give us a much harsher view of diminished military capability than we receive from those on active duty. I don't know what the facts are, but I only tell you that this particular one came from someone that I have deep admiration for, who is recently retired as a four star. So, I mean, when you talk about out of balance, is that a softer euphemism for a much more serious problem, General? Because others, who have just left the service, give us a much more aggressive picture of very serious problems in diminished military capability.

General CASEY. Yeah. I don't think I'm trying to soft-pedal anything by what I say about using the term "out of balance," Senator. Because as I said, this is not a broken Army. When you visit the soldiers in Iraq and Afghanistan, I mean, I think you see it's a magnificent Army. There is no other army in the world that can touch it.

Now, are we where we want to be? No. And we fully acknowledge that. Our soldiers are deploying too frequently. We can't sustain that. It's impacting on their families. It's impacting on their mental health. We just can't keep going at the rate that we're going.

Our equipment is being used in these desert environments, mountain environments, and it's wearing out about five times faster than we thought. We have to focus on counterinsurgency train-

ing, as I said, because that's all they have time to do in the year that they're home. Our full-spectrum skills are atrophying.

And while the risk is acceptable in the short term, it's not something we can sustain over the long haul. So I don't think I'm trying to soft-pedal this at all. We have some very significant challenges here. We know what we need to do. If we get the resources in a timely and predictable fashion, we believe we can fix ourselves in the next 3 or 4 years.

Senator DORGAN. And isn't that at odds with the notion of funding almost one-third of the Army's budget on a continuing basis on an emergency basis? Wouldn't—I mean, that seems to me to be completely out of sync with——

General CASEY. Well, I mean, if you look at the fact that in the supplementals that we have gotten here over the last several years, about 70 percent of those supplementals go directly to pay for military pay and for operations and maintenance to support the theaters. And so that—it may sound like a lot, but it's going right to the war.

Senator DORGAN. Yeah. It seems to me it's dysfunctional that we don't have a long-term plan without emergency requirements, none of which is paid for, as you know, to fit into our budget schematic of what we need to do for our country.

And let me just say, that when I asked the question about what others who have recently retired are saying about the capacity, I think everybody on this panel is enormously proud of our soldiers. I mean, there's no one that I know that has been anything other than complimentary, enormously complimentary of our soldiers and our military. So I thank them for that.

I do just want to ask the question about the contract end, because——

General CASEY. If I could, before you go there, just make one more point, and I think your point on supplemental versus base program funding, I mean, our growth this year—the $15 billion worth of growth is exactly that. It's come from the supplemental into the base. So I think you're starting to see that.

CONTRACTOR ISSUES

Senator DORGAN. I understand that. I don't understand why we have moved to so much contracting in the military. There's so much, much more than has been done in the past. And I guess I don't understand it, and I think, frankly, that we have been fleeced in an unbelievable way. Very few hearings on it.

A guy named Henry Bunting, a quiet guy from Texas, showed up once and he brought this with him. They were contracted by the Department of Defense to do a lot of things—to buy a lot of things. This was towels for the troops, and he ordered his white towels, because he was a purchaser for Kellogg, Brown, & Root. He ordered the white towels.

The supervisor said, "You can't do that. You need to reorder these towels. We need KBR embroidery, the logo of the company on the towel." He said, "But that would quadruple the price of the towels." "Doesn't matter, it's cost plus contract." And so he brought the towel to show me what he had to do, because his supervisor said, "The taxpayers will pay for this."

An example of—the same company was contracted to provide water to our military bases in Iraq. They provided potable and nonpotable water. The nonpotable water is for showering, shaving, brushing teeth, and so on. Turns out the nonpotable water provided to the military base at Ramadi, and most other bases, was twice as contaminated as raw water from the Euphrates River, because of the way they were treating it.

And the company said that wasn't true, but then we discovered an internal secret memorandum from the company in which the person in charge of all water for the military bases in Iraq said, "This is a near-miss. Could have caused mass sickness or death, because we weren't testing the water and weren't doing what we should have done with what is called ROWPU water."

The military said, "That's not true. None of that was happening." That was the position of the Army. "It's not true." And an army captain physician serving in a military base in Iraq wrote me a memo, just out of the blue, and says, "I read about this. It is true. I had my lieutenant go follow the water lines and the nonpotable water was more contaminated than the raw water from the Euphrates."

And there will be a GAO report, by the way, which is going to be published very soon that will say that this water was not tested by those that we paid to test it. The contamination did exist. Fortunately, we didn't have mass sickness, but the contamination did exist. This will be a GAO report. And the military, the Army, has insisted, has insisted publicly, that the contractor did exactly what it was supposed to be doing. There was no issue here of testing.

I have never understood why there wasn't somebody in the Army that said, "Wait a second. These charges, if they're true, then by God, they're serious and we're going to stand up for soldiers here." Couldn't get anybody to do it.

And there will be GAO report out, General, that says that the Army, in suggesting that none of this was a problem, was wrong. Just wrong. And an army captain physician, a woman at a base in Iraq, knew it because she sent me an e-mail, out of the blue. But I knew it, as well, because I had the internal Halliburton documents that described the problem they had. I'm just telling you that—now, that happened—that's supplying towels, supplying water.

I had a man named Rory come to see me. He was a food service supervisor, and he said we were charging for far more soldiers—charging for 10,000 soldiers eating when 5,000 were eating meals. So providing towels, providing food, providing water, it used to be that the military did that, and now it's all contracted. I think we have been stolen blind, and I think that this Congress has not done its job and I'm—General Casey, you have not been on duty during most of this description that I've just given here. And you can't answer this.

I'm just telling my own concern. We have to shape up this contracting. And, Secretary Geren, you talked about the contracting some, and you think that you've got it shaped up. I'm telling you, I have looked at a lot of it. I've done 12 hearings on this. What has happened there is almost unbelievable. And I hope we shape it up,

and I hope we do a lot less contracting, and I hope we start doing a lot more of this in the military. But I thank you for listening.

I'm not asking a question about it. I'm just telling you that I've spent a lot of time trying to figure out what's going on, on behalf of soldiers. Because, after all, the soldiers are what we're concerned about here. So I thank you for showing up. You're welcome to comment on this if you choose, but I did want to tell you I've had great angst about what's happening, because I don't think it's right, not for the soldiers, and not for the American taxpayers.

[The information follows:]

LOGISTICS CIVIL AUGMENTATION PROGRAM (LOGCAP) CONTRACT ISSUES

MONOGRAMMED TOWELS AND FOOD SERVICE HEADCOUNTS

The allegations concerning the purchase of monogrammed towels and overstated headcounts in dining facilities in base camp operations have been reviewed by Army logistics and acquisition officials. There were instances where gym towels, monogrammed with the letters "MWR" (Morale, Welfare, and Recreation) as well as "KBR" (Kellogg, Brown, and Root) were purchased under the LOGCAP–III contract. These towels were ordered at a cost of 1KD (approximately $3 each). KBR requested that the towels be embroidered in an effort to prevent theft. Subsequent to concerns posed regarding the use of KBR monogrammed towels, KBR switched to embroidered towels using letters MWR, to designate the towels for gym use in MWR centers.

With regard to KBR improperly charging for meals in dining facilities by overstating the daily headcount, the Army reached a firm, fixed price agreement with KBR on March 28, 2005, for food service costs. The agreement covered 15 LOGCAP Task Orders providing food services during the first 6–9 months of Operation Enduring Freedom/Operation Iraqi Freedom. The negotiated agreement decremented the contract by $55 million and resolved a withholding of payment of $55 million. The settlement implements the Department of Defense position that payments should be based on the actual services provided to patrons, while accounting for conditions that existed early in contingency operations. Among other things, these conditions included the use of government planning data during early operations where no experience data was available, and recognition of portion control issues. Since the settlement was negotiated, KBR instituted an improved subcontractor billing methodology which separately identifies individual cost elements and requires billing food costs based on actual meal counts. The Defense Contract Audit Agency supports the improved billing system as a significant improvement over the prior subcontract methodology which provided consistent pricing methodology across all sites, fixed costs that are separately identified and billed, and food costs that vary directly with actual headcount/meals served.

NONPOTABLE WATER

We share common goals of ensuring the health and safety of our Soldiers and of effective contractor performance, not only for Kellogg, Brown, and Root, Inc. (KBR), but for all of our support contractors.

Regarding the quality of water provided to our Soldiers, we have improved internal quality control procedures and have expanded oversight for all water production, storage, and distribution, potable and non-potable. Standard Operating Procedures (SOPs) for all water-related activities have been updated and we are continuing to look for ways to improve our operations toward that goal. The U.S. Army Center for Health Promotion and Preventive Medicine (CHPPM) is conducting a detailed study of water treatment processes in Iraq that will be completed this May.

Before January 2006, the Army did not require water quality monitoring of non-potable water. Army regulations did not address the use of Reverse Osmosis Water Purification Units (ROWPU) to process non-potable water for hygiene purposes. It is important to note; however, that potable water supply treatment and surveillance were monitored and tested in accordance with applicable standards and that its quality was never in question.

Both the Department of Defense (DOD) and KBR responded in an expeditious manner to ensure water quality at Q-West and Ar Ramadi were safe for use by deployed forces. DOD directed KBR to take immediate action to super-chlorinate the storage tanks and redirect the ROWPU concentrate output lines. At Ar Ramadi and Victory, KBR immediately began monitoring non-potable water that was purified by

other water producers. Preventive medicine officials increased monitoring of water quality at point-of-use shower water storage containers. As a result of internal quality control procedures and DOD oversight, quality assurance for the processes of both potable and non-potable water production, storage, distribution, and monitoring at point-of-use were deemed adequate. Since November 2006, there has not been a recurrence of this problem.

Updated procedures have been put in place to emphasize that water quality lapses must be promptly reported and that all newcomers receive adequate information concerning drinking water consumption and non-potable water usage. The Army has taken the following significant actions to improve water surveillance and ensure Soldier health:

—Provided every new Soldier and civilian with standard information concerning water consumption in Iraq upon arrival;

—Issued a LOGCAP contractor SOP for water production operators that designates procedures to report water quality lapses;

—Established a board consisting of officials from Multi-National Force—Iraq, Multi-National Corps—Iraq (MNC–I), Defense Contract Management Agency, Preventive Medicine, LOGCAP, and Joint Contracting Command—Iraq to meet quarterly and oversee the quality of water operations;

—Directed KBR to provide a list of all water containers to MNC–I Preventive Medicine officials;

—Updated MNC–I SOP 08–01, Annex Q, Appendix 6, Tab H, "Iraqi Theater-Specific Requirements for Sanitary Control and Surveillance of Field Water Supplies," to mandate the standards, controls, testing, and recordkeeping for types and uses of water in Iraq;

—Conducted an assessment as to the numbers of the adequacy of Preventive Medicine sections required for testing; augmented military units with LOGCAP contractors where needed; and

—Drafted the multiservice edition of TB Med 577 which is projected for publication in August 2008; it addresses the use of non-potable water for showers, contractor water production site monitoring, military non-potable water supply monitoring, and the responsibilities for contractors to report their monitoring results to preventive medicine; it also directs preventive medicine to provide oversight and review of contractor water production, storage, and distribution procedures.

The quality of both potable drinking water and non-potable water used by our service members meets all standards of Army Technical Bulletin 577, "Sanitary Control and Surveillance of Field Water Supplies." Additionally, the March 7, 2008, DOD Inspector General Report titled, "Audit of Potable and Nonpotable Water in Iraq" concluded that processes and procedures for production and quality assurance of water in Iraq were adequate as of November 2006.

Mr. GEREN. Let me just speak to a couple of points quickly. When we shrunk the Army, as we did in the 1990s, to the size that it is today—the 482,000 soldiers on active duty, now we've got about 525,000 on active duty—we put ourselves in a position where we could never go to war without heavy reliance on contractors.

And with this size of an Army, if we are going to have the soldiers we need to carry rifles, we really had no choice but to contract out many of those support services. And that's for the Army that we have, and the commitments we have around the world. I don't think we're going to see much change in that area. But we can do a better job of supervising contracting. I could not agree with you more.

I will certainly follow up on all the issues that you've raised. And when we get evidence of any type of contracting abuse or fraud, I hope that I can say we follow up on it. I can't say that we have in every case. But it's certainly our commitment to do that, and this contracting task force that we set up last summer, under General Ross Thompson, and brought another SES from Army Materiel Command, their job was to get whatever it took to go and root out contracting fraud in our operations.

And one of the things we've done is add considerable additional compliance officers, people that—we in Kuwait did not have compliance officers assigned to all of our contracts. We had some situations where people were just paid by volume. There's a soldier who has been indicted for a scheme which resulted in fraud of $10 million, we believe. And we didn't have a compliance officer checking to make sure we were getting what we paid for.

So we've beefed up the number of compliance officers. Over the coming years, we're going to do a better job of training. We're going to develop officers in our Army that know, "I can be in contracting, and I can have a career in contracting, and I can become a general officer in contracting."

Dr. Gansler, in his report, had a very interesting slide. It showed the rate of contracting going up like this, to the point where now the Army—when you look at dollar volume, the Army executes nearly one-fifth of all the contracts for the entire Government. And he looked at employees, civilian and military, in our Government went like this. So contracting is going up like this, trained contracting officials stay flat. So we're trying to correct that right now.

We have work to do in this area, but I can assure you we take those allegations of fraud as seriously as you do, and particularly anything that threatens the health or safety of our soldiers. That is a core Army value.

Senator DORGAN. Mr. Chairman, you've been very patient with me. I want to make one additional comment. There's a woman over in the Pentagon named Bunnatine Greenhouse who was demoted, lost her job, because she had the courage to speak out about the LOGCAP and the RIO contracts that were awarded. She said it was "the most blatant abuse of contracting" she'd seen in her lifetime, and she was the highest civilian official at the U.S. Army Corps of Engineers.

For that courage, she lost her job. And now it's been subsumed in this—behind this big curtain of, "Well, it's all being investigated." It's being investigated for 3 or 4 years and—it's over 3 years now—and it, I assume, discourages others from doing the right thing.

But again, I'm saying things to you that are not on your watch, but I do very much hope that you all would be bloodhounds on these issues. Because it's under—it disserves the American soldier and it disserves the American taxpayer when we're not getting what we're supposed to be getting.

And I hope you'll look into Bunnatine Greenhouse. I spoke to Secretary Rumsfeld about her, spoke to Secretary Gates about her, and this is a woman that has been terribly disserved by her Government. She had, by all accounts, outstanding reviews by everybody and, by the way, General Ballard, the head of the Army Corps of Engineers who hired Bunnatine Greenhouse, said she was an outstanding employee.

And then she got in the way of the good old boys network that want to do separate contracting, behind the curtain, and do it not in conformance with contracting rules. She spoke out. And, for that, she paid with her career. And I hope one of these days maybe somebody will do some justice or provide some justice for Bunnatine Greenhouse. Thank you.

Senator INOUYE. Thank you very much. Senator Murray.

Senator MURRAY. Mr. Chairman, Senator Mikulski is on a really tight timeframe, and I'm happy to yield to her first and follow her, if that's all right with you.

Senator INOUYE. Senator Mikulski.

RESET

Senator MIKULSKI. Thank you very much, Mr. Chairman. And thank you, Senator Murray. First of all, to both you, Mr. Secretary, and to you, General Casey, I think those of us at the table, and certainly me, personally, want to salute our Army. And we want to salute our armed services, those on active duty, those who are in the Reserve, those in the Guard, those in the battlefield, those that are serving here. I think we all agree that our military's done all that's been asked of them.

What I think what we now see with the surge is that we can't sustain it, we can't sustain the level of troops, and we can't sustain the level of money necessary to support the troops.

My colleagues have asked those questions about adequacy of troop level, adequacy of equipment, the need to bring those back into balance. My focus is going to be on another area, but I think we're in a crisis here. This has been a very cordial hearing, and I just, again, want to afford my deep respect to both of you. But we are in a crisis about what this country can do, and what this country can sustain.

Now, I want to come back to something called reset. My colleague, Senator Murray, will be asking about the Guard. I'm very concerned about the Guard, because I feel the Guard's treated like a stepchild. It's certainly treated like a stepchild when they go and have to bring their own equipment, and also treated like a stepchild when they come home with reintegration issues.

She's going to ask my same set of questions. But let me go to this, something called reset, the military family, and so on. I don't know what reset means. I truly don't, and I don't mean this with any disrespect, I don't know what the hell that means. And if we're talking about the family, I don't know what that means.

So if you could share with me, what does reset mean? Does it mean when they come back—some of them bear the permanent wounds of war, but you've been to war. Everybody in war is impacted by war, and the family is impacted, the spouse is impacted, the children. So my question is, what does reset mean? And then, my other question, just in the interest of time, could you refresh for the subcommittee the response to the Walter Reed scandal. And efforts were taken, and thanks for appointing General Schoomaker as the Army Surgeon General. But my question is, refresh for the subcommittee the Dole-Shalala report. And where are we in accomplishing what their recommendations were?

So what does reset mean? And where are we going? And then, where are we with the Dole-Shalala recommendations, which I thought was a clear path to reform and dealing with our military families?

General CASEY. Okay. Senator, let me take the reset question. As I mentioned in my opening statement, after soldiers deploy for the extended period, they need to recover personally, their organiza-

tions need to be recovered, and their equipment needs to be recovered. And, as I mentioned in response to another question, we're trying to get that done in an acceptable period of time.

One, so the soldiers do have enough time, where they're not frenetically moving from one thing to another so they have some time to recover physically and mentally. And I tell folks when I'm going around talking to them about the need to slow down when they come back and to recover, it's like running a marathon. When you run a marathon, 2 or 3 days after you finish running, you think you feel pretty good.

But you've broken yourself down inside in ways that you don't understand. The same thing happens in combat. And it takes awhile to restore that.

The second piece of it is equipment, and you can't use equipment——

Senator MIKULSKI. No. And I understand the equipment. I want to go to the personal part, which goes to reset of the combat veteran as he or she returns home. And that's where I really worry. I really worry about them recovering, but you just can't—with all due respect General, reset sounds like a button that you push and all is okay. I reset my computer. I reset a lot of things. That sounds like pushing the button.

When they come back, their lives have changed. Their spouse has changed. They've changed. Their children have changed. We have children in our schools who watch TV and hear about the battlefield. We have children in schools that are in grief counseling because their mother or father are away. You know when some of these men or women come home, even when they go to a store, to a Home Depot, the kids are grabbing them by the legs, "Are you leaving us again?"

This is not something called reset. And that comes back to the Dole-Shalala report. How is it that we are truly helping the families, because I'm concerned that, once again, the funding is Spartan, and the understanding of the problem is skimpy.

General CASEY. Okay. Senator, as the Secretary and I both have mentioned, we have recognized the pressures and the stresses that these repeated deployments have placed upon families. And we have both restated our commitment to families in five key areas, and put our money where our mouth is, and doubled the amount of money that we're putting toward soldier and family programs.

There was no question in the minds of my wife and I after we traveled around the Army when we first took over that the families were the most brittle part of this force. And we have a wide range of programs to help the families with the reintegration process.

I will tell you, I am not as comfortable—we have not gone as far with the Guard and Reserve as I would have hoped, and we are doubling our efforts with the Guard and Reserve. We had a program which was well-intentioned that said you couldn't assemble the Guard and Reserve unit for 60 days after they got back. And so people, they had the time to relax. But what we were missing is the interaction that needs to take place among the people that they deployed with to help them through these things.

And obviously, Guard and Reserve challenges——

Senator MIKULSKI. Well, General, I think we need to work at this money issue here. But thank you for that answer.

Do you want to tell me, Secretary, where we are in Dole-Shalala?

ARMY FAMILIES

Mr. GEREN. Well, I'd like just real quickly add to what General Casey said on the investment in families. And our effort is comprehensive, and we've got some good ideas that are coming from a number of different places within the Army and outside of the Army.

And up in Madigan Army Medical Center, in Senator Murray's State, one of the most innovative programs had to do with the issue that you've raised about the—you've talked about the children and how they cope with deployments. They had a program there where they studied the impact of deployment on children, and they developed the Child Resiliency Program that deals specifically with those stresses and strains that children suffer with, in the deployment. And they developed a program that we actually take to the schools to help the teachers and help their counselors there.

So we're trying to reach out, understand those challenges, and then trying to meet them. And we've seen some great initiatives come from different places in the Army. We've empowered the Army to think, make this a high priority, and work through it. And I believe we've made some progress, but we are not where we need to be.

ARMY MEDICAL ACTION PLAN

Let me, on Dole-Shalala. We really have three guiding documents that have helped shape our reforms in the Army, after what we experienced at Walter Reed. We had Dole-Shalala, we had the Marsh-West—Secretary Marsh and Secretary West—and we had an Army Medical Action Plan.

And if you look at the Dole-Shalala, I could group it very roughly. One, patient care was a piece of it. And the other was the disability system—moving a soldier, sailor, airman, or marine from active duty across this handoff to the Department of Veterans Affairs (VA). And our—how do we improve that process?

On the latter, the move of the soldier from the Army to the VA, we are doing a better job there. The Secretary of Defense appointed a working group to work that issue with the Deputy Secretary of Defense and the Deputy Secretary of Veterans Affairs working together, and met every single week for months on end.

We have a pilot program out of Walter Reed that is working to try to figure out how we can do it better.

Senator MIKULSKI. But in zero to 10.

Mr. GEREN. I beg your pardon?

Senator MIKULSKI. On a scale of zero to 10, Mr. Secretary, with 10 we've really accomplished the recommendations of Dole-Shalala, say, in the disability area.

Where would you put us? At 10, we've done it. And we've done it the way it ought to be done.

Mr. GEREN. The pilot program is a major step forward, but it's just a pilot at this point. And we are just now beginning to bring

servicemen and women through that pilot. And until we have the results of that pilot, I don't think we can judge it. Let me talk about patient care, if you would.

Senator MIKULSKI. And I'm going to come back to that during military medicine. Because, again, that's a whole other topic, and I know our chairman has been certainly a leader in the issue of military medicine. But medicine, again, is for the family, it's the integration, it's the disability system. Walter Reed wasn't just a headline that we forgot about. So——

Mr. GEREN. Nor have we, Senator.

Senator MIKULSKI. No, no. And I know that. And I know that. And I, again, I'm going to thank you for General Schoomaker, who I know has really been very aggressive in this area.

Mr. GEREN. He's doing an outstanding job. We've developed an Army Medical Action Plan, which advances the themes of Dole-Shalala. The area that we learned we had failed so badly in at Walter Reed was in outpatient care. We've radically overhauled that system.

Over 1 year ago, when this problem developed, we treated the Guard and Reserve. They were called medical holdover population. The active duty was medical hold. We've done away with that distinction. Across our Army, we've created 35 warrior transition units (WTU). We've moved these soldiers into those warrior transition units. Every single one of those soldiers now has a triad of support for that soldier—a squad leader, ratio of 1 to 12; a nurse case manager, 1 to 18; a primary care physician, 1 to 200.

We've got ombudsmen in every one of those facilities. We have added 2,500 staff to support those warrior transition units. And we're not just measuring inputs, we're also measuring outputs, the satisfaction of the patients that are in that system. And it's—we're seeing progress.

We are doing a much better job dealing with those families. We've got a Soldier and Family Assistance Center at every one of those warrior transition units. We've taken services that were scattered out all across the Army and across the private sector, and we've brought them all together. And little things, like picking up the family at the airport, to bringing them in, meeting their economic needs, meeting their personal needs, their psychological needs, and in many cases, their financial needs.

And we've made tremendous progress in not only the patient care for those soldiers wounded, ill, and injured, in supporting the families, and also making sure that the needs of those soldiers surface through ombudsmen. We have a training program for the people that represent them in the disability system.

But fixing—we do not have—one of the primary goals of Dole-Shalala was one physical and one rating system, and the pilot out here does have one physical for them. And we take the results of that physical, and the VA takes results of that physical. So the pilot combines the two.

But we have not, as a Government—and it's not just the DOD—designed the system to accomplish everything Dole-Shalala wants to accomplish in that regard. But in patient care, I believe that we have accomplished what Dole-Shalala asked us to do.

Senator MIKULSKI. Well, thank you very much for that kind of update, and we're going to pursue this more in military medicine. But I just wanted to say to you, to DOD budgeteers, to this subcommittee, you know what we're welcoming back—and some of the injuries are so profoundly severe that we're in this for 30 or 40 years, in terms of this family support. This isn't just 30 days and 60 days and so on.

So I think we've made a beginning, and I think we've got the right people in place to really move this, and we'll continue this discussion. Because one of the ways of recruitment is, "What happens to me if something happens to me?" And as you know, you not only recruit the soldier, you're recruiting the family of the soldier. And those are the questions, which is Charlie or Jane, "What happens if something happens to you?"

Mr. GEREN. Right.

Senator MIKULSKI. So it will be a conversation we'll consider. Thank you very much, Senator Murray. I know you'll ask questions.

Mr. GEREN. And thank you for your interest in that, Senator. Because you're right. It is a long-term challenge.

Senator MIKULSKI. And we'll have further conversations.

Mr. GEREN. And I'd just like to mention, too, you've mentioned General Schoomaker, and he's done an outstanding job as Surgeon General. General Pollock, who was the interim Surgeon General, also did an excellent job of taking that crisis situation and helping us work through that transition. And I think General Pollock, General Schoomaker, General Tucker, and the hundreds of people who have worked with them, we've seen extraordinary leadership.

Soldiers take care of soldiers. That's what they do. You strip away everything else about the Army, and that's what soldiers do. And when we learned about this problem, soldiers stood up, they demanded action, and they took action. And I'm proud of what the soldiers have accomplished. We're not where we want to be, but you can count on soldiers taking care of soldiers.

Senator MURRAY. And I would say to my colleague, Senator Mikulski, that I recently visited Madigan in Fort Lewis, and there are significant—better conditions than we had 1 year ago. And my hat's off to all of them. The staff ratios, the facilities themselves, the Family Assistance Center helping soldiers get their way through.

MENTAL HEALTH PROFESSIONALS

A warning shot, we do have a lack of professionals to be able to recruit, and I will submit a question for you on that, whether you do have or not enough people in the pipeline, particularly in the psychological healthcare professionals, to be able to fill those billets as we move forward on that, and I will submit that question for the record, because time is running out.

But I think that we're doing good, but we better we'd better be looking at whether or not we have enough qualified people and have the resources.

Mr. GEREN. The answer is no. We do not have enough. We don't. It's a shortage, particularly in mental health professionals, and I wanted to answer it in this open session, because it is one of our

most important needs. It's not a question of resources. And, in the Congress, you all have given us some authorities that are helping us, both with bonuses and direct hires.

But particularly for the Army, many of our installations are in rural areas, and they're underserved by mental health professionals. And we depend not only on what we have in the Army, but TRICARE. And that is an area that we need to continue to grow internally, and develop externally ways to access the mental health professionals. It's a real challenge for us.

Senator MURRAY. I agree. And we need to really be talking about that. Let me go back, Secretary Geren, and kind of follow up on a little bit of what we're hearing. I think we're still in—really trying to recover from a lot of the poor planning that went into the length of the combat operations. I mean, we've been 7 years in Afghanistan, coming up on 5 years in Iraq.

You've both talked about the tours of duty being too long, the dwell time too short. We've seen the evidence of strain on our soldiers and our families. And I have a real concern about the slow change of the tide regarding the perception and attitude of psychological health.

Now, I heard you talk a lot about a number of different programs. That's great. But I want to know what we're doing to really change the attitude about how we deal with psychological health.

SEEKING MENTAL HEALTH TREATMENT

Mr. GEREN. Yeah. We recognize in the Army the stigma associated with getting—seeking help when you have any mental or emotional issues is a real problem. And we have initiated a number of different efforts to try to address that. I think the most significant one of all is our program to require literally every single soldier in the Army, all 1 million soldiers as well as all Department of the Army civilians, to take a course on how to spot the symptoms of and seek treatment for PTSD and TBI. We've got a little over 800,000 of the 1 million soldiers who've taken that course. And I think more than any other single thing that we do, that is going to help us address the stigma issue.

Every single soldier understands that this is a problem that soldiers have. It's something that you—we have a system in place to help you step up and deal with it. And we've seen—we do these tests, mental health assessment tests. We just finished our fifth one. And, very encouragingly, we've seen that the stigma associated with seeking help for mental health problems is going down. So we've actually seen the needle move on this issue.

But we've also provided ways for soldiers who—and family members—who don't want to identify themselves to seek mental health anonymously. And then we have a program that allows them to do that, as well.

But we recognize that. In the private sector, the stigma of getting mental help is a problem, probably in a military culture it's a bigger problem. But I think that this chain-teach, this million soldier chain-teach, not only is going to change our Army, I think it could change all of society.

But we are seeing a different attitude. We're also moving more aggressively to help soldiers identify their mental health issues for

themselves, through pre-deployment assessments and through post-deployment assessments. And Madigan was one of the first to initiate the face-to-face interviews upon redeployment. So you have an interview, and you ask questions that will draw out the possibility of some mental health concerns, and then we proactively deal with them. So we're making progress, but we're not where we want to be.

Senator MURRAY. I appreciate that. We've got to stay on it. It's more than just saying, "I know what the symptom is." It is actually saying, "It's not only okay to ask for help, but that you must ask for help. And if you do ask for help, they're won't be any retribution. You won't lose your job. You won't lose your status. People will still respect you." I mean, it's——

Mr. GEREN. Absolutely.

Senator MURRAY [continuing]. It's a large cultural issue——

Mr. GEREN. It certainly is.

Senator MURRAY [continuing]. We have to continue to focus on. And I know that you've probably seen the articles, Washington Post had an article regarding the increasing number of suicides. In 2007, the number of active duty soldiers that took their own lives was 121, a 20 percent increase from 2006. A Department of Veterans Affairs analysis found that Guard and Reserve members accounted for 53 percent of veteran suicides from 2001, when the war in Afghanistan began, to the end of 2005.

The repeated deployments, the length of time on ground, the stress on the families, we know all has a contributing factor. Can you talk to me specifically about suicides and what you are doing to try and address that issue?

Mr. GEREN. We see the suicide numbers as a great challenge to us as an entire Army. We have what we call a balcony brief every week, in which we bring all of the senior leaders of the Army together, many of which have nothing to do with mental health issues or anything to do with delivery of healthcare. And we have the suicide statistics are in front of that entire audience.

We want everybody in the Army to know that the problem of suicide is the responsibility of everyone in the Army.

General Schoomaker has led efforts. We have the General Officer Steering Committee to deal with it, to initiate programs. We've been studying the problem, and try to understand, what are the factors that push somebody to that point? And the issues are the same in the Army as they are on the outside. It's mostly failed relationships. It's other major personal disappointments, coupled with depression.

And we are trying to train our small unit leaders to identify those symptoms earlier, to stay close to their—the young—or the men and women that are below them, more education programs for chaplains. We are in the process of doing a study of all the soldiers that are in our healthcare system to try to identify trends that identify, before it happens, somebody that's inclined to harm themselves.

And taking lessons learned from this study and applying it across the force so we can start spotting some of these factors before they become a crisis. I think the Chain-Teach Program, teaching people to get mental health when you start experiencing some

of these emotional problems, will go a long way toward helping that.

But we've seen the rate of suicides double since 2001. And I can assure you, every person in the Army—uniform and civilian—is charged with helping us address this and turn those numbers around.

Senator MURRAY. Well, General Casey, maybe you can talk a little bit about the National Guard and Army Reserves, in particular. We're seeing a number of those members come home and needing assistance in re-integrating into civilian life. And oftentimes, it's onesies or twosies, it isn't a whole unit, that they come back by themselves and often go to rural communities.

They need psychological counseling. They need healthcare. They need help with family issues.

YELLOW RIBBON REINTEGRATION PROGRAM

I know that last year the National Defense Authorization Act established the Yellow Ribbon Reintegration Program. But there's no funds. No one asked for any money for that, for resources to implement it. And I wanted to know if you have received from the Department of Defense any implementing policy or funding for the Yellow Ribbon Reintegration Program.

General CASEY. Yeah. I can't answer that question about the Yellow Ribbon Program.

Senator MURRAY. Mr. Secretary?

Mr. GEREN. Secretary England, Deputy Secretary England, spoke to that this past week. There were no funds attached to it, but he—speaking for the Department, and not just for individual services—said it's a commitment that we will embrace and we'll execute.

Senator MURRAY. Have we seen any policy on how to implement it?

Mr. GEREN. No, I have not. No. But Secretary England spoke to it recently, and as we work through the many new initiatives from the authorization bill, we will act on them. And he committed the Department to do that.

General CASEY. Can I say, Senator, though——

Senator MURRAY. Yes.

General CASEY [continuing]. That we're not waiting for that, or money, before moving out on trying to help the National Guard and Reserve soldiers reintegrate. It's part of our overall soldier and family support covenant. And, as I said earlier, the dispersed nature of where these young men would then go when they return makes it more difficult.

And one of the programs we have is an integrated family support network online that allows—that will allow soldiers to enter a ZIP Code of a service they require and find out where to go. But the mental health provider problems that you raise——

Senator MURRAY. Uh-huh.

General CASEY [continuing]. Are more difficult for the Guard and Reserve, again, because of the dispersed nature. And it's going to take a lot more focused effort to help them.

The last thing I'd say on that is they aren't standing by either. There's been a great program piloted up in Minnesota, by the Minnesota Guard, that helped bring folks back in. And a lot of the

other States are copying that. But we're committed to our Guard and Reserve soldiers.

Senator MURRAY. Okay. General Casey, I just wanted to ask you quickly in my last minute here. You and I have talked about families and the importance of families. Training them to recognize issues, empowering them to be able to help their returning soldier when they come home. If we don't deal with the families, we are not going to be able to recruit soldiers in the future.

That's the Army we have today. It's the Army we have to pay attention to. Magic wand, what would you do? What would you tell us we should be doing? A couple of things to support families that we're not doing today that we need to focus on to help them with the real challenges that they have.

ARMY FAMILY COVENANT

General CASEY. The main thing we need to do is to continue to put the resources, the money, against the family programs. As I mentioned, we've doubled that last year, and we're doubling again in this 2009 budget.

The spouses that we went around and talked to said, "General, we don't need a bunch of fancy new programs. We need you to fund the ones you have and standardize them across the installations." And as we look into it, the reason they weren't standardized is because the money was distributed differently.

Senator MURRAY. Uh-huh.

General CASEY. The second thing that comes right to the front is housing. And there's a significant sum of money in this 2009 budget for Army family housing into privatized additional houses. As I said in my opening statement, we're up over 80,000 privatized homes now. And the soldiers and their families love them.

The third thing that we have to invest in and work on is exactly the issues you raised. It's the access to quality care, particularly the mental healthcare. What I'm finding myself doing, Senator, is going right down the five elements of the family covenant. And the last two are educational opportunities and childcare opportunities for the youth, and educational opportunities and jobs for spouses.

Anything you can do in any of those areas, particularly, the last one, I think, also would particularly be helpful.

Senator MURRAY. Okay. Thank you very much, both of you.

Mr. GEREN. Thank you, Senator.

Senator INOUYE. This discussion couldn't fail but to remind me of my service in World War II. And it was a different war. For example, in my regiment, only 4 percent had dependants, 96 percent were 18-year-old youngsters. On top of that, we had no CNN that would give you live reports on action happening right there.

You could see a lot of explosions. Nor did we have cell phones and BlackBerries. As a result the only thing we had to communicate with each other was the Postal Service. And it took anywhere from 3 weeks to 6 weeks for mail to go from France to Hawaii and back. And we did not have these return home every year.

As a result, you didn't have someone grabbing you and saying, "Honey, don't go back again." Or your son telling you, "Daddy, stay home." So we were lucky. The present generation is beset with

problems that modern America has created. But we have a challenge ahead of us. We've got to do something about that.

But as long as wives see their husbands on CNN standing in harm's way, it's going to shake them up. And when men receive telephone calls from their sons or a little baby saying, "Daddy, come home," that will shake up anyone. So there are some of us who appreciate that, and we want to do something about it.

ADDITIONAL COMMITTEE QUESTIONS

I thank you, Secretary and General Casey, for the service to our Nation and for the testimony. And I can assure you that this subcommittee will be working with you in the months ahead. And, if we may, we'd like to submit some follow-up questions.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO GENERAL GEORGE W. CASEY, JR.

QUESTIONS SUBMITTED BY SENATOR TED STEVENS

FISCAL YEAR 2008 SUPPLEMENTAL

*Question.* I am concerned that the Army's personnel and operation accounts will not have the resources needed to support our troops without the timely passage of the remaining fiscal year 2008 supplemental request. When is the latest you will need to have the supplemental funds in hand, and which accounts will be most significantly impacted?

Answer. We need Congress to take action prior to the end of May. This will provide enough time to process and distribute funds without interruption to ongoing operations. We are most concerned about Military pay for the Active and Guard Force. These accounts will run out of money in mid-June. The Operation and Maintenance account for the Active and Guard will run out of money in early to mid July.

FUNDING SHORTFALLS FOR RESET

*Question.* Do you anticipate any production delays in items critical for equipment reset that will not be accomplished because of funding shortfalls?

Answer. The timing of the receipt of reset funding is critical. The Army anticipates reset funds to be received in the May–June time frame. Production lead-times and deliveries are dependent upon receipt of these funds. Delays will be experienced if Army does receive reset funds as scheduled.

FUTURE COMBAT SYSTEMS

*Question.* What efforts are you making to get Future Combat System, or FCS, technologies deployed sooner and what are you hearing from soldiers in the field on the need for FCS capabilities?

Answer. There are more than 75 Future Combat System (FCS) hardware tests and evaluations ongoing across the country. The FCS Spin Out 1 prototypes will be tested by the Army Evaluation Task Force (AETF) Soldiers in mid-2008 at Fort Bliss, Texas and White Sands Missile Range, New Mexico. The Army anticipates fielding the Spin Out 1 technology to operational heavy brigades in 2010. The prototypes being tested include: Non Line of Sight (NLOS) Launch System; Urban Unattended Ground Sensors; Tactical Unattended Ground Sensors; CS Network Integration Kits for Abrams, Bradley and High Mobility Multi-purpose Wheeled Vehicle (HMMWV) platforms. Additionally, the Small Unmanned Ground Vehicle (SUGV) and the Class I Unmanned Aerial Vehicle (UAV) will be evaluated to assess the potential for accelerated fielding to the current force. If the SUGV and Class I UAV are assessed as militarily useful, the Army anticipates deploying these systems during the same 2010 timeframe.

The following FCS-like technology is currently being used in Iraq and Afghanistan: The Gas Micro Air Vehicle (gMAV), an early precursor to the FCS Class 1 UAV, has been invaluable in Navy explosive ordnance disposal (EOD) operations in

Iraq and is planned for use by 25th Infantry Division Soldiers in urban warfare operations in Iraqi this year.

The Packbot being used by Soldiers and Marines in Iraq and Afghanistan is the precursor to the FCS SUGV. This man-packable robot has been invaluable to Soldiers during urban warfare and EOD operations.

The Excalibur artillery round that is being developed to use in FCS NLOS–C is currently being used by artillery units in Iraq. The units have had stunning success with this advanced round.

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## QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

### JOINT HIGH SPEED VESSEL (JHSV)

*Question.* General Casey, based on last year's budget request, funding was appropriated for a Joint High Speed Vessel, and I understand your fiscal year 2009 requests funding for procurement of a second Joint High Speed Vessel. I am told these vessels are highly flexible and can operate in shallower ports than traditional larger vessels. Would you share with the subcommittee how you plan to use these vessels and how they may assist us in the Global War on Terrorism?

Answer. The Joint High Speed Vessel (JHSV) provides the Joint Force Commander (JFC) with an intra-theater mobility asset that enables rapid, flexible and agile maneuver of intact combat-ready units and transport of sustainment supplies between advance bases, austere and degraded port facilities or offload sites, austere littoral access points, and the Sea Base. JHSV will be capable of self-deploying worldwide to the theater of operations. Combatant Commands (COCOMs) identify high speed intra-theater surface lift as a critical gap in their ability to support the Global War on Terrorism (GWOT), their Theater Security Cooperation Program (TSCP), and current operations.

The GWOT counters a plethora of new asymmetric threats designed to erode, paralyze and marginalize U.S. power. To meet these unconventional challenges, U.S. Joint Forces must be prepared to rapidly plan and execute a broad range of joint, small scale contingency operations, while maintaining the capability to prevail in major combat operations. The keys to success in many operations remains the ability to quickly maneuver sufficient forces into critical positions, and to provide sustained logistics support until a decisive victory is achieved. Intra-theater lift will be especially crucial in a future conflict in which enemies may be able to obstruct or deny altogether the use of fixed entry points such as airfields and seaports. Shore infrastructure and support such as cranes, tugs, and other port services will not exist or be available in many of the austere ports where future JFCs will need to operate. Therefore the JHSV's ability to access non-traditional, shallow draft ports will be essential for the delivery of forces and logistics support.

### JOINT CARGO AIRCRAFT (JCA)

*Question.* General Casey, there has been some discussion recently between the United States Air Force and the United States Army about the need for and the role of the Joint Cargo Aircraft. Can you elaborate on the Army's need for and use of the Joint Cargo Aircraft?

Answer. The Chief of Staff of the Army and Chief of Staff of the Air Force have agreed to examine Intra-theater Air Lift Roles and Missions as part of the Quadrennial Defense Review. In the most recent Air Force-Army Warfighter talks, we recommitted our Services to the success of the C–27 program in its current format, on the current fielding timeline, and in accordance with the current beddown plan. Together, both services will work any roles and missions issues that may arise.

The importance of the JCA Program to the Army cannot be understated. The JCA enables the Army to meet its inherent core logistics functions as described by Joint Publication 3–17 and Joint Publication 4–0. The primary mission of the Army JCA is to transport Army time-sensitive mission-critical (TSMC) cargo and personnel to forward deployed units, often in remote and austere locations, commonly referred to as "the last tactical mile". Because of the critical nature of this cargo to the success of the tactical ground commander's mission and the short-notice of its need (usually less than 24 hours), lift assets must be in a direct support relationship to provide the necessary responsiveness.

### LAKOTA

*Question.* General Casey, the first Light Utility Helicopter Lakota aircraft have been delivered, including the first "Made in the USA" airframes from the production line in Columbus, MS. Based on the budget request, funding was appropriated for

production of 43 aircraft. I notice in your budget request submitted earlier this month you reduced your request to 36 aircraft for fiscal year 2009, and plan to make further reductions in fiscal year 2010 to 25 aircraft, and in fiscal year 2011 you make additional reduction to 18 aircraft, before you increase your request to 41 aircraft in fiscal year 2012 and 43 aircraft in 2013.

General Casey, can you share with the subcommittee how these aircraft have performed in the field?

Answer. The Light Utility Helicopter (LUH) program is successfully executing the Army's transformation strategy. The LUH program is meeting all cost, schedule and performance targets and is now in Full Rate Production. A total of 85 LUHs are now on contract with 20 aircraft delivered. The LUH is now in service at the National Training Center, Joint Readiness Training Center, and Fort Eustis, Virginia, performing medical evacuation, VIP and general support missions.

*Question.* How has this capability benefited our National Guard and Reserve units?

Answer. The Light Utility Helicopter (LUH) program greatly benefits our reserve components. Of the 345 aircraft we plan to procure, 200 will be fielded to the Army National Guard (ARNG). These new aircraft will divest legacy, aging, and less capable OH–58s and UH–1s. The immediate impact will be a more ready force, that remains in the states, ready for response to situations in permissive environments, principally within the Continental United States (CONUS). This year, we will field aircraft to the Eastern Area Army National Guard (ARNG) Training Site as well as ARNG units in Mississippi and Louisiana.

*Question.* Why would the Army request a production profile consisting of 43 aircraft last year, go down to 18 over the next three years and then back up to 43 aircraft in 2013? I cannot believe this is the most efficient way to procure this aircraft, and I am concerned how this might affect fielding of the platform and stability of the workforce.

Answer. We acknowledge the challenging Light Utility Helicopter (LUH) procurement profile and we will attempt to address it within the fiscal means available within the Army Aviation investment portfolio. We appreciate your fiscal support for LUH, your efforts to rapidly bring this new commercial, off the shelf solution into the Army inventory, providing us a means to transform our aviation forces and retire our Vietnam-era helicopters as swiftly as possible.

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## QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER S. BOND

### SUSTAIN SOLDIERS AND FAMILIES IN AN ERA OF PERSISTENT CONFLICT

*Question.* How long can our soldiers sustain the current effort in Iraq and Afghanistan?

Answer. The cumulative effects of the last six-plus years at war have left our Army out of balance. The impacts on Soldiers and Units of increasing time deployed and decreasing time between deployments are visible in several different areas: training, readiness, and other indicators. The Army has a backlog of Soldiers who have not attended the Professional Military Education schools commensurate with their rank. Units are only able to train to execute counter-insurgency operations rather than full-spectrum operations. Other indicators are worrisome: the competitive recruitment environment with a declining number of qualified potential recruits, the increase in the number of Soldiers with post traumatic stress disorder (PTSD), and an increasing number of suicides. However, we assess that we will continue to recruit and retain enough Soldiers to meet our endstrength requirements. We have a plan that will, with Congressional help, restore balance to our force. We've identified four imperatives that we must accomplish to put ourselves back in balance: sustain, prepare, reset and transform. Additionally, the Army has accelerated its planned growth of Soldiers and Units and we expect to complete our growth by the end of 2011. In this era of persistent conflict, the nation needs to field fully prepared and resourced forces wherever required.

*Question.* What is the projected impact on our Soldiers and their Families?

Answer. The long term impact experienced by Soldiers and their Families resulting from Global War on Terror operations will be significant. The Army has aggressively fielded multiple prevention and treatment programs in an effort to successfully transition Soldiers from combat experience into a continued high quality of life. We have developed pre and post deployment Battlemind training, as well as Battlemind training modules for spouses. We have produced family support videos targeting the full range of dependent age groups, from toddlers to teenagers. In 2007, the Army distributed a mild Traumatic Brain Injury/Post Traumatic Stress

Disorder (TBI/PTSD) video as part of the chain teach program for the entire force, with several versions available to Families. Based on internal analyses, such as the Mental Health Advisory Teams, the Army Medical Department is hiring over 340 additional behavioral health providers and increasing the number of marriage and family therapists.

*Question.* Please tell this committee how soldiers can continue to deploy year after year with an all-volunteer force?

Answer. Per MAJ Phil Young, the answer to this question is no longer necessary.

FUTURE COMBAT SYSTEMS (FCS)

*Question.* I have been and still am a proponent of modernization, specifically through the Army's Future Combat System (FCS). I understand that near-term Army needs threaten the funding of FCS. Secretary Gates stated that program affordability was in question. I know you received several questions from my colleagues on the Armed Services Committee reference FCS, but I would like to know: What is your opinion on the importance of sustaining the funding ramp for FCS?

Answer. Continued investment in FCS is essential to deliver needed capabilities to combat forces deployed today and in the future. Investments in FCS have produced technologies that are making a difference in combat today. These include advanced vehicle armor being used to protect Soldiers in High Mobility Multipurpose Wheeled Vehicles (HMMWVs); precursor FCS Unmanned Aerial Vehicles; and robotics being used to locate and defeat Improvised Explosive Devices.

Stable funding for FCS is vital for keeping the Army's principle modernization effort on track which keeps providing increased capabilities to our Soldiers. Cuts to the FCS program threaten to delay the delivery of needed capabilities to the force. FCS is about one-third of our equipment investment strategy and currently less than three percent of our fiscal year 2009 budget request, but is key to building the full spectrum capabilities we need in the 21st Century. We are leveraging this investment to provide FCS-enabled capabilities to the current force through Spin-outs, but we need to get these capabilities to our Soldiers faster.

*Question.* What is the impact to today's Soldiers of cutting FCS funding and moving program objectives to the right?

Answer. The impact to Army modernization and to the Soldier will be an ever-increasing delay in providing urgently needed modern capabilities while causing the Army to spend valuable resources on maintaining an ever-aging fleet of combat platforms.

The immediate impact and effect of the FCS funding reductions will result in delaying the early insertion of FCS (BCT) SO1 capabilities into the hands of our Soldiers (e.g., AN/GRS–9 and AN/GRS–10 Tactical and Urban Unattended Ground Sensors, the XM1216 Small Unmanned Ground Vehicle, the XM156 Class 1 Unmanned Aerial System and the XM501 Non-Line-of-Sight Launch System). Program funding reductions will hamper the maturation of these critical SO1 technologies and delay the fielding of the capabilities urgently requested by commanders in Iraq and Afghanistan for Warfighters. Developing and fielding these capabilities now allows our Soldiers to stay ahead of our adversaries' growing capabilities.

DEPLOYING MEDICALLY FIT SOLDIERS

*Question.* We spoke briefly about the physical and mental health of our Soldiers. The Denver Post recently reported that Fort Carson sent soldiers who were not medically fit to war zones in order to meet "deployable strength" goals. I'm not singling out Fort Carson. As a matter of fact, the post Commander has taken several steps to improve the negative image created by these reports. I know that some soldiers with limited duty profiles volunteer to return to Iraq and Afghanistan to serve their unit in an administrative role. Others are deployed to neighboring countries like Kuwait in support of the War, with an understanding that they will continue to receive medical care at that site. Can you confirm that the Army is not deploying soldiers medically unfit for duty in order to meet their deployable strength goals?

Answer. Soldiers who do not meet medical retention standards should be referred to a Medical Evaluation Board for a fitness for duty determination. A commander should never knowingly deploy a Soldier determined to be medically unfit. Not only would it endanger the Soldier, whose safety is entrusted to the commander, but it threatens the mission. If Soldiers cannot perform their duties, they would have to redeploy, leaving their units without their services until replacements could be deployed.

Army Regulation (AR) 40–501, Standards of Medical Fitness, dated December 14, 2007, provides guidance for healthcare providers and commanders to determine if a Soldier is medically fit to deploy. The regulation states that some Soldiers, be-

cause of certain medical conditions, may require administrative consideration when assignment to combat areas or certain geographic areas is contemplated to ensure that they are only required to perform duties within their medical capabilities, and without creating an undue hazard to their health and well-being or the health and well-being of others.

Medical standards for deployment are meant as general guides. The final decision is based on clinical input and commander judgment, which takes into account the geographical area in which the Soldier will be assigned and the potential environmental conditions the Soldier may be subjected to.

*Question.* When limited profile soldiers are deployed, is there a guarantee that they will receive adequate care to overcome their medical issues?

Answer. A Soldier with profile limitations should deploy only if the Commander can meet the limitations of the profile and ensure adequate medical care in theater. If a Soldier requires a certain level of medical care while deployed, the Unit Commander should contact the Theater Surgeon, who is the most senior physician in the combat theater, to ensure the required care is available. Commanders are charged with the care and oversight of their subordinates. Therefore, they have an obligation to ensure that the limitations of a Soldier's profile will be met in any environment to which the Soldier is deployed.

The disposition of Soldiers with limited profiles in a deployed environment is outlined in Army Regulation (AR) 40–501, Standards of Medical Fitness, dated December 14, 2007, which states that profiling officers should provide enough information regarding the Soldier's physical limitations to enable the non-medical commander and Army Human Resources Command to make a determination on individual assignments or duties.

*Question.* Is there pressure placed on junior commanders by senior level officers to meet unit strength requirements in support of a deployment? If so, are junior leaders taking too much liberty with their profile soldiers?

Answer. It is a common misperception that a Soldier with a limiting physical profile is non-deployable and yes, ultimately the Commander decides whether or not a Soldier deploys. However, physical profiles that state "non-deployable," "do not deploy", or "no field duty" are invalid. Profiles delineate physical limitations of the Soldier, not whether or not the Soldier is deployable.

Deploying a Soldier that is not capable of supporting the mission decreases mission accomplishment. It would be counterproductive to the command to deploy Soldiers that cannot contribute to mission accomplishment.

*Question.* How can the Army fix the situation?

Answer. Educating leaders and Soldiers and improving communication are the best ways to manage this situation. Deploying an unfit Soldier endangers the Soldier and the mission. Our process for identifying Soldiers who should not deploy for medical reasons is sound. Problems can occur if Commanders deviate from the process or do not communicate with health care providers. Army Regulation 40–501, Standards of Medical Fitness, dated December 14, 2007, details the joint responsibility of the Healthcare Provider and Commander to ensure the medical fitness of deploying Soldiers.

MENTAL HEALTH PRACTITIONERS

*Question.* An increasing number of Soldiers returning from combat duty have been diagnosed with varying degrees of Post Traumatic Stress Disorder (PTSD). There is no doubt that there is a relationship between suicide rates and PTSD. We must make sure that our men and women have access to the care they deserve when they return from combat. My staff has been investigating the status of behavioral health care throughout the military and has consistently found that behavioral health care assets remain in short supply. What is the Army doing to alleviate the shortage?

Answer. The Army is taking action on several fronts to alleviate the shortage of behavioral health providers. The backbone of our behavioral health services are our active duty providers, both in the theater of operations and in our military treatment facilities. These behavioral health providers are among the most highly deployed of any of our specialties, supporting our Combat Stress Control Teams and other units in Iraq and Afghanistan. To encourage active duty providers to join and stay in the Army, we offer financial incentives such as accession bonuses, retention bonuses, loan repayment, and education scholarships. The Army also offers several programs to recruit and train mental health professionals in uniform. These programs include the Clinical Psychology Internship Program, a Masters of Social Work program, a Clinical Psychology Training Program and a new Adult Psychiatric Mental Health Nurse Practitioner Program. Participants remain on active duty during these programs and incur additional active duty service obligations.

In 2007, we identified a significant gap between our behavioral health manpower requirements and the increased patient care demand. As a result, in June 2007, the Army authorized the hiring of 275 additional behavioral health providers in the United States. We have since identified additional overseas requirements that we are working to fill. As of March 7, 2008, we have hired and placed 147 additional providers. Unfortunately, the national shortage of behavioral health providers poses serious challenges to our recruiting efforts. Although we offer salaries based on the market conditions, we are still struggling to find providers in some of our remote locations.

The Army is also training primary care providers to help alleviate the pressure on our behavioral health providers. In 2006, we completed a successful pilot program at Fort Bragg, North Carolina called RESPECT–MIL that has been expanded to 15 installations. RESPECT–MIL is a program designed to decrease stigma and improve access to care by providing behavioral healthcare in primary care settings.

In addition to traditional behavioral health care settings and primary care settings, we are also expanding other portals to behavioral health services. For example, we are planning to hire an additional 40 substance abuse counselors as well as more than 50 marriage and family therapists. Finally, we are adding 99 social workers to our Warrior Transition Units.

NATIONAL GUARD PROVISIONS OF NDAA 08

*Question.* As you know, the Congress continues to provide additional funds for Guard equipment. This year will be no different and I will join with Senator Leahy in asking our colleagues to provide funding for additional full time manning. Additionally Senator Leahy and I were successful in getting portions of our Guard Empowerment legislation into law. Do you have any problems supporting the legislation that was passed in the fiscal year 2008 National Defense Authorization Act in support of strengthening the role of the National Guard within the Pentagon? If so, please identify those portions of the legislation that you find problematic?

Answer. The intent of the National Guard Empowerment provisions incorporated into the National Defense Authorization Act for Fiscal Year 2008 (NDAA 08) was to ensure that the National Guard would have a voice in policy and budget processes and decisions which effected the Guard, or which would benefit from the Guard's expertise and perspective. The Army has included the National Guard in its policy and budget processes for several years, and the Director of the Army National Guard and the Army National Guard staff are engaged as full partners in the Army's policy and budget decisions.

The Army participated fully in the work groups the Office of the Secretary of Defense (OSD) established last year to address, among other things, revising the National Guard Bureau (NGB) Charter and clarifying the NGB's role in Defense Support to Civil Authorities—both of which are addressed in NDAA 08. Those OSD work groups were formed in anticipation of the NDAA 08 changes to the roles and responsibilities of the National Guard, and in response to the Secretary of Defense's instructions to implement recommendations made by the Commission on the National Guard and Reserves in March 2007. The Army is pleased to have been a part of those Department of Defense efforts.

The Army remains confident in NGB's ability to coordinate and work closely with States and other agencies for non-federal and State missions that rely primarily on the Guard for support. Provisions of NDAA 08 appear to enhance NGB's ability to do so without diminishing its responsibilities to the Secretaries of the Army and the Air Force or reducing its ability to fulfill important dual-mission roles. This legislation further supports the Army Reserve and National Guard's role in the transition to an operational force. The Reserve Components are currently performing an operational role for which they were neither designed nor resourced. In order to meet the operational flexibility required to sustain the current conflict as well as respond to future conflicts, we are transforming how we train, equip, resource, and mobilize the Reserve Components to be available for mobilization and employment as cohesive units in accordance with the Army Force Generation cycle. We need to gain the support of the nation to accomplish this while preserving the All Volunteer force and the Citizen Soldier Ethos. Therefore, the Army supports the new legislation and will work closely with OSD to implement it.

## QUESTIONS SUBMITTED TO HON. PETE GEREN

### QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

#### HELMET SENSOR PROGRAM

*Question.* What is the status of the Army's helmet sensor program as it relates to the war's signature wound, traumatic brain injury?

Answer. The Army has equipped two Brigade Combat Teams (BCTs) deploying to Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF) with a helmet sensor that mounts on the Advanced Combat Helmet (ACH). The combat helmet sensors will record helmet acceleration and pressure data in order to characterize the forces acting on a Soldier's helmet during events that may cause traumatic brain injury (TBI). The two BCTs are 4th Bde, 101st Airborne (Air Assault) (OEF) and 1st Bde, 4th Infantry Division (OIF). Units were equipped with helmet sensors prior to their deployment and personnel were trained to record data during the rotation.

*Question.* What is the plan to implement the program Army wide?

Answer. No decision has been made to implement the helmet sensor program Army wide. It is too early to accurately determine the utility of the helmet sensor for Soldiers.

*Question.* Exactly how will the data collected be used?

Answer. The Army seeks to constantly improve the performance of all protection systems including individual protective systems such as the Advanced Combat Helmet (ACH). The Army is also seeking to develop improved identification and treatment for head injuries or TBI. Helmet sensors will capture valuable data related to the forces acting on a Soldier's combat helmet. A currently funded medical research project coordinated by the Joint Trauma Analysis and Prevention of Injury in Combat Program in support of Program Manager Soldier Survivability will assess and validate the fidelity of the helmet sensor data within the context of operational events. The validated data will be used in studies that attempt to correlate the sensor data with resulting injuries. These data may make it possible to develop injury criteria and mitigation systems, together with performance standards that are necessary to support the development of improved individual protection systems, and diagnostic surveillance.

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### QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

#### CONTRACTING TASK FORCE INITIATIVES

*Question.* Secretary Geren, in your 2008 Posture Statement you list a number of accomplishments among which are "Improved property accountability by providing Army wide visibility of 3.4 billion items valued in excess of $230 billion" and "Formed the Army Contracting Task Force to review current contracting operations and then immediately began implementing improvements." How have these accomplishments or other initiatives you have undertaken addressed corruption, fraud or waste in Iraq and in other operations around the globe?

Answer. The Army has recently taken several initiatives to address corruption, fraud or waste in Iraq and in other operations around the world.

First, the U.S. Army Contracting Command (Provisional) has been established by consolidating the U.S. Army Contracting Agency and the various contracting organizations within the U.S. Army Materiel Command (AMC). The Army Contracting Command (Provisional) will eventually be a two-star level contracting command including two subordinate one-star level commands; the Expeditionary Contracting Command and the Installation Contracting Command. This reorganization will enhance warfighter support, leverage the use of resources, capitalize the synergy of contracting personnel, and establish uniform policies.

Second, as a result of the Army Contracting Task Force review and immediate corrective actions, the Army Contracting Command—Kuwait has generated cost savings in the following categories: claims cost savings of $13.9 million this fiscal year to date; cost savings of $36.6 million over four years on new contracts (Non-Tactical Vehicles); cost savings of $88.7 million year to date by negotiating undefinitized contract actions; cost savings of $33 million to $40 million by deobligating unliquidated obligations from 1,689 contracts shipped from Kuwait to the United States for review; and cost savings generated by Contracting Officer's Representatives (CORs) through improving surveillance methods. Example: The COR on a Fuel Storage Contract was able to recoup from the contractor $142,000 through enhanced surveillance techniques. The contractor was not delivering full loads of fuel. The long term

solution is to place government fuel meters between the delivery truck and the fuel farm to measure the actual quantity delivered.

Third, the Army has increased the scope and frequency of the Contracting Operation Reviews that look at contracting organizations to ensure contracting activities are following regulations and procedures and appropriately addressing emerging issues; including corruption, fraud or waste. These reviews are part of the routine examination of contracting activities along with audits conducted by the U.S. Army Audit Agency and the Army and Department of Defense Inspectors General.

Fourth, the Army has responded by improving integrated training and workforce skills in the areas of expeditionary and installation contracting. We have distributed the Joint Contingency Contracting Handbook and a Commander's Guide to Contracting and Contract Management. We have published a Contractors Accompanying the Force Training Support Package. This package is focused on contracting and contract management for non-acquisition personnel. Expeditionary/contingency contracting is being institutionalized in the Army through numerous websites and incorporation into training courses for Army officers, NCOs, and civilians.

FIRE SCOUT UNMANNED AERIAL VEHICLES

*Question.* Secretary Geren, I understand that in an effort to "spin out" technology developed as part of your Future Combat System, the Army stood-up the Army Evaluation Task Force in Fort Bliss, Texas to evaluate equipment and prototypes. This was done in an effort to provide your current forces enhanced capabilities instead of waiting for the whole Future Combat System to be field many years in the future.

I have been informed that Commanders in Operation Iraqi Freedom cite Unmanned Aerial Vehicles (UAVs) as one of their most pressing needs. And as part of Future Combat System, the Army procured eight Fire Scout Unmanned Aerial Vehicles, seven of which have been assembled and are sitting in a warehouse.

Given the creation of this new Evaluation Task Force at Fort Bliss and with the pressing need for Intelligence, Surveillance and Reconnaissance to help with force protection and other missions, why would the Army not load available sensors into these Unmanned Vehicles and evaluate this system to determine if your troops on the ground could benefit from these assets you already own instead of letting them sit in a warehouse until 2014?

Answer. The Army is considering the feasibility of fielding Fire Scouts to the Army Evaluation Task Force (AETF) to conduct developmental and system-level testing, as well as to develop tactics, techniques, and procedures and concepts of operation in the construct of the FCS Brigade Combat Team. The Training and Doctrine Command Commander was briefed in March 2008 on several options to accelerate the Fire Scout to the AETF and the Army is assessing options to accelerate the Class IV to the AETF.

Due to three consecutive years of Congressional funding cuts to the FCS program, the Army is carefully balancing its limited resources to meet both current operational requirements and prepare for future needs. If the plan to accelerate is approved and resourced, the Army will learn valuable tactics, techniques, and procedures while providing critical risk reduction benefits to the Fire Scout program.

Currently, the Fire Scout Air Vehicles procured to support the FCS System Development Demonstration phase of the program are at Moss Point, Mississippi, going through FCS Class IV UAV Phase I assembly. Phase I is part of a two-phase final assembly process which consists of installing and integrating the Global Positioning System/Inertial Navigation System, Identify Friend or Foe System, Radar altimeter, vehicle management computer, and associated brackets, cables and equipment to receive Phase II equipment.

FCS Class IV UAV Phase II assembly begins in 2nd quarter fiscal year 2010 and runs through 4th quarter fiscal year 2011. This process consists of integrating FCS Integrated Computing System, Airborne Standoff Minefield Detection System, Synthetic Aperture Radar/Ground Moving Target Indicator sensor, communications suites, data-links, and other FCS-unique equipment.

The FCS Class IV Fire Scout milestones remain well integrated within the FCS program. Key milestones include the Class IV Preliminary Design Review scheduled for December 2008, Class IV Critical Design Review scheduled for November 2009, and Class IV First Flight scheduled for January 2011.

## QUESTIONS SUBMITTED BY SENATOR TED STEVENS

### AIRLIFT REQUIREMENTS

*Question.* The initial Army plan was to transport FCS vehicles aboard C–130 aircraft. Now that this is no longer an option due to weight growth, what is the Army doing to determine its future airlift requirements for FCS?

Answer. Within the Future Combat Systems (FCS) Family of Systems, the Manned Ground Vehicle (MGV) is the only type not capable of transport on a C–130 due to weight and cube growth. The current concept for MGV transport for strategic and operational distances is on C–17 and C–5 aircraft. This will stay constant as the Army fields the 15 FCS equipped Brigade Combat Teams.

For future operational and tactical MGV airlift requirements, the Army's Joint Heavy Lift (JHL) program was being developed to support the concept of Mounted Vertical Maneuver. Simultaneously, the Air Force was developing the Advanced Joint Air Combat System (follow-on to the C–130) concept which is their next generation intra-theater aircraft. As a result of the 2008 Army-Air Force Talks, the JHL Initial Capabilities Document (ICD) will be merged with the Air Force Future Theater Lift ICD which will result in a material solution acceptable to both services. The Joint ICD is expected to be delivered to the Joint Requirements Oversight Council by fall of 2008. The ability to vertically lift medium weight (MGV, Stryker) loads will remain the principle Army requirement for future intra-theater airlift. An Analysis of Alternatives comparing known and projected solutions will likely be initiated within the next two years.

*Question.* Do you believe additional C–17 aircraft are needed?

Answer. The requirements for C–17 aircraft will be studied and analyzed during the conduct of the Mobility Capabilities and Requirements Study 2008 (MCRS 08). This study will be co-chaired by Office of the Secretary of Defense, Program Analysis and Evaluation, and the U.S. Transportation Command. The Army, through the Army Power Projection Program, has developed equities regarding current and future force projection capabilities in support of Combatant Commanders' requirements that must be incorporated into MCRS 08. From an airlift perspective, the study must address the requirements for surge airlift to move the modular force in accordance with current war plan timelines, and the appropriate C–5/C–17 fleet mix to move outsize cargo.

In addition to MCRS 08, the 2008 National Defense Authorization Act (NDAA) directs an Airlift Fleet Study be conducted by a federally funded research and development corporation to be completed by January 2009. The 2008 NDAA directs the Secretary of Defense to conduct a requirements based study for the proper size and mix of fixed-wing intra-theater and inter-theater airlift assets to meet the National Military Strategy. The study will focus on military and commercially programmed airlift capabilities, and analyze the lifecycle costs and alternatives for military aircraft to include the C–17 and C–5.

Upon completion of the MCRS 08 and the NDAA Airlift Fleet Study, the Army will be able to make an informed decision on the number of C–17s required to meet our strategic mobility requirements.

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## QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

### WHITE SANDS MISSILE RANGE

*Question.* I understand that there is no funding in your fiscal year 2009 request to carry out your December announcement to relocate a brigade combat team to White Sands Missile Range as part the of the President's Grow the Army plan. What funding is needed for that relocation and when will the Army budget for those needs?

Answer. In accordance with the Secretary of Defense recommendation, the heavy brigade will relocate to White Sands Missile Range in fiscal year 2013. The cost to construct facilities for a brigade combat team (BCT) at White Sands Missile Range is currently estimated to be about $506 million and will take approximately two years to complete. The $506 million will fund organizational facilities such as unit headquarters, company operations facilities, maintenance facilities, barracks, and dining facilities. It will also provide related installation infrastructure by extending road networks and utilities to the BCT facilities. The specific sequence for project funding will be determined during fiscal year 2010–2015 Military Construction program development.

HIGH ENERGY LASER TEST FACILITY (HELSTF)

*Question.* The High Energy Laser System Test Facility (HELSTF) is a pre-eminent laser test facility and a Major Range and Test Base Facility. Yet your budget calls for mothballing certain HELSTF capabilities that other Defense services and agencies tell me they need. How do those cuts comply with your duty to maintain HELSTF as a Major Range and Test Base Facility for the good of all of DOD, not just the Army?

Answer. When preparing the fiscal year 2009 President's budget, the Army consulted with potential users across the Department of Defense (DOD) regarding requirements for use of the High Energy Laser System Test Facility (HELSTF) megawatt laser capabilities. At that time, we concluded there were no firm requirements for either the Mid-Infrared Advanced Chemical Laser (MIRACL) or the Sea Lite Beam Director (SLBD). The DOD Test Resource Management Center (TRMC) concurred with our decision when it certified our fiscal year 2009 test and evaluation budget on January 31, 2008.

As required by the fiscal year 2008 National Defense Authorization Act, the Army, with TRMC as the lead, is conducting a cost benefit analysis of the proposed reduction of funding at HELSTF. The analysis will include an updated survey of all DOD and Service projected requirements to determine if future year requirements have emerged since the initial survey for megawatt class chemical lasers.

HELSTF remains operational to support laser programs. HELSTF will be a vital asset as the DOD moves forward with solid states laser development.

SUBCOMMITTEE RECESS

Senator INOUYE. The Defense Subcommittee will reconvene on Wednesday, March 5, at 10:30 a.m. At that time, we'll hear from the Department of the Navy. The subcommittee will stand in recess.

[Whereupon, at 12:12 p.m., Wednesday, February 27, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, March 5.]

# DEPARTMENT OF DEFENSE APPROPRIATONS FOR FISCAL YEAR 2009

**WEDNESDAY, MARCH 5, 2008**

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.*

The subcommittee met at 10:36 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Mikulski, Murray, Stevens, Cochran, and Shelby.

## DEPARTMENT OF DEFENSE

### DEPARTMENT OF THE NAVY

### OFFICE OF THE SECRETARY

**STATEMENT OF HON. DONALD C. WINTER, SECRETARY OF THE NAVY**

OPENING STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. Today we welcome the Honorable Donald Winter, Secretary of the Navy, Admiral Gary Roughead, Chief of Naval Operations, and General James Conway, Commandant of the Marine Corps, to present testimony on the fiscal year 2009 budget for the Department of the Navy.

The President's budget request includes $149 billion to support the Navy and Marine Corps in fiscal year 2009. Along with the forthcoming request for supplemental, these funds will support the forward deployment of sailors and marines to the farthest corners of the globe. This forward presence contributes to our security, by deterring conflict in strategic regions, performing vital humanitarian relief missions, and carrying out combat missions in the global war on terrorism (GWOT).

Many Americans may not be aware of the full role of the Navy and the Marine Corps in the wars in Iraq and Afghanistan. There are currently 25,600 marines and 7,800 sailors with boots on the ground in these two countries. Our Nation owes them, and all their fellow servicemembers, a special debt of gratitude.

One challenge to maintaining the posture of the Navy and Marine Corps is to equip the forces with the tools they need to complete their missions. Both today and into the future, however high profile modernization programs, like the littoral combat ship (LCS), the expeditionary combat vehicle, the Presidential helicopter, have experienced problems with cost and schedule.

The subcommittee intends to undertake a careful review of these and other important programs, to determine the best course to modernize our forces, in the most fiscally responsible manner possible. Not only are there important questions to be asked about the next generation of weapons systems, but there are also concerns about how funds are being invested to meet the immediate needs of our servicemembers.

The recent grounding of P–3 aircraft is one such concern. And just recently, new questions are being asked about whether the bureaucracy acted quickly enough, getting mine resistant ambush protected (MRAPs) and other equipment to those currently serving in harms way.

We look forward to our witnesses sharing their views on both the challenges and successes they have—they see for the Navy and Marine Corps, and how the 2009 budget request addresses those issues. But before calling on our panel for their opening statements, there's one other matter I wish to raise.

As the subcommittee examines the fiscal year 2009 request, we must remember that the budget before us is based on recommendations made 6 months ago. And it will be several months before our bill may be approved and sent to the White House. If, for no other reason than the time it takes to assemble and review the budget request, as well as the information gleaned from these hearings, there are likely to be several changes warranted in your request, in order to best serve our national defense.

My co-chairman, Senator Stevens, and I worked for many years to propose adjustments that make sense. I believe our country is best served when Congress and the military services work as partners in identifying and carrying out the adjustments made during the appropriations process.

I look forward to working with each of you to continue that same spirit of cooperation, which is now a tradition that has served our Nation very well. The full statement of each of the witnesses this morning will be included in the record.

And now, I'm pleased to turn to my co-chairman, Senator Stevens, for his opening statement.

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much, Mr. Chairman.

And gentlemen, we're pleased to have you before the subcommittee, and I think you couldn't find a more important time. You—I do join in thanking you for your service and for your willingness to really take on these tasks that we all have. And we welcome you on your first appearance—I know you have a challenging assignment and we look forward to working with you in the Navy.

The demand for money surpasses the amounts that we can make available, but we have to work together to make sure that we meet the most pressing needs of the services. I think the greatest thrill is the one that the five of us discussed yesterday, and that is, how do we look over the horizon and make sure we have the military of the future to meet the threats the future generations will face.

Now that we know how long it takes to prepare those systems, we have to be really clairvoyant and work hard to make sure that

we start the systems and find the ways to fund them, so that there will be a superiority for all our forces out there in the years ahead.

I look forward to working with you. Thank you.

Senator INOUYE. Senator Cochran.

STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. I can't let this opportunity pass, to observe that I think the leaders we have today, of the Navy, the Marine Corps, and the Department of the Navy, are the best qualified that I can ever remember. Their personal experiences, their education backgrounds, their proven ability to manage the United States Navy and Marine Corps, reflect great credit, I think, on the military and our Government. It's an honor to be involved in helping to decide how the funding is allocated for the missions and the challenges that face the Navy today.

But I think these individuals have reflected great credit on the process and our great country. And it's a pleasure to welcome them to the subcommittee for the annual review of the budget request that's been submitted to the subcommittee.

Senator INOUYE. Thank you very much.

STATEMENT OF HON. DONALD C. WINTER

And now, Mr. Secretary.

Dr. WINTER. Thank you very much, Mr. Chairman, Senator Stevens, members of the subcommittee. Thank you for the opportunity to appear before you here today. I'm here to present the Department of the Navy's plan to support our sailors and marines in their mission to defend our Nation against current and future challenges.

The President's fiscal year 2009 budget will assist the Navy and Marine Corps in accomplishing their complimentary and reinforcing missions, while building capabilities necessary to meet future threats. One of the primary responsibilities of our Government is to provide for the Nation's defense. Those responsibilities include the critical requirement to organize, train, and equip our naval forces. For that vast majority of citizens, the only cost imposed on us is financial.

America is able to provide for the national defense with such a minimal impact on its citizenry, because we are blessed to have among us, a generation of people, patriots all, who volunteer to serve. They are the ones who bear many hardships, accept many risks, and go in harms way. The pay and benefit funding levels in our 2009 budget reflect the compensation levels necessary to continue to attract and retain quality personnel in the Navy and the Marine Corps.

Furthermore, although we are doing well in overall recruiting and retention numbers, I emphasize the need for special pays and bonuses to meet critical sub-specialty needs, such as our requirements for nurses, physicians, and GWOT stress communities, such as explosive ordinance disposal (EOD) personnel.

It is because of the hard work of our sailors and marines, that we are making progress, fostering maritime security, defeating terrorist networks, progressing toward a stable Iraq, supporting the Afghan Government, countering piracy and proliferation of deadly

technology, rendering humanitarian assistance, and strengthening partnerships around the world. Our sailors and marines have responded when called, and superbly performed their many missions in our Nation's defense. It is truly an honor and a privilege to work with them and support them as their Secretary.

The Department of the Navy's fiscal year 2009 budget, meets the challenge of resourcing the Navy and the Marine Corps team across a range of missions, from partnership building to combat operations. It invests in our ability to operate, sustain, and develop forces that are engaged in the GWOT, while preparing the force for the challenges and threats of the future. We are requesting a total of $149 billion, a 7 percent increase over the fiscal year 2008 baseline.

This increase is driven by factors, such as rising oil costs, and the critical comprehensive growth of the Marine Corps. Our fiscal year 2009 budget reflects three key priorities, which are consistent with those of previous years. They are, first of all, prevail in the GWOT. Second, take care of our sailors, marines, their families, and particularly, our wounded. And last, prepare for a full challenge across—prepare for future challenges across the full spectrum of operations.

To help meet our first priority, prevail in the GWOT, we are adapting our force for current and future missions, to include growing the Marine Corps, shaping the force by recruiting and retaining the right people, and addressing critical readiness needs. Among our most critical readiness needs, is the ability to train our sailors and marines for the threats that they may encounter. Unfortunately, our Navy has encountered increasing encroachments in our ability to conduct training. We recognize that there are, on occasion, impacts on the citizenry at large, associated with such training, but these are necessary costs that are critical to the defense of our Nation. We take extensive precautions to minimize the impact of our training. We owe it to the American people and we owe it to those who serve, to acknowledge that, as in all things in life, there are competing interests and tradeoffs, and that we treat the risks of sonar operation at sea or the impact of jet noise, the way we treat all public policy issues, balancing risks and costs against legitimate national security interests.

I commit to you today, that I will keep you appraised of legal challenges in near implications for readiness that we face over the course of the coming year. Mr. Chairman, if in the future, we are unable to properly train our sailors and marines, we will have failed to do our duty to them and to the American people.

Another critical issue I would like to highlight concerns doing right by those who go in harms way. As Secretary of Defense Gates has stated, "Apart from the war itself, we have no higher priority than to take care of our wounded." Our wounded warriors and their families deserve the highest priority care, respect, and treatment for their sacrifices. Our 2009 budget honors our commitment to ensure that our sailors and marines receive the appropriate care, training, and financial support that they need.

Finally, to meet the challenges of the future, the 2009 budget provides for a balanced fleet of ships, aircraft, and expeditionary

capabilities, with the fighting power and versatility to carry out blue, green, and brown water missions wherever called upon.

Furthermore, I would like to note that, consistent with our commitment to ensure affordability and timely delivery of capabilities, we have launched an acquisition improvement initiative to provide better integration of requirements in acquisition decision processes, improve governance and insight into the development, establishment, and execution of acquisition programs, and formalize a framework to engage senior Naval leadership.

PREPARED STATEMENT

Mr. Chairman, I am grateful for the strong support this subcommittee and the Congress at large have given our Navy and Marine Corps team. I want to thank you on their behalf. Our Navy and Marine Corps is a strong, capable, and dedicated team. I appreciate the opportunity to represent them here today and I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF HON. DONALD C. WINTER

*The Navy and Marine Corps Team . . . fighting today and preparing for future challenges*

INTRODUCTION

Chairman Inouye, Senator Stevens and Members of the Committee, it is an honor to appear again before you representing the men and women of the United States Navy and the United States Marine Corps—active, reserve, and civilian—a force of over 800,000 strong.

I am here to present the Department of the Navy's (DON) plan to support our Sailors and Marines in their mission to defend our Nation against current and future challenges as they conduct operations spanning the spectrum, from major combat to humanitarian assistance. The President's fiscal year 2009 budget will assist the Navy and Marine Corps in accomplishing their complimentary and reinforcing missions, while building capabilities necessary to meet future threats. The fiscal year 2009 budget balances capabilities to support both traditional and irregular warfare demands. It also continues to expand the Marine Corps' capacity and furthers the transformation from a blue water navy into one that can fight and win in the blue, green, and brown waters.

As I reflect upon my time as Secretary of the Navy, nothing is more sobering than the experience of seeing—every single day—the dedication, professionalism, and willingness to sacrifice shown by our Sailors, Marines, civilian employees, and their families. I will attest to you their unwavering commitment to duty. These patriots put themselves in harm's way to protect our Nation. From those who have given the ultimate sacrifice, such as Medal of Honor recipients Lieutenant Michael Murphy and Corporal Jason Dunham, to those who daily take the pledge to support and defend our Nation, our Navy and Marine Corps Team is second to none. It is because of their efforts that we are making progress fostering maritime security, defeating terrorist networks, progressing towards a stable Iraq, supporting the Afghan government, countering piracy and the proliferation of deadly technology, giving humanitarian assistance to people in need after Tsunamis and earthquakes, and strengthening partnerships around the world. The men and women of the Navy and Marine Corps have responded when called upon. It is an honor and privilege to work with them and support them as their Secretary.

Today our Nation is faced with a myriad of challenges and uncertainties across the globe. There have been several unexpected, and sometimes sudden, changes in the security environment over the past few years. Yet many of the strategic imperatives of the United States—particularly with respect to the maritime environment—remain unchanged. It is clear the United States must have the capacity to act in such a fluid and unpredictable environment, and that Naval forces offer unique flexibility to respond swiftly and decisively anywhere in the world. Providing this flexibility requires that the Department of the Navy invest wisely across a wide range of capabilities, and that we take care to deliver a balanced portfolio of capa-

bilities to the Joint force. Worldwide presence, credible deterrence and dissuasion, projection of power from naval platforms anywhere on the globe, and the ability to prevail at sea are the critical, most fundamental elements of the Navy and Marine Corps strategic posture; these are our indispensable contributions to the joint warfighting capability of the Nation.

The United States is a maritime power, bounded by sea to the east and west. The health of our national economy depends on assuring safe transit through the seas—and the maritime dimension of international commerce is ever increasing. Consider that 70 percent of the earth is covered by water, 80 percent of the world's population lives in close proximity to the coast, and 90 percent of the world's international commerce is transported via the sea. Given our national interests, and the role we play in the world, it is unsurprising that our Sailors and Marines are constantly called upon to react to a wide range of challenges. I suggest that the strength of a nation's naval force remains an essential measure of that nation's status and role in the world. I also submit that maritime dominance by the United States remains vital to our national security, to our position in the world, and to our ability to defend and promote our interests.

Last fall, the Department of the Navy, in collaboration with the U.S. Coast Guard, reaffirmed its emphasis on the traditional capabilities of forward presence, deterrence, sea control, and power projection in its new Maritime Strategy: A Cooperative Strategy for 21st Century Seapower. However, the Maritime Strategy also makes clear that we consider our core capabilities to include maritime security and the provision of humanitarian assistance and disaster relief—areas of growing importance. The strategy emphasizes the use of soft power, and highlights the criticality of our foreign friends and allies, while reminding us that the underlying credibility for partnerships and peace is the United States' ability to swiftly defeat a threat with overwhelming and decisive combat power.

The unique nature of our Department is such that the Navy and Marine Corps team is a constantly deployed force, both in peacetime and in war, with the further ability to surge assets worldwide, anytime required. As we consider the current and projected strategic environment, we must anticipate a steadily growing reliance on our unique expeditionary character. This is becoming ever more apparent. The challenge of resourcing our two services across such a large range of steadily growing global missions, from partnership building to combat operations, is one that we have met with the President's fiscal year 2009 budget.

Reflected in the budget submittal is the fact that today's Navy and Marine Corps are operating in blue, green and brown waters, in the air and on the shore—and sometimes deep inland—facing a wide variety of threats. On any given day, approximately 40 percent of the fleet is deployed at sea or involved in pre-deployment training. Forward deployed carrier and expeditionary strike groups operate on the high seas, unencumbered by constraints facing land-based forces. They are providing our combatant commanders with many important and powerful combinations of capability: tactical aviation, land attack systems, SEAL and Marine special operations forces (SOF), intelligence and surveillance platforms, amphibious assault and forcible entry capacity, over-the-horizon force projection, and flexible seabasing and at sea logistical support. Our full spectrum of capabilities also includes ship-based ballistic missile defense—providing a shield that not only protects our maritime freedom of movement and access, but which also contributes to the defense of our allies and our homeland against missile threats. In other words, we are presenting a budget which supports a force in high demand across the globe.

The President's budget does more than just fulfill our responsibilities in today's complex environment; it continues to evolve our portfolio of capabilities. This is essential to our ability to defend against future threats which could range from the asymmetric—from terrorists to proliferation and/or use of weapons of mass destruction—to the more traditional challenges posed by nation-states and possible future "near peer" competitors.

Evolving our portfolio of capabilities can be challenging, since the Navy and Marine Corps have an operational construct that emphasizes forward deployment and presence. Historically, while the bulk of U.S. forces return home after cessation of a conflict or crisis, our maritime forces often do not. They are continuously present in forward regions, and through their forward engagement they maintain familiarity with the environment and the characteristics of regional actors; they also foster and sustain trust and cooperation with friends and allies. Thus when a threat to our national security emerges overseas, it may well be encountered first by the Navy and Marine Corps. Meeting that threat, whether on land, in the air, on the high seas, or under the sea, will require our forces to be in peak fighting condition. They must be ready to fight and win at any time, and to do so at great strategic distance. We have developed a budgetary plan which addresses these requirements.

We have developed the budget in the face of a demanding and rapidly changing security environment, and there are worrisome trends that bear watching. Nations are developing weapons and systems which seem deliberately intended to threaten our Naval assets, deny access, and restrict our freedom of maneuver. The proliferation of anti-access weapons technology to unfriendly nations is a significant concern. Furthermore, the Department of the Navy, like other parts of the Department of Defense (DOD), has been a target of aggressive foreign intelligence and data-collection activities. As such, we need to invest in the capabilities necessary to preserve our technological advantage. Additionally, aside from growing costs and schedule delays in some acquisition programs, we also struggle with regulatory encroachment and legal challenges that threaten to undercut our ability to effectively train and maintain readiness. We must address these challenges; doing so is fundamental to maintaining our Naval readiness and our capability to defend our Nation.

In summary, the Department of the Navy's fiscal year 2009 budget invests in the Navy and Marine Corps to operate, sustain and develop forces that will remain engaged in the Global War on Terrorism (GWOT), while at the same time preparing the force for the challenges and threats of the future. The fiscal year 2009 budget requests $149.3 billion for these purposes. This is a 7 percent increase over the fiscal year 2008 baseline and is driven by factors such as rising oil costs and the critical, comprehensive growth of the United States Marine Corps.

*Priorities for the Department of the Navy*

The Department of the Navy is committed to finding solutions that allow the Navy and Marine Corps to balance our current requirements and operational realities with the likely needs of the future. We strive to maintain an agile and flexible force that cannot only contribute to winning our Nation's wars but also can assist in preventing future conflict to the extent possible—whether by dissuasion, deterrence, humanitarian action or disaster relief. As such, our priorities remain consistent with those in previous years. They are to: Prevail in the GWOT; take care of our Sailors, Marines, their Families and particularly our wounded; and prepare for future challenges across the full spectrum of operations.

As in the past, for the sake of brevity, some of the key programs are highlighted and can be found in greater detail in the Highlights of the Department of the Navy fiscal year 2009 budget.[1] This statement is designed to reinforce, and build upon, initiatives articulated in previous testimony and budget material.

PREVAIL IN THE GLOBAL WAR ON TERRORISM

The Department's top priority remains the Global War on Terrorism. Today, approximately 29,300 Marines and 11,300 Sailors (including individual augmentees) operate ashore, along with 12,000 Sailors at sea. They are conducting and supporting operations in Iraq and Afghanistan, and throughout the U.S. Central Command region, and their contributions are central to the progress being made.

Naval forces provide a major part of the national worldwide rotational presence and an increasing portion of the required support for ground units in Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF). They operate across the spectrum—from low intensity conflict, humanitarian assistance and disaster relief, to high intensity conflict involving airborne strike and Marine Corps forces in coordinated joint and coalition ground operations. To illustrate the wide range of activities undertaken, it is noteworthy that, in 2007, five Carrier Strike Groups and five Expeditionary Strike Groups deployed in support of OEF and OIF. Throughout 2007 the Marine Corps provided three embarked Marine Expeditionary Units (MEUs) forward positioned in all geographic commands. Two of these MEUs were employed ashore in support of Multi-National Force—West and participated in sustained combat operations. Naval aviation, afloat and ashore, in concert with U.S. Air Force and coalition aviation forces, has provided critical strike, overland surveillance, logistical and electronic warfare support to the joint land forces deployed in Iraq and Afghanistan. The Navy has also deployed riverine forces for the first time since Vietnam, operating on Lake Thar Thar and the Euphrates River. The Marine Corps also achieved a milestone with successful deployment of the first MV–22 Osprey squadron in OIF operations. Naval Special Warfare (NSW) forces continue to be actively engaged in combating terrorism. The Navy SEALs and the Marine Special Operations Command have done outstanding work in OIF/OEF and have made critical progress in countering the threat of international terrorism. We will continue to prioritize investment and retention of our highly skilled special operations forces.

[1] Highlights of the Department of the Navy Fiscal Year 2009 Budget, February 2008.

In addition to traditional types of maritime activities, the Navy continues to support the GWOT in a variety of non-traditional areas. For example, Navy Sailors are leading a number of Provincial Reconstruction Teams in Afghanistan today. Significant numbers of Naval combat support and combat service support personnel are relieving the Army and Marine Corps in select mission areas. In U.S. Central Command, Navy personnel are providing base and port operations support, medical, explosive ordinance disposal, construction battalions, civil affairs, electronic warfare, mobile security forces, detainee operations, intelligence, and headquarters staff support. The Navy also continues command of the detainee mission in Guantanamo Bay, Cuba and at Camp Bucca, a high security prison in Iraq. Executive agent responsibilities are discharged by the Navy for the GWOT-related Combined Joint Task Force Horn of Africa (CJTF HOA) in Djibouti. CJTF HOA has transformed from its initial seafaring force, aimed at blocking terrorists fleeing Afghanistan (and preventing them from establishing new safe havens), into a task force that also conducts military-to-military training and humanitarian assistance over a large geographic expanse of eight countries.

With respect to the Marine Corps, the II Marine Expeditionary Force Forward, augmented by Marines from around the Corps, conducted counterinsurgency operations in Iraq and led the Multi-National Force—West in Al Anbar Province, supported by Army, Air Force, and Navy personnel. The achievements of the Marines in Al Anbar have been widely noted, and their success in creating a permissive environment for local governance and economic development—making significant inroads in security, training, and transfer of responsibility to their Iraqi counterparts—has been crucial. More broadly across the country, Marine Corps Transition Teams have conducted training for Iraqi military, police and border teams. The Marine Corps provided over 800 personnel across more than 50 types of Iraqi transition teams in 2007. Building upon these successes in Iraq, recently the President approved the deployment of 2,200 Marines to Afghanistan in support of the NATO-led International Security Assistance Force mission, and 1,000 Marines to assist in the training and development of the Afghan National Security Forces. In preparation for these overseas missions, the Marine Corps continues to implement comprehensive training programs at home, such as Mojave Viper and Desert Talon.

At sea, the effective conduct of Maritime Security Operations is a critical element of the fight against terrorism. In the Northern Arabian Gulf, our Sailors and Marines are working with Coalition and Iraqi forces in a Coalition Task Group to defend the Al Basra Oil Terminal and the Khawr al Amaya Oil Terminal. The security of these platforms is provided through waterborne patrols in Rigid Hull Inflatable Boats, platform security personnel, and helicopter surveillance. Working with our NATO Allies, the Navy continues to provide support for Operation Active Endeavor, which is an ongoing maritime interdiction effort in the Mediterranean. Similarly, the conduct of operations to dissuade and counter piracy off the West African coast and the actions of the guided missile destroyers U.S.S. *Porter*, U.S.S. *Arleigh Burke* and U.S.S. *James E. Williams* off the coast of Somalia this past October are examples of how the Navy is working to provide a secure maritime environment.

Fostering enduring foreign partnerships and friendships is yet another key contributor to the GWOT, as we bolster the capacity of nations to work with us, and to conduct counter-terrorism efforts of their own. The Navy is continuing to develop the concept of Global Fleet Station (GFS), envisioned to be a highly visible, positively engaged, reassuring, and persistent sea base from which to interact with the global maritime community of nations. The Department demonstrated the concept through the GFS pilot in October, using the HSV–2 SWIFT in the Caribbean, and again with the African Partnership Station in the Gulf of Guinea, using the U.S.S. *Fort McHenry* and HSV–2 SWIFT. In addition to targeted outreach activities, the Navy and Marine Corps team extends America's diplomatic reach through the conduct of multinational exercises and port visits. Throughout 2007, the Naval force participated in over 230 bilateral and multinational exercises with partners around the globe.[2] The Marine Corps also participated in over sixty Theater Security Cooperation events, which ranged from deployment of small Mobile Training Teams in Central America to MEU exercises in Africa, the Middle East, and the Pacific. Additionally, several overseas training events were held with foreign special oper-

[2] Illustrative of our global security cooperation are exercises involving the Japanese Maritime Self Defense Force and the Indian Navy during TRILAX 07 in the Northern Pacific; PHOENIX EXPRESS 07 with Moroccan, Algerian, and Tunisian forces west of the Gibraltar Strait; BALTOPS 07 in the Baltic Sea with Denmark, France, Germany, Sweden, Poland, Russia, Latvia, Lithuania, the United Kingdom, and NATO; AMAN 07 with Pakistan, Great Britain, China, France, Italy, Malaysia, Turkey, and Bangladesh; UNITAS off of South America's Pacific coast with Chile, Colombia, and Peru; and MALABAR with forces from India.

ations forces to improve interoperability with Navy and Marine SOF, and the Department provided support to the stand-up of NATO's new SOF Coordination Center. The cumulative effect of these exercises and events is to foster trust and sustain cooperative relationships with our international partners. This is critical to U.S. national security.

Outreach to foreign populations is also an important part of the Nation's efforts to stem the spread of terrorism. This is an important mission for the Navy and the Marine Corps and is a tangible way that we can demonstrate the compassion and values of the American people. Last year, the Navy and Marine Corps together were at the forefront of numerous humanitarian assistance and disaster relief operations. Sailors and Marines in the Pacific provided desperately-needed humanitarian support to Bangladesh in the aftermath of Cyclone Sidr. The Marine Corps engaged in civil-military and humanitarian assistance operations such as "New Horizons" in Nicaragua and land mine removal training in Azerbaijan. The joint and combined crew aboard the USNS *Comfort* gave humanitarian aid during a four month tour in Latin America and the Caribbean. During Pacific Partnership 2007, the joint and interagency crew of the U.S.S. *Peleliu* gave similar aid to the Philippines and other Pacific island nations. We hope that the support given during these missions, whether it was the Seabees' reconstruction of homes and schools devastated by a tsunami, or inoculation and treatment of children and the elderly by Navy and Marine medical professionals, helped convey a positive image of the United States with local populations.

Finally, within the United States, the Department continues its emphasis on providing increased force protection to our Sailors and Marines, particularly in the area of counter-improvised explosive devices (IED). As lead service for the joint Mine Resistant Ambush Protected (MRAP) vehicle program, the Department accelerated production for MRAP vehicles to rapidly field this capability in Iraq and Afghanistan. Through the use of Lean Six Sigma activities and projects, the Department synchronized an effort to build and transport MRAP vehicles to the theater, rapidly identifying and mitigating deficiencies in the MRAP vehicle pipeline. Over 2,000 MRAP vehicles have been fielded to support the Department's joint urgent requirement, over 900 of which are in the hands of Marines and more than 150 fielded to the Navy. Also as part of the broader counter-IED effort, the Department is procuring Biometric Tools, the Family of Imaging Systems, counter-IED robotics, and Counter Radio-Controlled IED Electronic Warfare systems.

*Adapting the Naval Force for GWOT and Future Missions*

The Marine Corps and Navy are being called upon today to conduct surge operations, conduct Iraq unit rotations, provide additional forces to Afghanistan, and prepare for other challenges. The Department has not only addressed these commitments, but is contributing low supply, high demand forces (e.g., Explosive Ordnance Disposal (EOD) units) to support the other services and coalition efforts. Of our deployed EOD teams, over 50 percent operate in support of other services. Additionally, over the course of 2007, the Navy provided 12,985 Active Component Augmentees and 9,527 Mobilized Reservists in support of OEF and OIF globally, and filled approximately 8,000 Individual Augmentee and 4,500 "in-lieu-of" requirements. The Navy has increased several low density, high demand specialties and units, such as Construction Battalions and EOD teams. In October 2007, the Navy commissioned its newest Construction Battalion and Construction Regiment, bringing them to a total of 9 active duty battalions and 3 active duty regiments. Further, in order to relieve stress on Marines and their families, and to address future contingencies, the Marine Corps is growing the force, exceeding its 2007 target of 184,000 Marines; the Marine Corps is on track to meet the goal of 202,000 by fiscal year 2011.

Reshaping of the force is an important and evolutionary process. To do this, the Department is focused on three fronts: recruiting the right people, retaining the right people, and achieving targeted attrition. Recruiting objectives are focused on increasing the quality of the Total Force and seeking qualified Sailors to include special emphasis on filling the ranks of SEAL, NSW, Navy Special Operations, Special Warfare Combatant-Craft Crewmen, EOD, Divers, Hospital Corpsmen, and Women in Non-traditional Ratings (Master-at-Arms and Seabees). Recruiters are also focused on creating a smooth flow of recruits into boot camp by maintaining and mentoring a healthy pool of young men and women in the Delayed Entry Program.

The Department has also implemented initiatives to increase visibility and incentives for medical recruitment. While we have seen improvement in some medical programs, such as in the Nurse Corps with direct accessions, numerous challenges remain in recruiting and retaining medical personnel. Retention challenges exist in

critical specialties that require 3–7 years of training beyond medical school. In the Dental Corps, we face challenges in retaining junior officers between 4–7 years, and we also are experiencing high attrition rates for junior officer ranks in the Nurse Corps. To combat the recruiting challenges and continue supporting the increased demand for the OIF/OEF, we implemented increased accession bonuses for the Nurse Corps and Dental Corps; funded a critical skills accession bonus for medical and dental school Health Professions Scholarship Program (HPSP) participants; increased the stipend for HPSP students, as well as Financial Assistance Program participants; expanded the critical skills wartime specialty pay for reserve component medical designators; recently implemented a Critical Wartime Skills Accession bonus for Medical and Dental Corps; and implemented a Critical Skills Retention bonus for clinical psychologists.

We note that the Fiscal Year 2008 National Defense Authorization Act (NDAA) restricts military to civilian conversions for the medical community through September 30, 2012. Due to the date of enactment of this legislation, it is not reflected in the fiscal year 2009 President's budget request, but the plan is now being readdressed. Resolution will require careful planning, and we are working closely with the Office of the Secretary of Defense on this matter.

Incentive programs were a key component of our enlisted recruiting success in 2007. The enlistment bonus continues to be our most popular and effective incentive for shaping our accessions. The authority to pay a bonus up to $40,000 made a significant contribution to our Navy Special Warfare and Navy Special Operations recruiting efforts. Likewise, our Reserve Component success would not have been possible without the availability of enlistment bonuses. Extended incentive authorities towards some of our more specialized skill fields, including nuclear and aviation, will help to recruit and retain these critical skill sets, while renewal of accession bonuses will help to expand the force to newly mandated levels. The continued support of Congress in the creation of flexible compensation authorities affords the Department the tools that will help shape the force for the 21st Century.

The Grow the Force mandate by the President is a long-term plan to restore the broad range of capabilities necessary to meet future challenges and mitigate global risk to national security of the United States. The Marine Corps will grow the force by 27,000 (from 175,000 to 202,000) Marines over five years. This additional capacity and capability will enable full spectrum military operations in support of allies and partners as well as against potential enemies. In 2007, the Marine Corps added two infantry battalions, capacity to the combat engineer battalions and air naval gunfire liaison companies, and planned the training and infrastructure pieces necessary to build a balanced warfighting capability. The Marine Corps has achieved success in recruiting and maintaining quality standards. This is a remarkable achievement for an all volunteer force during a sustained war. The Marine Corps anticipates continued success in meeting recruiting and retention goals to achieve this planned force level. This end strength increase addresses more than current operations in Iraq and Afghanistan. It ensures that the Marine Corps will be able to deal with the challenges of the Long War and will reduce combat stress on Marines and their families by moving towards a 1:2 deployment to dwell ratio. Currently many Marines are on a 1:1 or less deployment to dwell ratio.

Navy and Marine Corps Reserves continue to be vital to successfully fighting the GWOT and in accomplishing routine military operations. The Marine Corps and Navy activated, respectively, 5,505 and 5,007 reservists to fulfill critical billets in OIF and other gaps in headquarters and operational units. At the close of fiscal year 2007, the Navy and Marine Corps Reserves end strength was 69,933 and 38,557 respectively.

*Readiness*

The Department's budget reflects a commitment to properly price and fund readiness to meet the demands of the Combatant Commands. For fiscal year 2009, the Fleet Response Plan (FRP) is funded to achieve "6 + 1"—the ability to support deployment of six carrier strike groups within 30 days and one additional group within 90 days. Additionally, the fiscal year 2009 budget funds 45 underway steaming days per quarter for deployed forces and 22 underway days per quarter for non-deployed forces. For the Marine Corps, equipment readiness accounts are focused on supporting the operational and equipment readiness of units engaged in operations in OIF. The Marine Corps has made tradeoffs in this area by cross-leveling equipment from units not in the fight, and while the force made great strides in its overall readiness to conduct counterinsurgency operations, this has been achieved at the expense of other traditional training, such as amphibious assault and jungle warfare.

*Carrier Waiver*.—The Navy is committed to maintaining an aircraft carrier force of 11. However, during the 33-month period between the planned 2012 decommis-

sioning of U.S.S. *Enterprise* and the 2015 delivery of the U.S.S. *Gerald R. Ford*, legislative relief is requested to temporarily reduce the carrier force to ten. Extending *Enterprise* to 2015 would involve significant technical risk, challenge our manpower and industrial bases, and require significant resource expenditure; with only minor gain for the warfighter in carrier operational availability and significant opportunity costs in force structure and readiness. The Navy is adjusting carrier maintenance schedules to meet the FRP and ensure a responsive carrier force for the Nation during this proposed ten carrier period.

*Law of the Sea Convention*.—It is critically important to the United States and our friends and allies that the seas of the world remain safe and open for all nations. Accordingly, the Department of the Navy supports U.S. accession to the Law of the Sea Convention. The Treaty codifies important principles of customary international law, such as Freedom of Navigation and rights of passage. Joining the Convention, with the declarations and understandings reflected in Senate Report 110–9 (Senate Foreign Relations Committee), will assist the United States to exercise its leadership role in the future development of open oceans law and policy. As a non-party, the United States does not have full access to the Convention's formal processes (through which over 150 nations participate in influencing future law of the sea developments). By providing legal certainty and stability for the world's largest maneuver space, the Convention furthers a core goal of our National Security Strategy to promote the rule of law around the world.

*Suppression of Unlawful Acts (SUA)*.—The Department supports expeditious U.S. ratification of the 2005 Protocol of the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation and the 2005 Protocol to the 1988 Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf ("SUA Amendments"), adopted by the International Maritime Organization on October 14, 2005, and signed by the United States on February 17, 2006. The SUA Amendments significantly strengthen the legal regime to criminalize terrorist acts and combat weapons of mass destruction proliferation in the maritime domain making them an important component in the international campaign to prevent and punish such acts.

*Encroachment*.—A critical readiness issue is our ability to be prepared to meet the full spectrum of operations that may arise globally. This requires that we have the ability to properly train our sons and daughters in a manner that effectively prepares them for the threats they may encounter. In order for Naval forces to be able to meet our operational commitments we need installations and ranges, the ability to continue to use them for their intended purposes, and the ability to augment them when necessary to respond to changing national defense requirements and circumstances.

We appreciate the action taken by Congress to recognize the importance of protecting Naval installations from encroachment pressures by enacting section 2863 of the Fiscal Year 2007 National Defense Authorization Act that establishes prohibitions against making certain military airfields or facilities, including Marine Corps Air Station Miramar, available for use by civil aircraft. We seek your continued support to move forward with plans for the Outlying Landing Field (OLF) that is critically needed to support training requirements for Carrier Air Wing aircraft based at Naval Air Station Oceana and Naval Station Norfolk. The OLF will directly support the Department's ability to meet its national defense commitments under the FRP and provide naval aviators critical training in conditions most comparable to the at-sea operating environment they will face. In response to public comments regarding the previous site alternatives, the Navy has terminated the draft Supplemental Environmental Impact Statement (EIS) and will initiate a new EIS that examines five new site alternatives, three in Virginia and two in North Carolina, based upon new information provided by officials in those states. I ask for your continued support as we work with the Congress and the States of Virginia and North Carolina to preserve and improve the installation and range capabilities needed to properly train our young men and women before we send them into harms way.

*Marine Mammals and Active Sonar*.—The most critical readiness issue relates to the Navy's ability to train using active sonar while minimizing the effect on marine mammals. One of the most challenging threats that our Naval forces face is modern, quiet diesel-electric submarines. These submarines employ state-of-the-art silencing technologies and other advances, such as special hull treatments, that make them almost undetectable with passive sonar and also reduce their vulnerability to detection with active sonar. A diesel-electric submarine so equipped can covertly operate in coastal and open ocean areas, blocking Navy access to combat zones and increasing United States vessels' vulnerability to torpedo and anti-ship missile attacks. Currently, over 40 countries operate more than 300 diesel-electric submarines worldwide, including potential adversaries in the Asia-Pacific and Middle East

areas. Naval strike groups are continuously deployed to these high-threat areas. Training with the use of mid-frequency active (MFA) sonar is a vital component of pre-deployment training. The tactical use of MFA sonar is the best means of detecting potentially hostile, quiet, diesel-electric submarines. The inability to train effectively with active sonar literally puts the lives of thousands of Americans at risk.

In January 2008, a federal district court issued an injunction precluding the Navy's ability to train effectively with MFA in critical exercises scheduled to occur in the Southern California Operating Area through January 2009, creating an unacceptable risk that strike groups may not be certified for deployment in support of world-wide operational and combat activities. Because the Composite Unit Training Exercises and the Joint Task Force Exercises off Southern California are critical to the ability to deploy strike groups ready for combat, the President concluded that continuing to train with MFA in these exercises is in the paramount interest of the United States and granted a temporary exemption from the requirements of the Coastal Zone Management Act for use of MFA sonar in these exercises through January 2009. Additionally, the Council on Environmental Quality (CEQ) concluded that the risk that strike groups might not be certified constituted an emergency circumstance requiring alternative National Environmental Policy Act arrangements. These alternative arrangements were accepted by the Navy. Despite these developments, the trial court refused to set aside the injunction. As a result the Navy appealed the court's refusal to give effect to the President's and CEQ's actions by dissolving the injunction and the court's failure to properly tailor the injunction in the first place to allow the Navy to train effectively. On February 29, the Ninth Circuit upheld the trial court. Acknowledging the Chief of Naval Operations' (CNO's) concern that the injunction issued by the trial court in its current form will "unacceptably risk" effective training and strike group certification, however, the Ninth Circuit also temporarily and partially stayed several features of the injunction. This temporary and partial stay should allow us to complete two training exercises this month, which are critical to preparing two strike groups for deployment.

The Department continues to be a good steward of the environment, while providing the necessary training that is essential to national security and ensures the safety of our people. The Department is engaged in a comprehensive effort to ensure compliance with the National Environmental Policy Act, Marine Mammal Protection Act, Endangered Species Act, Coastal Zone Management Act, National Marine Sanctuaries Act, and Executive Order 12114. Twelve EISs are in development with associated Records of Decision (ROD) scheduled for issuance by the end of calendar year 2009. The Navy implements twenty-nine protective measures developed in conjunction with the National Marine Fisheries Service, the Federal regulator responsible for oversight and implementation of the Marine Mammal Protection Act. These measures afford significant protection to marine mammals while maintaining training fidelity. The Navy has steadily increased funding for marine mammal research from $12.5 million in fiscal year 2004 to $22 million in fiscal year 2009. The Navy's financial commitment constitutes more that half of the world-wide funding for research on the effects of anthropogenic sound on marine mammals. Over the past several years, tremendous progress has been made in expanding the scientific base of knowledge, especially concerning the species identified as the most sensitive to mid-frequency active sonar, deep diving beaked whales. The Navy, working with the National Marine Fisheries Service, is engaged in a three-year controlled exposure study of sound on whales at the Navy's Atlantic Undersea Test and Evaluation Center in the Bahamas. This study, along with other research, development, test and evaluation efforts, will provide further information needed to understand and effectively mitigate the effects of active sonar on marine mammals.

### TAKE CARE OF OUR PEOPLE

In 2007 the Department implemented a Human Capital Strategy that focuses on our most valuable asset, the Department's people. In the strategy, the Department addresses the changes in warfare, workforce, technologies, and processes and lays out the strategic objective to produce and employ the right people with the right skills to support or accomplish 21st Century Naval missions. The development and retention of quality people is vital to our continued success. The Department of the Navy is committed to sustaining quality of service and quality of life programs, including training, compensation, promotion opportunities, health care, housing, and reasonable operational and personnel tempo. The cost of manpower is the single greatest component in the fiscal year 2009 budget. The fiscal year 2009 budget requests $41.6 billion for Military Personnel and includes a 3.4 percent Military Personnel pay raise. This investment is critical to ensuring a Naval force with the highest levels of ability and character.

*Comprehensive Care*.—As Secretary of Defense Gates has stated, "Apart from the war itself, we have no higher priority (than to take care of our Wounded, Ill, and Injured)." Over the sustained combat operations in the GWOT, the Department has endured the loss of over 830 Marines and 75 Sailors killed in action, and over 8,500 Marines and 600 Sailors wounded in action. These Marines and Sailors and their survivors deserve the highest priority care, respect and treatment for their sacrifices. We must ensure our wounded warriors and families receive the appropriate care, training and financial support they need. Failing them will undermine the trust and confidence of the American people. Consequently, the Department of the Navy initiated a Comprehensive Casualty Care effort in March 2007 to ensure visibility of the full range of needs of service members and their family members and the coordination and expedient delivery of clinical and non-clinical services throughout the continuum of care. Among the initiatives pursued under this effort was a Lean Six Sigma mapping of the casualty care process to identify areas of patient transitions, gaps in service, and unmet needs across key functional service areas to include: Medical, Pay, and Personnel, Family Support, Case Management, Information Technology, and the Disability Evaluation System. The following sections provide some specific examples of the Department's actions and plans for improving care for our people.

*Combat Casualty Care*.—Navy Medicine provides combat casualty care to Navy and Marine Corps units, on Expeditionary Medical Facilities, aboard casualty receiving/treatment ships and hospital ships, and in military hospitals. Recent advances in force protection, battlefield medicine, combat/operational stress control, and medical evaluation have led to improved survival rates for wounded (approximately 97 percent) and enhanced combat effectiveness. In September 2007 Naval Medical Center San Diego stood-up a Comprehensive Combat Casualty Care Center providing inpatient and outpatient services to all levels of combat casualties, including rehabilitative, mental health and prosthetic care. The unit is the military's first and only center for amputee care on the West Coast. This year the Marine Corps is reorganizing Medical Battalions and fielding the Family of Field Medical Equipment, modernizing 34 different medical systems such as the Traumatic Brain Injury (TBI) scanner and the Airframe First Aid Kit.

*Wounded Warrior and Safe Harbor*.—In fiscal year 2007 the Marine Corps expanded its existing programs by establishing the Wounded Warrior Regiment with a Wounded Warrior Battalion on each coast to provide better continuity of care for wounded warriors. Specifically, these organizations provide wounded warriors a location to recuperate and transition in proximity to family and parent units. The Navy has a number of programs ensuring care for all wounded, ill and injured Sailors and their families. Those severely wounded, ill, and injured Sailors and their families receive non-medical case management and advocacy from the Navy's Safe Harbor Program. Safe Harbor provides assistance in dealing with personal challenges from the time of injury through return to duty or transition to civilian life.

*Post Traumatic Stress Disorder*.—Specific improvements for post traumatic stress disorder include both preventive and post deployment care. The Marine Corps is employing Operational Stress Control and Readiness teams to provide early intervention, outreach, and prevention at the unit level in close proximity to operational missions, reducing stigma associated with conventional mental health care. The Navy is enhancing the Operational Stress Control Program and is completing phase two of the in-theater Behavioral Health Needs Assessment Survey to identify mental health needs, guide development of appropriate prevention and treatment programs, and ensure adequate in-theater mental health support. To date in fiscal year 2008, Navy Medicine expanded the Deployment Health Clinic (DHC) concept to a total of 17 Centers. These DHCs logged over 30,000 visits encompassing the entire range of post deployment healthcare symptoms. These clinics are designed to be easily accessible, non-stigmatizing portals for effective assessment and treatment of deployment-related mental health issues. Three additional DHCs are planned for 2008. Specialized training is also being provided to the Chaplain Corps and non-mental health medical personnel to include mind, body and spiritual practices. Augmenting the ability to deliver the highest quality of Psychological Healthcare available, Navy Medicine committed $7 million to stand-up a Naval Center for the Study of Combat Stress that will support all of the varied and diverse mental health needs.

*Traumatic Brain Injury (TBI)*.—The Department is engaged in activities to address TBI and remains committed to the further expansion of TBI research and availability of services for our service members. Navy Medical Research Command uses new techniques to identify transmissibility of blast wave energy into the brain, focusing on the nexus between the blast wave energy transmission and the resulting brain pathology. Navy researchers serve on the Health Affairs Senior Executive Ad-

visory Committee on TBI sensor development and coordinate closely with the U.S. Army Program Executive Office in the development of helmet mounted monitors. The National Naval Medical Center's Traumatic Stress and Brain Injury Program serves blast-exposed or head-injured casualties aero-medically evacuated out of theater. Over 1,082 blast-exposed service members have been evaluated for psychological health and traumatic brain injury. In May 2007, Naval Medical Center San Diego stood up a Traumatic Stress and Brain Injury Program, and in September 2007, Camp Lejeune stood up a similar program.

*Physical and Medical Evaluation Boards*.—The Department refined the physical and medical evaluation board process to ensure timely, comprehensive and transparent actions balancing the rights of the individual and the needs of the service. Actions include upgrading the Council of Review Board website to provide transition services and links to government agencies with post-service benefits. Additional upgrades are underway to provide a portal for members to monitor case processing. The Department is also participating in the joint DOD–VA Disability Evaluation Pilot in the National Capital Region that is designed to further streamline the process and ensure a smooth transition to civilian life for service members leaving active duty.

*Family Readiness*.—The Department remains committed to the readiness and resilience of Navy and Marine Corps families, including the spouses, children, parents, and other extended family members committed to caring for Sailors and Marines. To that end, the Department operationalized family support programs to better empower Sailors and Marines to effectively meet the challenges of today's military lifestyle. The Marine Corps is redesigning and enhancing family readiness programs that most directly prepare Marines and their families, including: Unit Family Readiness Program, Marine Corps Family Team Building Program, Exceptional Family Member Program, School Liaison Program, and Children, Youth and Teen Program. As a companion effort, the Marine Corps will address quality of life deficiencies at remote and isolated installations, expand communication connections between separated Marines and their families, and make needed improvements to quality of life facilities and equipment throughout the Marine Corps. The Navy increased emphasis on prevention, education, and counseling to Navy families undergoing frequent and often short notice deployments. It has created school liaison positions to work with school districts and Navy families to ensure teachers and other school officials understand the pressures and issues facing military children. The Navy provides brief, solution-focused clinical counseling services to more family members, as well as increasing home visitation services to new parents who have been identified as requiring parenting support. To better reach Individual Augmentee families who do not live near a military installation but who have access to a computer, the Navy has begun virtual Individual Augmentee Family Discussion Groups to ensure outreach information, referral and ongoing support.

The Department has developed an aggressive child care expansion plan, adding over 4,000 new child care spaces within the next 18 months. This expansion includes construction of new Child Development Centers (including facilities open 24/7), commercial contracts, and expanding military certified home care. Combined, these initiatives will reduce the waiting time for child care from 6–18 months to less than 3 months. To assist parents and children with the challenges of frequent deployments, an additional 100,000 hours of respite child care will be provided for families of deployed service members. In efforts to combat youth obesity, the Navy has implemented a new world-wide youth fitness initiative called "FitFactor" to increase youth interest and awareness in the importance of healthy choices in life.

*National Security Personnel System (NSPS)*.—The Department of the Navy has successfully converted ~30,000 employees into NSPS, with an additional ~30,000 scheduled to convert by 30 October 2008. The DON is already seeing a return on investment: an unprecedented training effort focused on performance management, greater communication between employees and supervisors, people talking about results and mission alignment, and increased flexibility in rewarding exceptional performance. While mindful of new legislative restraints, maintaining key human resource elements of NSPS, including pay-for-performance, is vital to the system's success and the Department's ability to respond to ever-changing national security threats.

*Safety*.—Fundamental to taking care of Sailors, Marines and DON civilian employees is establishing a culture and environment where safety is an intrinsic component of all decision making, both on and off-duty. Safety and risk management are integrated into on and off duty evolutions to maximize mission readiness and to establish DON as a world class safety organization where no mishap is accepted as the cost of doing business.

The Secretary of Defense established a goal to achieve a 75 percent reduction in baseline fiscal year 2002 mishap rates across DOD by the end of fiscal year 2008. In fiscal year 2007 the DON recorded our lowest number of serious operational mishaps and the lowest rate of serious aviation mishaps in our history.

One particular challenge that we continue to face is loss of Sailors and Marines to fatal accidents on our nation's highways—111 in fiscal year 2007. While our rates are actually better than U.S. national statistics, and fiscal year 2007 was one of our best years ever, we find these losses untenable—we can and must do better. In particular, the growing popularity of sport bikes, or high powered racing motorcycles, represents our biggest challenge. We are restructuring our motorcycle training, and in partnership with the Motorcycle Safety Foundation, we have developed a new hands-on Sport Bike Rider Safety Course. We are also implementing methods and technology to more rapidly assess our personnel to accurately identify those individuals at high risk for private motor vehicle mishaps. They will be targeted for intervention in an effort to further reduce mishaps and our DON risk profile.

PREPARE FOR FUTURE CHALLENGES

*Building a Balanced Fleet*

Today's Navy and Marine Corps must confront threats in the maritime domain ranging from near-peer competitors, to non-state and transnational actors, to rogue nations and pirates. To meet the challenge the fiscal year 2009 budget provides for a balanced fleet of ships, aircraft and expeditionary capabilities with the fighting power and versatility to carry out blue, green, and brown water missions on a global basis.

To ensure affordability and timely delivery of capabilities will require improvements in the acquisition process—ensuring stable requirements and clarity in design criteria, better program management expertise, and new measures to incentivize contractors to complete programs on cost and within schedule, while delivering a quality product for military use. Military use also includes other factors such as habitability conditions that support quality of life, reduced variability of part types, and supportable logistics and sustainment. In addition, independent cost, schedule, and risk assessments are conducted and used to establish the foundation of program plans.

The Department has launched an acquisition improvement initiative, planning for which has included the Secretary, Chief of Naval Operations (CNO) and Commandant of the Marine Corps (CMC), and which will enforce discipline across the Department without altering existing Office of the Secretary of Defense and Joint Chiefs of Staff-level processes. Actions comprising the acquisition improvement initiative include the following:

*Acquisition Governance*

Led by CNO/CMC, the requirements phase comprises three "requirements gates:" (1) Approval of Initial Capabilities Document; (2) Approval of Analysis of Alternatives; and (3) Approval of Capabilities Development Document and Concept of Operations. During this phase the focus is on what we buy and the process ensures completeness and unanimity of requirements, agreed upon by top leadership early in the acquisition process.

The acquisition phase, led by the Component Acquisition Executive, consists of three "acquisition gates": (1) Approval of the System Design Specification; (2) Approval to release the System Development and Demonstration Request for Proposals; and (3) A Sufficiency Review of the entire program. During this phase the focus is on "how we buy", emphasizing clear system design specifications, leveraging commonality within parts and systems, and the use of open architecture. During this phase CNO and CMC remain in support of the acquisition force to ensure stability in the requirements.

Each "gate review" includes a comprehensive assessment using detailed metrics to determine the health of the program and ensures that the program is ready to proceed through the next phase of the acquisition process. The key benefits are (1) better integration of requirements and acquisition decision processes; (2) improvement of governance and insight into the development, establishment, and execution of acquisition programs; and (3) formalization of a framework to engage senior Naval leadership throughout the review process.

*Acquisition Workforce*

To reinvigorate the acquisition workforce the Department has aggressively pursued investment in several key areas. Using a model of our total workforce, we've identified certain imbalances and redundancies which Systems Commands and Program Executive Officers will initiate corrective action for in fiscal year 2008. Fur-

ther, the Department will create a common business model across Systems Commands to allow maximum flexibility of workforce utilization while sharpening the skill sets of our acquisition professionals. Further, we are creating common templates for acquisition program leadership that will ensure adequate staffing of programs throughout their life cycle. Notably we have adjusted the programmatic leadership structure of the DDG 1000 and Littoral Combat ships to benefit from these common templates.

Finally, to bolster our acquisition leadership, we have selected a Vice Admiral to serve as Principal Deputy Assistant Secretary for Research Development and Acquisition.

*Fiscal Year 2009 Acquisition Programs*

*Shipbuilding*.—The fiscal year 2009 shipbuilding budget provides for seven new ships: one *Virginia*-Class (SSN–774) nuclear-powered attack submarine, one DDG 1000 Destroyer, two Littoral Combat Ships (LCS), two Dry Cargo Ammunition (T–AKE) ships and one Joint High Speed Vehicle (JHSV). The Navy also will procure an additional JHSV for the Army in fiscal year 2009. The budget also includes the next increment of funding for CVN–78; research and development funds for CG(X), the future cruiser; the first increment of funding for the Refueling Complex Overhaul for the U.S.S. *Theodore Roosevelt* (CVN–71); funding for an engineered refueling overhaul for an SSBN; and continued modernization for guided missile cruisers, guided missile destroyers, submarines and aircraft carriers.

*Naval Aviation*.—The Department of the Navy requires a robust aviation capacity including attack, utility, and lift capabilities. The Department is in the midst of an extensive, long-term consolidation and recapitalization of aircraft in the Naval inventory to achieve a more efficient and effective warfighting force. The fiscal year 2009 budget requests funding for 206 aircraft. The fiscal year 2009 budget supports the acquisition of the F–35 Joint Strike Fighter (JSF), the EA–18G Growler, the MV–22B, the KC–130J, the E–2D; the MH–60, the UH–1Y and AH–1Z helicopters; and the continued development of the P–8A Multi-Mission Maritime Aircraft (MMA), the CH–53K and VH–71 programs.

The Department will continue to recapitalize our aging inventory with upgrades or new variants of existing aircraft where suitable and cost effective. For example, the Navy helicopter community is replacing six different aircraft with the MH–60R and MH–60S, while the Marine Corps is buying the UH–1Y, AH–1Z and CH–53K to replace older variants of those aircraft.

*Command, Control, Communications, Computers (C4)*.—Effective C4 capabilities are key to ensuring that our forces have accurate situational understanding to enable decision superiority. The Navy and Marine Corps have planned several programs to deliver agile and interoperable network-centric capabilities to ensure success for Naval, Joint and Coalition forces, including naval contributions to the National Security Space. The Department is planning the replacement for the Navy Marine Corps Intranet with the Next Generation Enterprise Network. The Marine Corps is developing the Command and Control Harmonization Strategy. Capitalizing on emerging capabilities such as the Tactical Communications Modernization Program and the Very Small Aperture Terminal, the Marine Corps intends to deliver an end-to-end integrated, cross functional capability across the force.

*Intelligence, Surveillance and Reconnaissance (ISR)*.—The Navy and Marine Corps are in the process of reviewing current ISR capabilities and formulating a long-term ISR strategy. This strategy, when completed, will ensure the Department's current and future ISR capabilities are used to the fullest extent possible and will maximize the use of other services' and national capabilities to enhance the Department's variety of missions. The Marine Corps' use of Department of Army's unmanned aircraft system, Shadow, is an example of leveraging another service's capability. Shadow meets the Marine Corps requirements for a transportable ISR asset capable of providing tactical commanders with day and night, battlefield and maritime reconnaissance. The Navy, with unique maritime domain ISR requirements, is integrating manned and unmanned capabilities with the Broad Area Maritime Surveillance (BAMS) Unmanned Aircraft System (UAS) and the P–8A program. The BAMS UAS will provide a persistent, multi-sensor, maritime intelligence, surveillance, and reconnaissance capability with worldwide access. Additionally, the Department of the Navy is working closely with the Office of the Under Secretary of the Defense for Intelligence to ensure the current Distributed Common Ground System—Navy and Marine Corp family of systems meet DOD standards, share technology and minimize duplication.

*Maritime Domain Awareness*.—The responsibility for Global Maritime Security lies with many departments, agencies, and organizations across the spectrum of our government, international partners, and industry. Each of these stakeholders bring

a part of the solution, and taking the lead in establishing a global capability from those parts is one of the single most important new steps of the Department of the Navy. Protection of the global maritime domain is fundamental to our national security, and requires an integrated approach across the Naval forces, with our Federal maritime partners, with certain State and local authorities, and indeed with the entire global maritime community. We have embarked on the organizational behavior changes necessary to bring those disparate stakeholders together, and are investing in creation of an enduring operational capability for the Nation.

*Infrastructure Investment*

*Facilities*.—The fiscal year 2009 budget requests $3.2 billion for military construction projects at active and reserve Navy and Marine Corps bases, a substantial increase over the enacted $2.3 billion in fiscal year 2008. Much of the funding growth is to build training and housing facilities to support the Marine Corps growth in end strength over the next five years. Both Navy and Marine Corps will sustain existing facilities at 90 percent of the DOD model requirement.

*Base Realignment and Closure (BRAC)*.—The fiscal year 2009 budget requests $871.5 million to continue implementation of the 2005 BRAC Commission recommendations. This request invests in construction (including planning and design) and operational movements at key closure and realignment locations. Fiscal year 2009 plans may require some adjustment to ensure consistency with the approved fiscal year 2008 budget.

*Walter Reed National Medical Center Bethesda*.—BRAC action 169 called for closure of Walter Reed Army Medical Center, realignment of tertiary and complex care missions to National Naval Medical Center Bethesda, and establishment of Walter Reed National Military Medical Center Bethesda. The Department of Defense approved an expanded scope and acceleration of the original program. The Naval Facilities Engineering Command is managing the EIS for Bethesda and a ROD is scheduled for May 2008.

*Family and Bachelor Housing*.—Privatization for housing in the continental United States is on its way towards completion. The privatization of unaccompanied housing is proceeding smoothly at our first pilot project in San Diego. The construction of new apartments is well underway with completion of the first building scheduled for December 2008. Moreover, the project won an industry customer service award in its first year of operation in recognition of the dramatic improvement in resident satisfaction in existing housing that was privatized. We have broken ground on our second pilot project in Hampton Roads in our effort to bring the benefits of bachelor housing privatization to Sailors on the East Coast. This year's budget reflects the continuation of the Marine Corps' quality of life initiative to construct additional housing to address the substantial, long-standing shortfall of adequate housing for single Marines. The objective is to provide quality bachelor housing for all sergeants and below for our "pre-grow the force" end strength by fiscal year 2012 and to support 202,000 Marines by fiscal year 2014. Our fiscal year 2009 budget request also includes a military construction project to replace bachelor housing at Naval Station San Clemente, completing elimination of inadequate bachelor housing in the Department.

*Wounded Warrior Housing*.—The Department of the Navy completed inspections of all housing for wounded, ill, and injured to ensure quality and accessible living quarters. Annual inspections will ensure continued oversight by Department of the Navy leadership. In addition, Wounded Warrior Barracks are under construction at Camp Lejeune and Camp Pendleton. Both barracks will provide 100 two-person American with Disabilities Act compliant rooms allowing for surge capability.

*Marine Corps Relocation to Guam*.—The fiscal year 2009 budget continues detailed studies, plans and environmental analyses for the U.S./Government of Japan Defense Policy Review Initiative (DPRI) to relocate about 8,000 Marines and their dependents from Okinawa, Japan to Guam by 2014. The facilities, housing, logistics and environmental requirements are being developed from the ground up to support mission requirements as well as business-case prudence. The measured investment in fiscal year 2009 is crucial to the five-year $10.27 billion ($4.18 billion from the United States and $6.09 billion from the Government of Japan) construction program scheduled to commence in fiscal year 2010.

*Naval Station Mayport*.—The Navy is preparing an EIS that examines several alternatives for best utilizing the facilities and capabilities of Naval Station Mayport after the retirement of the U.S.S. *John F Kennedy* (CV 67). The options being evaluated include: Cruiser/Destroyer (CRUDES) homeporting; Amphibious Assault Ship (LHD) homeporting; Nuclear-Powered Aircraft Carrier (CVN) capable; CVN homeporting; and Amphibious Ready Group (ARG) homeporting.

Preparation of the Mayport EIS is on schedule. The draft EIS is scheduled for release in March 2008, with the final EIS expected in December 2008 and the ROD in January 2009.

*Environmental Stewardship*

*Energy Initiatives*.—Energy efficiency is key to reducing life cycle costs and increasing the sustainability of installations and facilities. The Department has led the way in supporting the Energy Policy Act of 2005 (EPAct05) by adopting the Leadership in Energy and Environmental Design (LEED) Silver standard as a primary consideration for all DON military construction projects. Using the LEED Silver standard, new energy-efficient projects have been completed on several installations, including Recruit Training Center Great Lakes and Naval Amphibious Base Little Creek. DON also has a comprehensive energy program responding to the requirements of EPAct05 and Presidential Executive Order 13423, evidenced by an 8.85 percent reduction in fiscal year 2007 energy consumption and an extensive renewable energy program.

*Minimizing the overall environmental effects*.—The recently-announced Low-Impact Development (LID) policy is an example of how the Department is emphasizing reduction of impact to the environment. The goal of the policy is "no net increase" in the amount of nutrients, sediment, and storm water escaping into the watersheds surrounding facilities and installations. The use of cost-effective LID Best Management Practices such as rainwater collection systems in construction and renovation projects is central to achieving this goal.

*Alternative Fuels*.—The Department has been a leader in the use of alternative fuels. The Navy and Marine Corps both reduced petroleum consumption in their vehicle fleets by more than 25 percent from 1999 to 2006, and together used almost two million gallons of biodiesel in 2006. Further gains in alternative fuel implementation will be supported by the Department's new Petroleum Reduction and Alternative Fuel Vehicle Strategy, which challenges the Navy and Marine Corps to build on already substantial progress to meet and exceed the established Federal goals contained in Executive Order 13423 and the Energy Independence and Security Act of 2007. We are also expanding our use of alternative fuels in our tactical fleet, to include ships, aircraft and ground vehicles. In fiscal year 2009 we will lay the groundwork for a testing and certification program for alternative fuel use. The Navy is also actively pursuing energy conservation initiatives, through energy conserving alterations in propulsion plants and conservation practices in operations.

MANAGEMENT PROCESS IMPROVEMENT

Complementary action to our acquisition improvement initiatives is our commitment to enhance process improvement across the Department of the Navy to increase efficiency and effectiveness and responsible use of resources. The Enterprise Resource Planning (ERP) program, planned for implementation throughout the Department, began initial implementation at Naval Air Systems Command in October 2007. It is an integrated business management system that modernizes and standardizes business operations and provides management visibility across the enterprise. The Department continues to champion the use of Lean Six Sigma as the primary toolset as a means toward increasing readiness and utilizing resources efficiently. Over 4,420 leaders have completed Lean Six Sigma training, and there are over 2,000 projects underway. The Department's Financial Improvement Program leverages ERP and strengthens control of financial reporting. The Marine Corps expects to be the first military service to achieve audit readiness.

A major process improvement initiative to ensure that the Department applies fundamental business precepts to its management is the Secretary of the Navy's Monthly Review (SMR). The SMR is a senior leadership forum, involving CNO, CMC and Assistant Secretaries, designed to afford greater transparency across the Department and set into motion actions that garner maximum effectiveness and efficiency for the Department. The SMR reviews a portfolio of the bulk of Department activities and programs involving manpower, readiness, acquisition, infrastructure, etc. Using Lean Six Sigma tools and other business tools, this forum reviews the most urgent issues and discusses and implements appropriate solutions. Ultimately, this monthly interaction serves as a means to synchronize the Department's actions to comprehensively address complex problems, accomplish strategic objectives, and better position for challenges in the future.

The Department will incorporate the Chief Management Officer (CMO) into the Secretariat in fiscal year 2008. The CMO will have responsibility for improving Department business operations to carry out objectives. These initiatives are all steps to make process improvement a way of thinking in carrying out daily business throughout the organization.

CONCLUSION

Thank you for this opportunity to report to you on the Department of the Navy. I provide the fiscal year 2009 budget to you and ask for your support for this plan that will enable the Department to prevail in GWOT, take care of our people and prepare for future challenges. The uniformed men and women of the Department of the Navy, and our civilian workforce, depend on our collective support and leadership. I appreciate the opportunity to set forth the President's fiscal year 2009 budget and look forward to working with you in furtherance of our maritime capabilities and our national security.

Senator INOUYE. Mr. Chief of Naval Operations, do you wish to testify?

**STATEMENT OF ADMIRAL GARY ROUGHEAD, CHIEF OF NAVAL OPERATIONS**

Admiral ROUGHEAD. Chairman Inouye, Senator Stevens, distinguished members of the subcommittee. On behalf of our 600,000 sailors, Navy civilians, and families, it's an honor to appear before you today. And together, with Secretary Winter and General Conway, I'm privileged to be part of this leadership team that provides for our Nation's safety, security, and prosperity.

Today, your Navy stands ready with the agility, the flexibility, and the competence to do what no other Navy in the world can do. Three weeks ago, we successfully and temporarily converted a portion of our Sea-based Ballistic Missile Defense Program to engage a failing satellite. Sea-based ballistic missile defense is here, it is real, and it works, but that is only a part of what your Navy delivers to our Nation.

We are exercising our new maritime strategy every day, a strategy that is more than just a glossy brochure. Our carriers are projecting power in the Arabian Gulf, our destroyers are demonstrating our resolve in the Mediterranean, an amphibious ship is engaged in counterpiracy operations on the east coast of Africa, and another is delivering humanitarian assistance on the west coast of that continent, our frigates are intercepting drug traffickers in the Caribbean Sea, and our Riverine Forces are patrolling vital infrastructure on the Euphrates River in Iraq, and our submarines patrol silently around the globe. We have 118 ships and over 58,000 people on deployment, out and about, doing the work of the Nation. But as you so well know, our operations come at a cost to our people, current readiness, and the future fleet, those are my three focus areas.

Our people, our sailors, marines, and their families know they have your support. We must continue to invest in their futures, and in the young men and women of America, who will follow in their wake. In the context of this generational war, it is imperative that we continue to care for our wounded warriors and support the healthcare needs of all of our sailors and Navy civilians. Likewise, your support for the critical skills, re-enlistment bonuses, has enabled us to retain the sailors we need. Supporting our future force cannot be done without readiness to fight today.

To this end, quality shore installations, responsive depot-level maintenance facilities, an unfettered ability to train responsibly are necessities. Where area access and shore support is denied, the Commandant and I have been moving forward together with a sea-basing alternative. These elements are essential to support our

fleet response plan, which has enabled us to meet requirements and will sustain us through the requested temporary carrier force level adjustment.

Of my three focus areas, building tomorrow's Navy to be a balanced, appropriately sized force, is the most immediate imperative and challenge. Fiscal realities, however, have led us to assume more risk in ship building, ship operations, and weapons. Achieving the 313 ship floor, at current funding levels, will require us to improve processes, collaborate with industry, and make difficult decisions in the near term.

I am pleased that the first two DDG 1000 contracts have been awarded. Our surface combatants are an essential element of our force, and it is important that we do not raid the combatant line as we build to 313 ships. I remain strongly committed to funding those programs that provide critical capabilities to our forces. There is no substitute for the littoral combat ship in closing the littoral capability gap. Current F/A–18 Hornets are needed to swage a 2016 strike fighter shortfall. Surface combatant superiority will be maintained through DDG 51 modernization. Multimission maritime aircraft will recapitalize our maritime patrol, antisubmarine warfare capabilities. And sea-based ballistic missile defense will ensure future theater and national defense and enable access for our joint forces.

These critical programs for our future fleet require appropriate, disciplined investments now. The 2009 budget and its associated force-structure plans will meet our current challenges with a moderate degree of risk. Clearly, we have many challenges, of which building tomorrow's fleet is the greatest, but with these challenges is our opportunity to have a balanced and global fleet, which will defend the Nation and assure our prosperity for generations to come.

PREPARED STATEMENT

On behalf of our sailors, our Navy civilians, and our families, thank you again for the opportunity to appear before you today, and thank you for your support of what we do today and what we will do tomorrow. And I look forward to your questions.

Senator INOUYE. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF ADMIRAL GARY ROUGHEAD

INTRODUCTION

Chairman Inouye, Senator Stevens, and members of the Committee, it is an honor to appear before you today representing the nearly 600,000 men and women, Sailors and civilians of our Navy. In 2007, the Navy answered all bells. Surge and rotational expeditionary forces performed brilliantly and we responded to global contingencies and requirements. The fiscal year 2009 budget and its associated force structure plans represent the capabilities needed to meet current challenges with a moderate degree of risk. I appreciate your continued support as our Navy defends our nation and our vital national interests.

In 2007, the Navy, Marine Corps, and Coast Guard released the Cooperative Strategy for 21st Century Seapower. The strategy represents unprecedented collaboration among the three Services. It also incorporates input from American citizens obtained through a series of "Conversations with the Country" that included the maritime Services, business and academic leaders, and the general public.

The maritime strategy is aligned with the President's National Strategy for Maritime Security and the objectives articulated in the National Security Strategy, the National Defense Strategy, and the National Military Strategy. It recognizes that the maritime domain is vital to national security and prosperity. Nearly three-quarters of the Earth's surface is water; 80 percent of the world's population lives on or near coastlines; and 90 percent of the world's trade, including two-thirds of the world's petroleum, moves on the oceans to market. The oceans connect us to populations around the world and our Navy's presence and active engagement is vital to our collective security.

In addition to the Navy's engagement in Iraq and Afghanistan, international military, political, and economic events beyond those borders have direct and indirect implications for the Navy. Examples include China's rapid build up of a blue water navy and their development of cyber and space warfighting capabilities. Russia's first Mediterranean deployment in 15 years and increased defense spending demonstrate their desire to emerge as a global naval power. North Korea's long-range ballistic missile program and their missile proliferation history reinforce the need for a credible, forward deployed ballistic missile defense capability. Militaries in Central and South American seek aircraft and submarines to back their regional and international objectives. Iran's confrontational activities at sea this past January, when the USS PORT ROYAL, USS HOPPER, and USS INGRAHAM encountered five small Iranian boats operating provocatively in the Strait of Hormuz, heightened tensions. Conflict is likely to continue into the future and the Navy's global commitments are likely to increase. As U.S. ground forces reset, reconstitute, and revitalize, the Navy will remain on station to respond to threats and crises.

The new maritime strategy recognizes the many existing and potential challenges to national security and prosperity. To address these challenges, the strategy articulates six core capabilities our maritime Services provide: forward presence, deterrence, sea control, power projection, maritime security, and humanitarian assistance and disaster response (HA/DR). The first four capabilities are paramount because they enable the defense of our nation and its interests. Forward presence, deterrence, sea control, and power projection must remain the cornerstones of what makes our Navy a dominant global force.

The Navy will continue to enhance cooperation with existing and emerging partners and build bridges of trust among the international community. Proactive global involvement is a strategic imperative for the Navy and our nation, since trust cannot be surged in times of crisis.

Execution of the maritime strategy is already underway in current operations. As we plan and resource for the future, the maritime strategy will guide our efforts. The execution of our current readiness and force structure plans faces many challenges, but affordability is the most pressing. I refuse to cede our technological advantage to competitors; however current readiness, manpower, and escalating procurement costs make pacing the threat exceptionally difficult. We will continue to improve processes, work with industry, and maximize cost saving initiatives. Stable procurement plans must be affordable and realistic to deliver the balanced future Fleet. While I am satisfied that the force structure plans deliver required capabilities, the balance among capability, affordability, and executability in these plans is not optimal. This imbalance has the potential to increase significantly warfighting, personnel, and force structure risk in the future.

Our operations, people, and equipment continue to serve our nation well, but it comes at a significant cost. It is my duty as CNO to ensure our Navy is always ready to answer our nation's call anytime, anywhere, now and in the future. This duty shapes my priorities and will influence the decisions and recommendations I will make regarding the future of our Navy.

PRIORITIES FOR FISCAL YEAR 2009

My vision for the Navy is that we remain the preeminent maritime power, providing our country a naval expeditionary force committed to global security and prosperity. We will defend our homeland and our nation's vital interests around the world. We will prevent war, dominate any threat, and decisively defeat any adversary. The Navy will remain a powerful component of Joint warfare by exploiting cutting edge technology and cooperating closely with the other Services, the interagency community, allies, and international partners. We will remain a superbly trained and led team of diverse Sailors and civilians, who are grounded in our warfighting ethos, core values, and commitment to mission readiness and accomplishment.

To achieve this vision, the Navy must address existing and emerging challenges and create new opportunities. My priorities are to: Build tomorrow's Navy, remain ready to fight today, and develop and support our Sailors and Navy civilians.

I will demand that we accurately articulate requirements and remain disciplined in our processes. Achieving the right balance within and across these focus areas will provide dominant seapower for our nation, today and tomorrow.

*Building Tomorrow's Navy*

Our Fleet must have the right balance of capability and the capacity. Three hundred thirteen ships represent the minimum force necessary to provide the global reach, persistent presence, and strategic, operational, and tactical effects. Our fiscal year 2009 budget requests seven new ships: two LCS, one DDG 1000, one SSN, two T–AKE, and one JHSV, and 47 new ships over the Future Years Defense Plan (FYDP) (fiscal year 2009–2013). I support a stable shipbuilding plan that provides an affordable, balanced force and preserves our nation's industrial base. I intend to develop further our Navy's relationship with industry to reinforce our commitment to a stable shipbuilding plan.

As we pursue operational capability at reduced cost, we take into account several industrial factors. Level loading of ship and aircraft procurements help sustain appropriate employment levels, retain skills, and promote a healthy U.S. shipbuilding industrial base. Common hull forms, common components, and repeat builds of ships and aircraft that permit longer production runs also reduce construction costs. Our Navy's shipbuilding plans incorporate open architecture for hardware and software systems and they increase the use of system modularity. These initiatives reduce the cost of maintenance and system upgrades, and keep the Navy's Fleet in service longer.

I seek your support for the following initiatives and programs:

*Aircraft Carrier Force Structure*

The Navy is committed fully to maintaining an aircraft carrier force of 11. During the 33-month period between the planned 2012 decommissioning of USS ENTERPRISE and the 2015 delivery of USS GERALD FORD, however, legislative relief is requested to temporarily reduce the carrier force to 10. Extending ENTERPRISE to 2015 involves significant technical risk, challenges manpower and industrial bases, and requires expenditures in excess of two billion dollars. Extending ENTERPRISE would result in only a minor gain in carrier operational availability and adversely impact carrier maintenance periods and operational availability in future years. We are adjusting carrier maintenance schedules to support the Fleet Response Plan (FRP) and ensure a responsive carrier force for the nation during this proposed 10-carrier period. I urge your support for this legislative proposal.

*Littoral Combat Ship (LCS)*

LCS fills critical warfighting requirements. It offers speed, draft, and modularity that no other ship offers. USS FREEDOM (LCS–1) and USS INDEPENDENCE (LCS–2) enter service soon and their performance at sea will enable us to decide on the appropriate acquisition strategy for the class. Controlling and reducing LCS costs are key to an affordable shipbuilding plan and we have already improved management oversight, implemented stricter cost controls, and incorporated selective contract restructuring to ensure delivery on a realistic schedule. Although recent changes to the LCS program resulted in the reduction of 13 ships across the FYDP, I remain committed to procuring 55 LCS by fiscal year 2023. I appreciate your continued support for this important ship class, including our fiscal year 2009 request for $1.47 billion for procurement of two additional ships and associated modules and continued research and development (R&D).

*Joint Strike Fighter (JSF)*

The increased operational tempo (OPTEMPO) of our legacy aircraft is consuming service life at an accelerated rate. The recent groundings of high demand P–3 aircraft highlight the need to bring the next generation of aircraft in service and retire our aging aircraft. The JSF provides expanded capability that will meet the needs of our Navy, Joint Forces, and international partners. Because of the high OPTEMPO of the current strike aircraft fleet, and despite JSF's initial operational capability (IOC) and delivery in 2015, we anticipate a shortfall of strike aircraft from 2016–2025. Further delays in JSF will exacerbate this strike fighter gap. Navy's fiscal year 2009 investment of $3.4 billion includes procurement of eight aircraft and continued R&D for aircraft and engine development.

*CG(X)*

The next generation Guided Missile Cruiser CG(X) will be a highly capable major surface combatant tailored for Air and Missile Defense. CG(X) will provide maritime dominance, independent command and control, and forward presence. It will operate as an integral unit of Joint and Combined Forces. The CG(X) design and development program will feature revolutionary acquisition and spiral development practices that incorporate advanced technologies and next generation engineering systems. By replacing the TICONDEROGA (CG 47) class of ships at the end of its 35-year service life, CG(X) capitalizes on the developments made through DDG Modernization and DDG–1000. We are conducting a rigorous analysis to examine alternatives for CG(X) consistent with the National Defense Authorization Act requirement for nuclear power. Our fiscal year 2009 R&D request for $370 million will support CG(X) and associated radar development.

*DDG 1000*

Congressional approval of split funding for the dual lead DDG 1000 ships supports an acquisition approach that motivates cooperative completion of detail design. Collaboration between Northrop Grumman Ship Systems and Bath Iron Works during the detail design process has enabled these shipyards to produce the two lead ships simultaneously. Consequently, the DDG 1000 detail design will be more mature prior to start of construction than any previous shipbuilding program. Our budget request in fiscal year 2009 will procure the third ship of the class.

*Ballistic Missile Defense (BMD)*

The increasing development and proliferation of ballistic missiles can threaten the homeland and our friends and allies. Ballistic missiles can also impede our military operations. Maritime ballistic missile defense provides protection for forward-deployed joint forces and regional allies while contributing to the larger defense of the United States through the Ballistic Missile Defense System (BMDS). Maritime ballistic missile defense directly contributes to the Navy's core capability of deterrence, and enables our core capabilities of power projection and sea control. The Aegis BMD directorate of the Missile Defense Agency has developed the Navy's BMD capability which is installed on 17 ships including three cruisers and 14 guided missile destroyers with installations continuing in 2008. These Navy surface ships support the BMDS by cueing ground-based sensors and intercepting Short to Intermediate Range Ballistic Missiles with ship-based interceptors (SM–3 missiles). The Near Term Sea-Based Terminal Program provides the ability to engage a limited set of Short Range Ballistic Missiles (SRBMs) with modified SM–2 Block IV missiles. The Navy will continue to work closely with the Missile Defense Agency to deliver improved capability and capacity to defend against this proliferating threat. While development and procurement funding is covered under the Missile Defense Agency budget, Navy has committed $16.5 million in fiscal year 2009 for operations and sustainment of Aegis BMD systems.

*Navy Networks*

Afloat and ashore networks enable warfighting command and control capability. Data, hardware, and applications must be arranged in a way that enables rapid upgrades to accommodate exponential increases in demand. Incorporation of open architecture and common computing environment in our networks will require us to redesign network architecture to free us from proprietary control. Open architecture will drive us to commonality and standardization, introduce efficiencies, promote better data protection, and network security. It will also allow our future war fighters to fight collaboratively and more effectively.

The first step in achieving this new network architecture is putting it to sea. The Consolidated Afloat Networks and Enterprise Services (CANES) system achieves an open, agile, flexible and affordable network architecture that will move us forward. CANES embraces cross-domain solutions that enable enhanced movement of data. It is a revolutionary change in our information technology infrastructure and it is absolutely vital for us to excel in 21st century warfare. $21.6 million is aligned to CANES in the fiscal year 2009 budget request, all of which is redirected from existing budget lines.

*Research and Development*

Science and Technology (S&T) give the Navy warfighting advantage. Last year the Secretary of the Navy, the Commandant of the Marine Corps, and my predecessor completed and published a combined Naval S&T strategy that ensures our investments accomplish the vision and goals of the Navy and Marine Corps. Selecting research for future Naval force capabilities must be balanced with fiscal realities. The S&T strategy identifies thirteen research focus areas and sets high-level

objectives that guide investment decisions. S&T investments present a balance between applied science, focused on near term challenges, and basic research that advances the frontiers of science. We aggressively focus on transitioning S&T into programs of record and push these programs of record out to the Fleet through our Future Naval Capabilities program at the Office of Naval Research (ONR). The fiscal year 2009 budget requests $1.8 billion for Navy's S&T programs, an increase of 6 percent over the requested fiscal year 2008 level.

*Ready to Fight Today*

Maintaining warfighting readiness demands a Navy that is agile, capable, and ready. As operational demands and Joint Force posture in the Middle East subside, I expect the Navy's posture, positioning, and OPTEMPO to increase, not decrease. OPTEMPO, as expressed in terms of steaming days, reflects the underway time of our conventionally powered ships. OEF/OIF and additional global commitments have caused a significant difference between budgeted and actual steaming days. The Navy has funded this difference with war supplemental funding. Trends indicate that anticipated operational requirements will continue to exceed peacetime levels in fiscal year 2009. Additionally, increased OPTEMPO drives accelerated force structure replacement and higher maintenance and manpower costs that must be funded.

As the nation's strategic reserve, the Navy must be ready to generate persistent seapower anywhere in the world. The Navy must also establish and evolve international relationships to increase security and achieve common interests in the maritime domain.

We generate forces for the current fight and employ our Navy much differently than in years past. We simultaneously provide ready naval forces and personnel for Joint Force Commanders, sustain forward presence, fulfill commitments to allies, and respond to increasing demands in regions where we have not routinely operated, specifically in South America and Africa.

The Fleet Response Plan (FRP) has enhanced our ability to meet COCOM requests for forces for the last six years. FRP provides Naval forces that are well-maintained, properly manned, and appropriately trained to deploy for forward presence and surge missions. FRP increases operational availability and generates more forward presence and surge capability on short notice than was possible in the past. The unscheduled deployment of a second carrier to the Middle East in January 2007 is an example of how FRP provides the nation with options to defend its vital interests. FRP also allows the Navy to respond to global events more robustly while maintaining a structured, deliberate process that ensures continuous availability of trained, ready Navy forces.

Balancing capacity and capability across the spectrum of warfare is essential. The challenge will be maintaining dominance in traditional roles while meeting existing and emerging threats in asymmetric and irregular warfare. My goal is to influence the entire range of military operations from large scale conflict to maritime security and HA/DR. Areas of particular interest to us are:

*Anti-Submarine Warfare (ASW): Sonar—The Key ASW Enabler*

Submarines remain an immediate threat and their roles and lethality are increasing. More countries are buying submarines; some are building anti-access strategies around them. Maintaining the ability to detect, locate, track, and destroy submarines is essential and our active sonar systems, particularly medium frequency active (MFA) sonar, are the key enablers.

The Navy's use of sonar is being challenged in federal court by various lawsuits which seek to prohibit or severely limit it during vital combat certification exercises, such as those conducted in our Southern California operating areas. In more than 40 years of sonar use in Southern California waters, not a single injury to marine mammals has been linked to sonar. The Navy has worked closely with the National Marine Fisheries Service (NMFS) to establish effective, science-based mitigation measures. By implementing these measures NMFS does not expect adverse population level effects for any marine mammal populations during Fleet training exercises scheduled in Southern California in 2008. MFA sonar provides a robust and absolutely vital capability to detect submarine threats. Limiting our ability to train and exercise with MFA sonar will degrade operational readiness and place our forces at risk.

Our measures provide an appropriate balance between good stewardship of the environment and preparing our forces for deployment and combat operations. Our Sailors must be trained to the best of their abilities with all of the technological tools available to fight and win. It is vital that our Navy be allowed to train and exercise with MFA sonar.

*Intelligence*

Our Navy provides a vital intelligence, surveillance, and reconnaissance capability around the globe. These capabilities produce warning and awareness in support of the planning and execution of maritime and joint operations. We are expanding our intelligence capability through development of trained human intelligence (HUMINT) personnel, investment in operational intelligence at our Maritime Operation Centers, and expanded synchronization with theater, joint, and national intelligence capabilities.

*Maritime Domain Awareness*

Maritime security supports the free flow of commerce for all nations. Maritime Domain Awareness is knowing what is moving below, on, and above the sea. Without a high level of Maritime Domain Awareness the free flow of commerce is jeopardized. The goal of Maritime Domain Awareness is to establish a level of security regarding vessels approaching our coastlines, while not infringing upon each nation's sovereignty or sharing inappropriate information.

In partnership with the Coast Guard we established the Office of Global Maritime Situational Awareness (GMSA). GMSA works with the Office of Global Maritime Intelligence Integration in developing the national maritime picture. The first spiral of Maritime Domain Awareness capability arrives in the Central Command and Pacific Command in August 2008 with later spirals in the Atlantic and Caribbean.

*Seabasing*

Seabasing represents a critical warfighting capability. It will assure access to areas where U.S. military forces are denied basing or support facilities. In the near term, our amphibious and prepositioned ships (including MPF(F)) are the key ships in the seabase. They provide the required lift for the Marine Corps across the range of military operations. These ships and Marines, and the defensive and strike capabilities of our surface combatants and aircraft, provide operational maneuver and assured access for the force while significantly reducing our footprint ashore.

The Navy is exploring innovative operational concepts combining seabasing with adaptive force packaging that will further support national security policy and the Combatant Commanders' objectives worldwide. Our 30-Year Shipbuilding Plan provides for seabasing that covers the spectrum of warfare from Joint Forcible Entry to persistent and cooperative Theater Security Cooperation.

Future Joint Sea Basing requirements are still being defined but will be significantly greater than today's Navy and Marine Corps warfighting capabilities. The next generation long range heavy lift aircraft, joint logistics support system, intratheater lift and sea connectors will provide these future capabilities.

*Shore Installations*

Our shore installations are extensions of our warfighting capabilities and among our most complex systems. Our installations must be ready to deliver scalable, agile, and adaptive capabilities to meet the requirements of our Fleet, Sailors, and families. We must reverse our historical trend of underinvestment in our shore establishment. I will leverage and expand upon the successes of our Navy Ashore Vision 2030 and enhance the linkage between our installations, our warfighters, mission accomplishment, and quality of service.

In the past, we accepted significant risk in our shore establishment to adequately fund Fleet readiness. As a result, the condition, capability, and current and future readiness of our shore installations degraded to an unacceptable level by industry standards. I directed the implementation of a systematic and consistent approach to assess the material condition of our shore establishments and develop a comprehensive investment strategy to arrest and reverse the decline of our shore establishment.

We will take advantage of every opportunity to leverage the joint capabilities we share with other Services and the capabilities of the supporting communities where we work and live. The power of this leverage is highlighted in our new Public-Private Venture Bachelor Quarters at San Diego and Norfolk. With the authorities granted by Congress and very progressive private partners, we provide our Sailors the best housing I have seen during my naval career. These quarters will have a dramatic impact on Sailors' decisions to reenlist.

We owe our Sailors, their families and our civilian workforce, who selflessly serve our Nation, world-class facilities and services to enhance their productivity and effectiveness and to motivate them to remain in the Navy. The decline in the shore infrastructure must be reversed by a prudent review of current capacity and a forward leaning investment strategy that defines our shore footprint for the foreseeable future. The shore establishment is a critical system for the Navy and provides the

foundation for our training, manning, and equipping. It is imperative we invest and sustain our shore establishment at the right level to ensure a ready, mobile, and capable Navy.

*Depot Level Maintenance*

The increased OPTEMPO of our ships and aircraft in combat operations elevates the importance of performing timely depot level maintenance. Depot level maintenance ensures continued readiness and the safety of our men and women operating our ships and aircraft. Adequate funding for depot level maintenance ensures we do not incur unnecessary risk by extending our ships and aircraft well past their periodicity of maintenance. In addition to the challenges of maintaining our ships and aircraft, the capacity of the industrial base remains challenging. Consistent, long term agreements for the efficient use of shipyards are necessary to keep our ships and aircraft in the highest states of readiness.

*United Nations Convention on the Law of the Sea*

The Law of the Sea Convention codifies navigation and overflight rights and high seas freedoms that are essential for the global mobility of our armed forces. It directly supports our National Security Strategy. I believe strongly that the Convention furthers our national security interests. Our maritime security efforts necessitate that we become a party to the Law of the Sea Convention, the bedrock legal instrument in the maritime domain, to which 154 nations are party. Our current non-party status constrains our efforts to develop enduring maritime partnerships. It inhibits our efforts to expand the Proliferation Security Initiative and elevates the level of risk for our Sailors as they undertake operations to preserve navigation rights and freedoms, particularly in areas such as the Strait of Hormuz and Arabian Gulf, and the East and South China Seas. Accession to the Law of the Sea Convention is a priority for our Navy.

*Developing and Supporting Our Sailors and Navy Civilians*

Our talented and dedicated Sailors and Navy civilians are absolutely essential to our maritime dominance. Attracting, recruiting, and retaining in a competitive workplace is increasingly more expensive. We must devote adequate resources and shape our policies to ensure our people are personally and professionally fulfilled in their service to our nation. We have identified a steady-state force level of 322,000 AC/68,000 RC end strength as the optimum target for our projected force structure. It is critical that future funding sustains this level.

Recruiting, developing, and retaining diverse and highly capable men and women are imperatives. The Navy must address the changing national demographic to remain competitive in today's employment market. Only three out of ten high school graduates meet the minimum criteria for military service. The propensity to serve is declining among youth and more often influencers of these youth, such as parents and teachers, are advising against military service.

"Millennials" are the generation of youth currently entering the workplace and they comprise 43 percent of our Navy. Born into a globalized world saturated with information and technology, Millennials are more accomplished for their age than previous generations. They are a technology-savvy and cyber-connected group who may find the military's hierarchical command and control structure contradictory to the flat social networks they are used to navigating. The different paradigm under which this generation views the world and the workplace has implications for how the Navy attracts, recruits, and retains top talent. Additionally, to better meet the needs of the U.S. Marine Corps, we must increase the through-put at the U.S. Naval Academy. I urge your support of our legislative proposal to increase the number of Midshipmen at the Naval Academy.

The Strategy for Our People ensures we have the best and brightest on our team. The strategy outlines six goals for achieving a total Navy force of Sailors and civilians that is the right size and possesses the right skills to best meet the needs of the Navy. These goals are: capability-driven manpower, a competency-based workforce, effective total force, diversity, being competitive in the marketplace, and being agile, effective, and cost-efficient. Many of the efforts currently underway in support of the strategy are discussed in further detail below.

*Recruiting Initiatives*

The Navy Recruiting Command is relentless in its pursuit of attracting the best young men and women in America to serve in our Navy. Recruiting priorities are currently focused on attracting personnel for the Naval Special Warfare/Naval Special Operations, nuclear power, medical, and chaplain communities. Recruiting Command is constantly searching for new ways to recruit America's talent. For example, the Medical Leads Assistance Program employs Navy officers as ambassadors for

generating interest in Navy Medicine. In the NSW and Naval Special Operations communities, we provide mentors for recruits before enlistment and during training with the two-fold goal of improving recruiting results and ensuring applicant success at Recruit Training Center (RTC) and Basic Underwater Demolition/SEAL training (BUD/S).

To recruit nuclear-trained officers and chaplains, we encourage our personnel to share their story with the American public. Through visits to college campuses and career fairs, nuclear-trained officers share their experiences of operating nuclear reactors on board carriers and submarines. These visits have improved short-term Nuclear Propulsion Officer Candidate recruiting and our officers will continue to cultivate personal relationships with faculty and university representatives to ensure long-term program health. Through the Reserve Officer Goals Enhance Recruitment (ROGER) program, Reserve chaplains use their network of ministerial relationships to share their experiences as Navy chaplains and provide information on how to become active or Reserve chaplain candidates.

Over the past five years, Navy Reserve Junior Officer recruitment has declined. To encourage young officers to stay Navy, we authorized a mobilization deferment policy for officers who affiliate with the Navy Reserve within the first year after leaving active duty. Combined with a $10,000 affiliation bonus, we have had some success in improving the recruitment of Reserve officers, but this market remains a challenge. We established a Reserve Retention and Recruiting Working Group to identify near-term and long-term solutions that will achieve sustainable success.

*Development Initiatives*

Our people deserve personally and professionally fulfilling careers that provide continuous opportunities for development. We offer multiple programs and we partner with outside organizations so that Sailors and Navy civilians can pursue job-relevant training, continuing education, and personal enrichment. One such program is a pilot called "Accelerate to Excellence." This program provides enlisted recruits in specific ratings the opportunity to earn an Associate's Degree at a community college while undergoing specialized training after boot camp.

The Navy also provides developmental opportunities for officers and enlisted personnel through Professional Military Education (PME). PME is designed to prepare leaders for challenges at the tactical, operational, and strategic levels of war. The PME continuum integrates advanced education, Navy-specific PME, Joint PME (JPME) and leadership development in a holistic manner. The competencies, professional knowledge, and critical thinking skills Sailors obtain from PME prepare them for leadership and the effective execution of naval missions. PME graduates are 21st century leaders who possess the capacity to think through uncertainty; develop innovative concepts, capabilities, and strategies; fully exploit advanced technologies, systems, and platforms; understand cultural/regional issues; and conduct operations as part of the Joint force.

Enrollment in JPME courses is up: JPME Phase I in-residence enrollment is up 5 percent; JPME Phase I non-residence enrollment is up 15 percent; JPME Phase II enrollment is up 50 percent. Congressional support to allow Phase II JPME to be taught in a non-residency status would enable Sailors to pursue professional development while continuing their current assignments.

In addition to JPME courses, the Navy supports Joint training through the Navy Continuous Training Environment (NCTE). NCTE is a distributed and simulated Joint and coalition training environment that replicates real-life operations. NCTE integrates into the Joint National Training Capability (JNTC) training architecture and satisfies COCOM requirements at the operational and tactical level.

*Retention Initiatives*

As the Navy approaches a steady-state force level of 322,000 AC/68,000 RC end strength, attracting and retaining Sailors with the right skills is critical. In fiscal year 2008, the goal is to shift our focus beyond numbers to ensure we have the right skill sets in the right billets at the right time. This approach increases opportunities for advancement and promotion by assigning personnel to positions that utilize and enhance their talents, and emphasizes continued professional growth and development in stages that align to career milestones.

The Navy is also addressing retention through Active Component to Reserve Component (AC2RC) transition. This program is changing the existing paradigm under which a Sailor leaves the Navy at the end of their obligated service and is instead promoting service in the Reserve Component as an alternative to complete detachment. The Perform to Serve (PTS) program screens Zone A Sailors, who are at the end of a four to six year enlistment for reenlistment within their rating or for rating conversion. The Manpower, Personnel, Training, and Education (MPTE) enterprise

is adding RC affiliation to Sailors' PTS options at the end of Zone A enlistment. Additionally, RC affiliation will become increasingly seamless as we shift responsibility from Navy Recruiting Command to Navy Personnel Command.

*Taking Care of Families*

When a Sailor or civilian joins the Navy team our commitment extends to their family. Mission success depends upon the individual readiness of our people and on the preparedness of their families. Supporting Navy families is critical to mission success.

Keeping families ready and prepared alleviates some of the stress associated with deployments. Our continued commitment to programs and resources that maximize family readiness remains high. We continue to improve and expand child care programs and centers. Crisis management and response procedures coupled with enhanced ombudsman programs demonstrate our commitment to give deployed Sailors confidence that their families are in good hands.

In 2007, Navy programs cared for 45,780 children ages six months to 12 years and served over 70,000 youth, ages 13 to 18, in 124 child development centers, 103 youth centers, and 3,115 on and off-base licensed child development homes. In response to the needs of Navy families, we have launched an aggressive child care expansion plan that adds 4,000 child care spaces within the next 18 months and reduces waiting lists in most places below the current six-month average.

At the end of fiscal year 2007, we successfully privatized 95 percent of the continental U.S. (CONUS) and Hawaii family housing. We aggressively monitor the ratification of Navy housing residents and our Public Private Venture (PPV) efforts are clearly resulting in continuous improvement in the housing and services provided to our Sailors and their families. The ability of the private partner to renovate and replace family housing units at a much quicker pace than MILCON has positively impacted the quality of Navy housing.

Taking care of our families includes proactively reducing financial stresses placed on Sailors and families. We are focused on family counseling in response to increased OPTEMPO as a result of OEF/OIF. We provided one-on-one job search coaching services to 21,730 Navy family members and made 10,830 military spouse employment ready referrals to employers. Fleet and Family Support Center (FFSC) financial educators provided more than 186,000 Sailors and family members seminars/workshops focusing on financial fitness, increased our financial counseling services to military spouses by more than 50 percent, and launched a robust campaign to encourage wealth building and debt reduction.

*Health Care*

We have some of the best medical professionals in the world serving in the Navy. Health care options the Navy offers its people are valuable recruitment and retention incentives. Still, health care costs are rising faster than inflation. Operations in OEF and OIF increased the demand for medical services in combat and casualty care. Part of this demand is straight forward: our wounded need traditional medical care and rehabilitation services. The other part of this demand is more complex and addresses the increased occurrences of mental health disorders resulting from combat operations. Medical professionals are rapidly learning more about assessing and treating the effects of mental health issues associated with war such as post traumatic stress disorder (PTSD) and traumatic brain injury. We are implementing these lessons to more effectively treat these Sailors.

*Wounded Warrior/Safe Harbor Program*

Care for combat wounded does not end at the Military Treatment Facility (MTF). The Navy has established the Safe Harbor Program to ensure seamless transition for the seriously wounded from arrival at a CONUS MTF to subsequent rehabilitation and recovery through DOD or the Department of Veterans Affairs (VA). Since its inception, 162 Sailors including 143 Active and 19 Reserve members have joined the program and are being actively tracked and monitored, including 126 personnel severely injured in OEF/OIF. Senior medical staffs personally visit and assist seriously injured Sailors and their families to ensure their needs are being met.

CONCLUSION

We are truly a ready, agile, and global Navy. To ensure that we maintain our naval dominance, we must achieve the optimal balance of building the Navy of tomorrow as we remain engaged and ready to fight today while fully supporting our people.

I will continue to work closely with the Secretary of the Navy, the Commandant of the Marine Corps, Congress, and industry to build the levels of trust and collabo-

ration necessary to resource, acquire, and effectively manage a Fleet of the right size and balance for our nation.

Despite the challenges, I am very optimistic about our future and the many opportunities ahead. The dedication of our Sailors and Navy civilians is inspiring. They are truly making a difference and it is an honor to serve alongside them. I thank you for your continued support and commitment to our Navy and for all you do to make the United States Navy a force for good today and in the future.

ANNEX I—2007—YEAR IN REVIEW

*Operations*

In 2007, the U.S. Navy deployed the USS ENTERPRISE, DWIGHT D. EISENHOWER, JOHN C. STENNIS, RONALD REAGAN, and NIMITZ Carrier Strike Groups (CSGs) as well as the USS IWO JIMA, BOXER, BATAAN, BONHOMME RICHARD, and KEARSARGE Expeditionary Strike Groups (ESGs) with their embarked Marine Expeditionary Units (MEUs). In January 2007, when the President called for the surge of two carriers to the Central Command (CENTCOM) area of responsibility, we responded. Within weeks we positioned two CSGs in the North Arabian Sea and deployed a third CSG to fulfill our Western Pacific commitments while our forward deployed carrier in Japan completed a maintenance availability. Throughout 2007, our globally postured seapower kept the homeland and our citizens secure from direct attack and advanced our interests around the world.

Our expeditionary forces gave our leaders options for responding not only to emerging threats but to natural disasters as well. Our forward-deployed posture enabled the Navy and Marine Corps to rapidly respond and provide aid following three natural disasters last year. USNS GYSGT FRED W. STOCKHAM provided relief to the victims of the tsunami that struck the Solomon Islands in April 2007. In September 2007, USS WASP and USS SAMUEL B. ROBERTS participated in Central American relief efforts following Hurricane Felix. USS KERSARGE/22nd MEU and USS TARAWA/11th MEU responded to the cyclone that devastated Bangladesh in November 2007.

In 2007 we contributed to the Joint Force with expert planning and execution across the spectrum of operations. When the Air Force grounded its F–15 aircraft, Navy F/A–18 aircraft from USS ENTERPRISE assumed Air Force missions in Afghanistan. This flexibility and continuity allowed our NATO forces and the International Security Assistance Force to continue their missions without degradation in air cover.

Our Navy also contributed high-demand, highly-qualified expeditionary units to OEF and OIF through accelerated deployments of SEABEES, Explosive Ordinance Disposal teams, and SEALs. The Naval Expeditionary Combat Command (NECC), established in 2006, has already deployed RIVRON ONE (March 07) and RIVRON TWO (October 07) in support of OIF. Our riverine capability is growing; RIVRON THREE has been organized, trained and equipped, and will deploy in the spring of 2008. NECC's mission enables our Navy to better balance its force across the blue, green, and brown-water environments, ensuring effective Navy expeditionary warfighting, closing capability gaps, and aligning seams in global maritime security operations. Combatant Commander (COCOM) demand for NECC capabilities remains high. New and evolving expeditionary capabilities are becoming operational and supporting ongoing operations.

Last year the Navy deployed Coast Guard Law Enforcement Detachments (LEDETs) on board our ships and together we disrupted illegal trafficking of more than 188,907 pounds of cocaine. This accounted for more than 53 percent of the total cocaine removed by the Coast Guard in fiscal year 2007 (a record year at 355,755 total pounds). These LEDETs also detained 68 suspected smugglers, seized five vessels, and sunk 13 vessels engaged in illicit traffic.

Our Navy and Coast Guard also worked together in CENTCOM maritime security operations. In the Northern Arabian Gulf we are protecting Iraqi oil platforms, maintaining Iraqi territorial sea integrity, assisting in local policing of the offshore waters, and training Iraqi naval forces. We are working together in OIF, conducting Maritime Interception Operations, high-value asset escorts, and coastal security patrols with coalition and Iraqi naval forces. LEDETs deployed aboard Navy ships have trained hundreds of Iraqi navy and marine personnel in security and law enforcement, boarding procedures, self-defense, small boat tactics, and small boat maintenance. The Navy's African Partnership Station (APS) ship, USS FORT MCHENRY, has coordinated training sessions with the Coast Guard and has embarked Coast Guard Auxiliary members as interpreters for country visits.

In 2007, USNS COMFORT and USS PELELIU conducted two proactive humanitarian assistance missions in South America and the Western Pacific, respectively.

The results were extraordinary. Navy personnel embarked on COMFORT and PELELIU, together with Joint, NGO, and foreign medical officers, visited 20 countries; treated more than 130,000 medical patients, 29,000 dental patients, and 20,000 animals; conducted more than 1,400 surgeries; completed more than 60 engineering endeavors; and spent over 3,000 man-days in community relations projects. These missions of support, compassion, and commitment are enduring and they are codified in our maritime strategy.

We continue to meet COCOM Theater Security Cooperation (TSC) objectives with well-trained, combat ready forces. We are developing the concept of Global Fleet Stations (GFS), which will allow the Navy to coordinate and employ adaptive force packages within a regional area of interest. The pilot GFS, carried out by the High Speed Vessel SWIFT and closely coordinated with the State Department, conducted bilateral engagement activities in seven Latin American nations. This effort enhanced cooperative partnerships with regional maritime services and improved operational readiness for the participating partner nations. We conducted bi-lateral and multi-lateral exercises with navies in the Gulf of Guinea, the Mediterranean Sea, the Arabian Gulf, and waters in Latin America, and the Atlantic, Pacific, and Indian Oceans. The most notable exercises include MALABAR 07–2 with Indian, Japanese, Australian, and Singaporean navies; FRUKUS with French, Russian, and British navies; and PHOENIX EXPRESS with European and North African navies. Meanwhile, Exercise VALIANT SHIELD 2007 brought together three CSGs, six submarines, and many Navy and Joint capabilities to validate our effectiveness in multi-dimensional, full-spectrum, joint warfare. We remain the most dominant and influential Navy, globally and across all maritime missions.

Our engagement with other nations last year included cooperation through our foreign military sales (FMS) program. FMS is an important aspect of our security cooperation program which improves interoperability, military-to-military relations, and global security. The Navy's FMS program builds partner nation maritime security capabilities through transfers of ships, weapon systems, communication equipment, and associated training programs. The sale of USS TRENTON to India, USS HERON and USS PELICAN to Greece, and USS CARDINAL and USS RAVEN to Egypt are recent examples of our FMS program. Other countries remain interested in our mine sweepers, our frigates, and newer technologies coming online in the near future. We pursue these opportunities but never at the expense of our own needs.

*Manpower*

The men and women of the United States Navy are the core of every successful operation we conduct. I am impressed and inspired by our Sailors' ability to perform exceptionally well under all circumstances. Our Sailors are engaged globally: in special operations and combat support in Iraq; in flying combat sorties in support of OEF and OIF; in providing security protection for oil platforms; in conducting civil affairs missions; in participating in TSC activities in the Horn of Africa; and in ships and submarines deployed worldwide. Additionally, over 17,000 individual augmentees (IAs) were trained and deployed to support OEF and OIF missions.

Last year we met recruiting and retention goals and exceeded our active enlisted accession goal for the ninth consecutive year. We achieved 100 percent of our reserve enlisted accession goal. We met 97.9 percent of our active officer goal, with shortfalls residing primarily in medical and chaplain accessions. New and enhanced special and incentive pay authorities enacted in both the fiscal year 2006 and fiscal year 2007 National Defense Authorization Acts helped our Navy attain its goals in key mission areas and improve performance in others. Our Navy continues to aggressively recruit the best talent our nation has to offer. This is a demanding task considering an increasingly challenging recruiting environment.

Our AC and RC remain aligned through Active Reserve Integration (ARI). As demonstrated through force generation, deployment and redeployment, it is clear that RC forces meet two significant needs of our Navy. First, reservists deliver capability and capacity in support of major combat operations, and second, reservists provide operational augmentation to meet routine military missions. To use the full potential of our RC effectively, we continue to capitalize on RC involvement in operational support missions. This builds on ARI successes to date and will lead to the institutionalization of our operational Navy Reserve. We continue to monitor AC strength reductions and evaluate the impact of our force shaping programs with respect to the RC.

Our Navy continues to pursue diversity. We are in the final phase of a three-phase diversity campaign. In Phase III, we hold senior Navy leadership personally accountable for ensuring that we build the most diverse organization possible. We

also instituted a mentoring regimen focused on developing and retaining top talent from all demographics.

*Equipment*

Our Navy's mission in projecting power and presence overseas depends upon a modern, technologically advanced Fleet. The quality, condition, and capabilities of our ships and aircraft are critical.

In 2007, we christened six ships: the aircraft carrier GEORGE H. W. BUSH, the guided missile destroyers STERETT and TRUXTUN, the dry cargo/ammunition ships ALAN SHEPARD and RICHARD E. BYRD, and the fast attack submarine NORTH CAROLINA. We also commissioned four ships: the guided missile destroyers KIDD and GRIDLEY, the amphibious transport dock NEW ORLEANS, and the fast attack submarine HAWAII.

Despite these accomplishments, decommissionings resulted in a net gain of only two ships in 2007. We reluctantly, but prudently, cancelled construction of the third and fourth LCS due to challenges in controlling cost and schedule. The rate at which we are growing our Fleet will challenge our ability to fulfill the core capabilities of the maritime strategy. I am committed to taking the steps necessary to build the future Fleet and re-establish the vital trust needed among the Department, Congress, and industry to get our Navy above a 313-ship floor.

Building the future Fleet is also about aircraft. In 2007, we rolled out the first E–2D Advanced Hawkeye. Despite several successes in aircraft delivery, the high demand for air assets in OEF and OIF expended a significant portion of the limited service life remaining on our EA–6B electronic attack aircraft, MH–60 multi-mission helicopters, F/A–18 C/D strike-fighter aircraft, and P–3 maritime patrol aircraft. The accelerated depletion of service life could translate into aircraft shortfalls if the expended aircraft are not replaced.

ANNEX II—PROGRAMS AND INITIATIVES TO ACHIEVE NAVY PRIORITIES

*Surface Warfare*

*LCS*

Designed to be fast and agile, LCS will be a networked surface combatant with capabilities optimized to assure naval and Joint force access into contested littoral regions. No other ship can deliver what LCS offers in terms of flexibility. LCS will operate with focused-mission packages that deploy manned and unmanned vehicles to execute a variety of missions, including littoral anti-submarine warfare (ASW), surface warfare (SUW) and mine countermeasures (MCM). LCS will employ a Blue-Gold multi-crewing concept for the early ships. The crews will be at a "trained to qualify" level before reporting to the ship, reducing qualification time compared to other ships.

The LCS program has experienced significant cost overruns for the lead ships in the class. After a series of increases in contractor-estimated costs of completion, the Navy and industry initiated a thorough analysis of the program. The Navy revalidated the warfighting requirement and developed a restructured program plan for LCS that improves management oversight, implements more strict cost controls, incorporates selective contract restructuring, and ensures delivery within a realistic schedule.

Construction progress on LCS #1 and LCS #2 is on track to support delivery of these ships in 2008. By exercising active oversight and strict cost controls in the early years, the Navy will ensure delivery of LCS to the Fleet over the long term. Our fiscal year 2009 request for $1.47 billion will continue R&D and construction of LCS and associated modules.

*DDG 1000*

DDG 1000 introduces valuable technological advances that will provide essential risk reduction. This multi-mission surface combatant will provide independent forward presence and deterrence and it will operate as an integral part of joint and combined expeditionary forces. DDG 1000 will capitalize on reduced signatures and enhanced survivability to maintain persistent presence in the littorals. Our fiscal year 2009 request for DDG 1000 is for $3.0 billion in shipbuilding and research funds.

*CG(X)*

CG(X) will be a highly capable major surface combatant tailored for joint air and missile defense and joint air control operations. CG(X) will provide airspace dominance and protection to Joint forces operating in the Seabase. CG(X) will replace the CG–47 Aegis class and improve the Fleet's air and missile defense capabilities

against advancing threats, particularly ballistic missiles. IOC will be in 2019. $370 million in research and development for fiscal year 2009 supports CG(X) development to include radar development. The Navy is conducting a rigorous analysis to examine alternatives for CG(X), understanding that the National Defense Authorization Act requirement for nuclear power applies to CG(X).

*Aegis Ballistic Missile Defense (BMD)*

Aegis BMD is the seabase component of the Missile Defense Agency's (MDA) Ballistic Missile Defense System (BMDS). It enables surface combatants to support ground-based sensors and provides a capability to intercept short and medium-range ballistic missiles with ship-based interceptors (SM–3 missiles). The Gap Filler Sea-Based Terminal Program provides the ability to engage a limited set of short range ballistic missiles with modified SM–2 Block IV missiles from Aegis BMD capable ships. While development and procurement funding is covered under the MDA budget, the Navy has committed $16.5 million in fiscal year 2009 for operations and sustainment of Aegis BMD systems.

Since 2002, Navy and MDA have executed twelve successful intercepts in fourteen flight tests (11 Exo-atmospheric SM–3 engagements and one Endo-atmospheric SM–2 Block IV engagement). Operational ships have capability today with Aegis BMD program and components installed on 17 ships, including three cruisers (engagement capable) and 14 DDGs (nine engagement capable and five Long Range Surveillance and Track (LRS&T) capable). Additional installations are planned for 2008 to provide a total of 18 engagement-capable ships. In addition to these hardkill capabilities, the Navy is focused on delivering a robust capability against ballistic missiles across the enemy kill chain to include softkill and counters to Intelligence, Surveillance, and Reconnaissance (ISR), detection, cueing, and tracking prior to the launch of anti-ship ballistic missiles. The development of future capability will be informed through robust modeling and simulation to evaluate trade-offs among capabilities across the kill chain as well as the BMD capacity required to prevail in various geographic areas of concern.

*Aegis Cruiser Modernization*

AEGIS cruiser modernization is vital to achieving the 313 ship force structure. A large portion of total surface force modernization (including industrial base stability) is resident in this program, which includes both Combat System and Hull, Mechanical, and Engineering (HM&E) upgrades. $426.5 million in fiscal year 2009 supports this program.

*DDG 51 Modernization*

The DDG 51 modernization program is a comprehensive 62 ship program that will upgrade hull, mechanical, electrical, and combat systems. These upgrades support reductions in manpower and operating costs, achieve 35+ year service life, and allow the class to pace the projected threat well into the 21st century. Our fiscal year 2009 budget request includes $325.7 million for this effort.

*Surface Ship Torpedo Defense (SSTD)*

Torpedo defense must keep pace with the increasing torpedo threat to our ships. The AN/SLQ–25A "Nixie" is the Navy's fielded SSTD system. We will counter the future torpedo threat with an Anti-Torpedo Torpedo (ATT) System now in development. Increment I will deliver improved Torpedo Detection, Classification, and Localization (TDCL) and ATT salvo capability to cruisers and destroyers. Increment II will expand this capability beyond surface combatants. Increment I IOC is planned for fiscal year 2017. We are currently assessing these plans to deliver Increment II. The fiscal year 2009 budget provides $59.3 million to support this program.

*Standard Missile–6 (SM–6)*

The Navy's next-generation Extended Range, Anti-Air Warfare interceptor is the SM–6. It will be used by legacy and future ships, and with its active-seeker technology it will defeat anticipated theater air and missile threats well into the next decade. The fiscal year 2009 budget of $345.4 million in research, development, and procurement will support an IOC in fiscal year 2010.

*Long Range Land Attack Projectile (LRLAP)*

Long Range Land Attack Projectile (LRLAP) is the primary munition for the DDG 1000 Advanced Gun System (AGS). AGS and LRLAP will provide Naval Surface Fire Support (NSFS) to forces ashore during all phases of the land battle. All program flight test objectives have been met including demonstration of threshold range (63nm), in-flight guidance, gun launch survival, and repeatability. $97 million in fiscal year 2009 supports continued development.

*Harpoon Block III Missile*

Harpoon Block III meets requirements for an all weather, precision, ship and air launched, anti-ship missile capability. $68 million in fiscal year 2009 supports development of an upgrade to existing Harpoon Block IC missiles that will add data link and GPS capability to improve accuracy and target selectivity.

*Extended Range Munition (ERM)*

The Extended Range Munition (ERM) is a five-inch, rocket-assisted, guided projectile providing range and accuracy superior to that of conventional ammunition. The program includes modifications to existing five-inch guns and fire-control systems. The projectile uses a coupled GPS/INS guidance system and unitary warhead with a height-of-burst fuse. A 20-round reliability demonstration in September 2008 is planned prior to land-based flight and qualification testing. $39 million in fiscal year 2009 supports this program.

*Cooperative Engagement Capability (CEC)*

CEC is an advanced sensor netting system enabling real-time exchange of fire-control quality data between battle force units. CEC provides the integrated, precision air defense picture required to counter the increased agility, speed, maneuverability, and advanced design of cruise missiles, manned aircraft, and (in the future) tactical ballistic missiles. $123.3 million in fiscal year 2009 supports this program.

CEC's acquisition strategy implements open architecture based hardware with rehosted existing software. A critical element is the P3I hardware that reduces cost, weight, cooling, and power requirements. The Integrated Architecture Behavior Model (IABM) will be implemented as a host combat system software upgrade. IABM will replace the cooperative engagement processor functionality and enable joint interoperability with common track management across the Services.

*Tomahawk/Tactical Tomahawk (TACTOM)*

TACTOM provides precision, all-weather, and deep-strike capability. TACTOM provides more flexibility and responsiveness at a significantly reduced life cycle cost compared to previous versions. Additionally, it includes flex-targeting, in-flight retargeting, and two-way communications. Tomahawk Block IV is in a full-rate, multi-year procurement for fiscal year 2004–2008. The fiscal year 2009 budget provides $357 million which will support a new sole-source firm fixed-price contract to continue TACTOM development and procurement.

*Submarine Warfare*

*VIRGINIA Class Fast Attack Nuclear Submarine (SSN)*

We must maintain an SSN force structure to meet current operational requirements and face potential future threats. The VIRGINIA class emphasizes affordability and optimizes performance for undersea superiority in littoral and open ocean missions.

The fiscal year 2009 budget requests $3.6 billion for submarine construction, technical insertions, and cost reduction developments. Navy has worked closely with industry to reduce the cost per submarine and increase the build rate to two submarines per year starting in fiscal year 2011. The Multi-Year Procurement (MYP) authority received in the fiscal year 2008 NDAA supports an fiscal year 2009–2013 MYP contract that will mitigate future force level deficiencies and achieve cost reduction goals through Economic Order Quantity savings and better distributed overhead costs.

*ASW Programs*

The Navy continues to pursue research and development of Distributed Netted Sensors (DNS); these are rapidly deployable, autonomous sensors that provide the cueing and detection of adversary submarines. Examples of technologies included in our fiscal year 2009 request of $46 million are:

—*Reliable Acoustic Path, Vertical Line Array (RAP VLA)*.—A passive-only distributed system exploiting the deep water propagation phenomena. In essence, a towed array vertically suspended in the water column.

—*Deep Water Active Distributed System (DWADS)*.—An active sonar distributed system optimized for use in deep water.

—*Deployable Autonomous Distributed System (DADS)*.—A shallow water array, using both acoustic and non-acoustic sensors to detect passing submarines. DADS will test at sea in fiscal year 2008.

—*Littoral ASW Multi-static Project (LAMP)*.—A shallow water distributed buoy system employing the advanced principles of multi-static (many receivers, one/few active sources) sonar propagation.

Further developing the Undersea Warfare Decision Support System (USW–DSS) will leverage existing data-links, networks, and sensor data from air, surface, and sub-surface platforms and integrate them into a common ASW operating picture. This networked approach will allow our forces to plan, conduct, and coordinate ASW operations in near real time. We are requesting $19.75 million in fiscal year 2009 for USW–DSS.

To effectively attack the threat, the Navy has continued a robust weapons development investment plan that includes $127 million requested in the fiscal year 2009 for capabilities, such as:

—*High-Altitude ASW Weapons Concept (HAAWC)*.—Since current maritime patrol aircraft must descend to low altitudes to deliver ASW weapons on target, they often lose communications with sonobuoys or distributed sensor fields. HAAWC will allow the aircraft to remain at high altitude and conduct effective attacks while simultaneously enabling the crew to maintain and exploit the full sensor field. This capability supports the P–8A Multi-mission Maritime Aircraft.

—*Common Very Lightweight Torpedo (CVLWT)*.—The Navy is developing a 6.75-inch torpedo suitable for use in surface ship and submarine anti-torpedo torpedo defense.

*Platform Sensor Improvements*.—To counter the threat of quieter, modern diesel-electric submarines, we are continuing to work on both towed array and hull-mounted sonar systems. Our $512 million request in fiscal year 2009 includes the following:

—TB–33 thin-line towed array upgrades to forward-deployed SSNs provide near-term improvement in submarine towed array reliability over existing TB–29 arrays. TB–33 upgrades are being accelerated to Guam-based SSNs.

—Continued development of twin-line thin-line (TLTL) and vector-sensor towed arrays (VSTA) are under development for mid to far-term capability gaps. TLTL enables longer detection ranges/contact holding times and it improves localization and classification of contacts. VSTA is an Office of Naval Research project that would provide TLTL capability on a single array while still obviating the bearing ambiguity issue inherent in traditional single line arrays.

*21" Mission Reconfigurable Unmanned Underwater Vehicle System (MRUUVS)*

21" MRUUVS is a submarine launched and recovered, reconfigurable UUV system that will provide robust, clandestine minefield reconnaissance and general ISR in denied or inaccessible areas. The MRUUVS program has been restructured, moving IOC from fiscal year 2013 to 2016, when clandestine mine countermeasure capability from LOS ANGLES class submarines will be delivered. ISR capability and VIRGINIA class host compatibility could occur in follow-on increments approximately two years after IOC. Fiscal year 2009 funds $30.1 million to support the MRUUVS program.

*Expeditionary Warfare*

*Maritime Prepositioning Force (MPF) (Future)*

MPF(F) provides a scalable, joint-seabased capability for the closure, arrival, assembly, and employment of up to a Year-2015-sized Marine Expeditionary Brigade force. MPF(F) will support the sustainment and reconstitution of forces when required. MPF(F) is envisioned for frequent utility in Lesser Contingency Operations, and when coupled with Carrier or Expeditionary Strike Groups, MPF(F) will provide the nation a rapid response capability in anti-access environments.

The MPF(F) program was shifted one year to allow the Navy and Marine Corps to better define requirements prior to awarding the initial Mobile Landing Platform contract. The fiscal year 2009 budget provides $42 million in research and development and $348 million in advanced procurement for MPF(F) LHA(R).

*LEWIS & CLARK Dry Cargo/Ammunition Ship (T–AKE)*

T–AKE will replace aging combat stores (T–AFS) and ammunition (T–AE) ships. Operating with an oiler (T–AO), they can substitute as a station ship, which would allow us to retire four fast combat support ships (AOE 1 Class). $962 million in fiscal year 2009 funds the 11th and 12th T–AKE. The lead T–AKE ship was delivered in June 2006 and has completed operational evaluation (OPEVAL).

*LPD 17*

LPD 17 functionally replaces LPD 4, LSD 36, LKA 113, and LST 1179 classes of amphibious ships for embarking, transporting and landing elements of a Marine landing force in an assault by helicopters, landing craft, and amphibious vehicles. $103 million in the fiscal year 2009 budget request supports the LPD 17 program.

*Joint High Speed Vessel (JHSV)*

The Joint High Speed Vessel (JHSV) program is an Army and Navy joint program to deliver a high-speed, shallow draft surface ship capable of rapid transport of medium payloads of cargo and personnel within a theater to austere ports without reliance on port infrastructure for load/offload. The fiscal year 2009 budget provides $175 million to procure the first JHSV vessel.

*Remote Minehunting System (RMS)*

RMS uses a diesel-powered, high-endurance, off-board, semi-submersible vehicle to tow the Navy's most advanced mine hunting sonar, the AN/AQS–20A. The system will be launched, operated, and recovered from surface ships. RMS will provide mine reconnaissance, detection, classification, localization, and identification of moored and bottom mines. $49.86 million in fiscal year 2009 supports this program.

*Air Warfare*

*CVN 21*

The CVN 21 program is designing the next generation aircraft carrier to replace USS ENTERPRISE (CVN 65) and NIMITZ-class aircraft carriers. The lead ship has been designated as the USS GERALD R. FORD (CVN 78). These ships will provide improved warfighting capability and increased quality of life for our Sailors at reduced acquisition and life cycle costs. $2.8 billion in shipbuilding funds for fiscal year 2009 supports acquisition of CVN–78 scheduled for delivery in late fiscal year 2015.

*F–35 Joint Strike Fighter (JSF)*

JSF program will develop and field a family of multi-mission strike fighter aircraft using mature/demonstrated 21st century technology to meet warfighter needs of the Navy, Marine Corps, Air Force, and international partners, including the United Kingdom, Italy, Netherlands, Denmark, Turkey, Norway, Australia, and Canada (with ongoing foreign military sales discussions with Israel, Singapore, and Spain). Navy's fiscal year 2009 investment of $3.4 billion includes procurement of eight aircraft and continued research and development for aircraft and engine development.

*P–8A Multi-mission Maritime Aircraft (MMA)*

The P–8A will replace the P–3C Orion aircraft and will recapitalize the Maritime Patrol ASW, Anti-Surface Warfare, and armed ISR capabilities that currently reside in P–3 squadrons. The P–8A is the only aircraft with this operationally agile capability set. It will fulfill COCOM requirements for combat and theater security operations, and homeland defense. IOC is planned in fiscal year 2013. $1.1 billion in funding is included in the fiscal year 2009 budget.

*EA–18G Growler*

The EA–18G Growler will replace the EA–6B aircraft and provide carrier-based Airborne Electronic Attack (AEA). The inventory objective of 85 aircraft will support 10 operational carrier air wing squadrons and a Fleet Replacement Squadron. IOC will be in fiscal year 2009. $1.8 billion supports development and procurement of 22 aircraft in fiscal year 2009.

*MV–22B Osprey*

MV–22 Osprey is the Marine Corps medium-lift assault support aircraft that will replace legacy CH–46Es and CH–53Ds. Current operational projections hold CH–46Es in service through fiscal year 2018, and CH–53Ds through fiscal year 2013. The CH–46Es are playing a critical role in the War on Terror, flying more than four times their peacetime utilization rate making delivery of the MV–22 more critical. The MV–22's improved readiness, survivability, and transformational capability (twice the speed, three times the payload, and six times the range of the airframes it is replacing) will vastly improve operational reach and capability of deployed forces. The aircraft is approved for Full Rate Production and entered a Congressionally-approved, Joint, five-year, multi-year procurement in fiscal year 2008. The fiscal year 2009 budget of $2.2 billion procures 30 aircraft. The total requirement is 360 MV–22s for the Marines, 48 MV–22s for the Navy, and 50 CV–22s for Special Operations Command.

*F/A–18E/F Super Hornet*

The Navy's next generation, multi-mission Strike Fighter provides a 40 percent increase in combat radius, a 50 percent increase in endurance, a 25 percent increase in weapons payload, three times more ordnance bring-back, and five times more survivability than F/A–18C models. Approximately 65 percent of the total procurement

objective has been delivered (317 of 493). F/A–18E/F is in full rate production under a second five-year multi-year contract (fiscal years 2005–2009). $1.9 billion in fiscal year 2009 procures 23 aircraft as part of that contract.

*F/A–18A/B/C/D Hornet*

The F/A–18 Hornet is naval aviation's principal strike-fighter. It serves the U.S. Navy and Marine Corps, as well as the armed forces of seven countries. This multi-mission aircraft has maintained its combat relevance through improvements and upgrades to weapons, communications, navigation, and defensive electronic countermeasure systems. Although the F/A–18A/B/C/D are out of production, the existing inventory of 667 Navy and Marine Corps aircraft will continue to comprise half of the carrier strike force until 2013. These aircraft are scheduled to remain in the inventory through 2022. $322 million in fiscal year 2009 supports improvements to the F/A–18 A/B/C/D variants.

*E–2D Advanced Hawkeye*

The E–2D Advanced Hawkeye (AHE) program will modernize the current E–2C weapons system by replacing its radar and other aircraft system components to improve nearly every facet of tactical air operations. The modernized weapons system will maintain open ocean capability while adding transformational littoral surveillance and Theater Air and Missile Defense capabilities against emerging air threats in the high clutter, electro-magnetic interference, and jamming environments. AHE is one of four pillars of the Naval Integrated Fire Control-Counter Air capability. The fiscal year 2009 budget of $1.1 billion procures three aircraft and funds continued research and development.

*MH–60R/S Multi-Mission Helicopter*

The MH–60R multi-mission helicopter program will replace the surface combatant-based SH–60B and carrier-based SH–60F with a newly manufactured airframe and enhanced mission systems. The MH–60R provides forward-deployed capabilities, including mine sweeping, surface warfare (SUW), and ASW, to defeat area-denial strategies, which will enhance the ability of the Joint force to project and sustain power. Full Rate Production was approved in March 2006. $1.2 billion in fiscal year 2009 procures 31 aircraft.

The MH–60S supports: Carrier and Expeditionary Strike Groups in Combat Logistics, Search and Rescue, Vertical Replenishment, Anti-Surface Warfare, Airborne Mine Countermeasures, Combat Search and Rescue, and Naval Special Warfare mission areas. Armed Helicopter capability achieved IOC in fiscal year 2007. The Airborne Mine Countermeasures capability will achieve IOC with the AWS–20 Sonar in fiscal year 2008. $550 million in fiscal year 2009 procures 18 aircraft.

*C–40A Clipper*

The C–40A Clipper is a replacement for legacy DC–9/C–9B and C–20G aircraft. It provides flexible, time-critical, and intra-theater logistical support. It will serve as a connector between strategic airlift points of delivery to Carrier Onboard Delivery and Vertical Onboard Delivery locations. The inventory objective is 17 aircraft, and nine have been purchased. $155 million in fiscal year 2009 procures two aircraft.

*CH–53K*

The CH–53K Heavy Lift Replacement (HLR) is the follow on to the Marine Corps CH–53E Heavy Lift Helicopter. The CH–53K will more than double the CH–53E lift capability under the same environmental conditions. The CH–53K's increased capabilities are essential to meeting the Marine Expeditionary Brigade of 2015 Ship-to-Objective Maneuver vision. Major systems improvements of the new helicopter include larger and more capable engines, expanded gross weight airframe, better drive train, advanced composite rotor blades, modern interoperable cockpit, external and internal cargo handling systems, and survivability enhancements. The procurement objective of 156 aircraft has increased to 200 due to Marine Corps end strength growth to 202,000. fiscal year 2009 provides $571 million for research and development.

*EPX (EP–3E Replacement)*

EPX will replace the EP–3E as a transformational multi-intelligence platform capable of providing strike targeting to warfighters. Fiscal year 2009 provides $75 million in research and development to recapitalize the EP–3 airborne electronic surveillance aircraft. The Navy had originally partnered with Army's Aerial Common Sensor (ACS) program on this aircraft until the contract was terminated in fiscal year 2006. After conducting further mission analysis, the Navy recognized it re-

quired significantly higher performance than that of the Army ACS program. The Navy developed the EPX program to respond to its requirement.

*Broad Area Maritime Surveillance (BAMS)*

BAMS is an unmanned aircraft designed to enhance Maritime Domain Awareness. It will be forward deployed, land-based, autonomously operated, and unarmed. Along with P–8A, BAMS is integral to the Navy's airborne ISR recapitalization strategy. $480 million in research and development funding in fiscal year 2009 continues the Navy's commitment to provide a persistent multi-sensor (radar, Electro-Optical/Infra Red, Electronic Support), maritime intelligence, surveillance, and reconnaissance capability with worldwide access.

*Navy Unmanned Combat Air System (UCAS)*

The Navy UCAS will develop and demonstrate low observable (LO), unmanned, air vehicle suitability to operate from aircraft carriers in support of persistent, penetrating surveillance and strike in high threat areas. $276 million in fiscal year 2009 research and development funds advance UCAS objectives.

*MQ–8B Fire Scout Vertical Takeoff UAV (VTUAV)*

The Navy's Vertical Takeoff and Landing Tactical UAV (VTUAV) is designed to operate from all air capable ships, carry modular mission payloads, and operate using the Tactical Control System (TCS) and Tactical Common Data Link (TCDL). VTUAV will provide day/night real time reconnaissance, surveillance and target acquisition capabilities, communications relay, and battlefield management to support the LCS core mission areas of ASW, Mine Warfare, and SUW. In May 2007, the program successfully completed a Milestone C review and was approved for Low Rate Initial Production. IOC moved from the fourth quarter of fiscal year 2008 to the first quarter of fiscal year 2009 due to a combination of software development delays and the availability of LCS to complete Fire Scout OPEVAL on schedule. $65 million in development and procurement funding in fiscal year 2009 supports engineering manufacturing development, operational testing and achievement of IOC.

*Joint Standoff Weapon (JSOW)*

JSOW is a low-cost, survivable, air-to-ground glide weapon designed to attack a variety of targets in day/night and adverse weather conditions at ranges up to 63 nautical miles. All variants employ a kinematically efficient, low-signature airframe with GPS/INS guidance capability. A Block III improvement effort will add anti-ship and moving target capability in fiscal year 2009. The $172 million in fiscal year 2009 funding supports this development and continues production to build to our inventory objectives.

*Decision Superiority/Networks*

*Consolidated Afloat Networks Enterprise Services (CANES)*

CANES is evolving from the existing Integrated Shipboard Networking System (ISNS) program of record. It consolidates and enhances the requirements for five existing afloat network programs into a single support framework for all C4I applications that currently require dedicated infrastructure. The operational need for CANES has been well defined in existing network requirements documents and in the Global Information Grid Enterprise Services/Mission Area Initial Capability Documents. CANES will capitalize on industry best practices of common hardware, unified fielding, and "plug and play" software capability to produce fiscal savings, operational flexibility, and enhanced agility to warfighting applications. $21.6 million is aligned to CANES in the fiscal year 2009 budget, all of which was redirected from existing budget lines.

*Next Generation Enterprise Network (NGEN)*

NGEN Block 1 is the follow-on to the Navy Marine Corps Intranet (NMCI) and replaces the services currently provided by NMCI. Future NGEN Blocks will upgrade services provided by NMCI and the OCONUS Navy Enterprise Network. NGEN will also integrate with shipboard and Marine Corps networks to form a globally integrated, Naval Network Environment to support network operations. NGEN will leverage the Global Information Grid (GIG) and, where possible, utilize DOD enterprise services. The fiscal year 2009 budget provides $60 million to support the NGEN program.

*Information Assurance (IA)*

We are tailoring our approach to IA to concentrate our personnel and resources on protecting the Navy information battlespace. Navy Information Systems Security Program (ISSP)/Computer Network Defense (CND) are the Navy's IA programs that

procure secure communications equipment for Navy ships, shore sites, aircraft, the Marine Corps, and U.S. Coast Guard. ISSP and CND will defend our Navy networks in depth. This will enhance the warfighter confidence in using the network as a weapons system. Navy Information Assurance uses a layered protection strategy, using Commercial Off-The-Shelf (COTS) and Government Off-The-Shelf (GOTS) hardware and software that collectively provides an effective network security infrastructure. Our fiscal year 2009 Budget request includes $101 million for these IA efforts.

*Mobile User Objective System (MUOS)*

MUOS is the next generation Ultra High Frequency (UHF) narrowband satellite communications (SATCOM) system, replacing UHF Follow-On. MUOS supports Communications-On-The-Move (COTM) to small and less stable platforms (handhelds, aircraft, missiles, UAVs, remote sensors) in stressed environments (foliage, urban environment, high sea state). MUOS will provide the communications infrastructure to facilitate command and control of a netted, distributed force with delivery of IOC in 2010. $1.03 billion in the fiscal year 2009 budget funds the MUOS program.

*COBRA JUDY Replacement (CJR)*

$101.4 million funds the acquisition of a single ship-based radar suite for worldwide technical data collection against ballistic missiles. This replaces the current COBRA JUDY/USNS OBSERVATION ISLAND, which is scheduled to be removed from service in 2012. Upon achieving IOC in 2012, the Navy will transfer the CJR to the U.S. Air Force for operation and maintenance. The CJR program has entered the production stage.

*Distributed Common Ground/Surface Systems (DCGS)*

DCGS–N is the Navy's Intelligence, Surveillance, Reconnaissance, and Targeting (ISR&T) system. Funded at $124 million in fiscal year 2009, DCGS–N will receive and process multiple data streams from various ISR sources to provide time-critical aim points and intelligence products. This program will enhance the warfighter's Common Operational Picture (COP) and is being fielded afloat and ashore.

*Deployable Joint Command and Control (DJC2)*

DJC2 is a Secretary of Defense and Chairman of the Joint Chiefs of Staff priority transformation initiative providing Combatant Commanders (COCOM) with a standardized, deployable, and scalable Joint C2 headquarters capability tailored to support Joint Task Force (JTF) operations. DJC2 enables a COCOM to rapidly deploy and activate a JTF headquarters equipped with a common C2 package with which to plan, control, coordinate, execute, and assess operations across the spectrum of conflict and disaster relief missions. This budget request of $35 million provides for operations and sustainment for the six existing systems, as well as continued research and development.

*Maritime Headquarters with a Maritime Operations Center (MHQ/MOC)*

The MHQ/MOC program creates a network of Navy headquarters that are trained and accredited to command Navy and Joint forces at the operational level of war. It transforms Navy operational headquarters into fully functional and scalable Command and Control Joint Task Force-capable Headquarters. It also automates and links key Navy and Joint planning processes in a globally networked environment.

Since the initiative began in fiscal year 2008, we have validated the MHQ/MOC concept and developed architectures, processes and tasks to support its implementation. U.S. Fleet Forces Command is establishing an accreditation process and metrics. The 5th Fleet Prototype is providing operational verification of common tasks, processes and systems. The fiscal year 2009 budget provides $35 million to support MHQ/MOC.

*Cyber Asset Reduction and Security (CARS)*

The Cyber Asset Reduction and Security (CARS) initiative improves network security and optimizes resources by reducing legacy networks, applications, and systems to the minimum necessary for the Navy to conduct its business. CARS has reduced the Navy's total network inventory. From January 2006 until December 2007, the Navy has reduced its networks from 1,200 to 625, a 43 percent reduction. We intend to reduce them to approximately 200 by September 2010, an 83 percent reduction. Network reduction, in conjunction with efforts for data center, web site, and portal consolidation, will reduce the Navy's physical IT servers, external circuits, and applications.

*TRIDENT*

TRIDENT is a maritime intelligence production capability within the Office of Naval Intelligence that provides tailored, focused, timely intelligence support to Naval Special Warfare (NSW) and Joint special operations forces operating in the maritime domain. For $9.7 million in fiscal year 2009, TRIDENT production directly supports OEF/OIF and responds to ongoing initiatives to improve intelligence support to NSW. TRIDENT has deployed four Tactical Intelligence Support Teams (TIST) in Iraq since April 2006.

*Automatic Identification System (AIS)*

AIS leverages commercially available technology to provide a shipboard Very High Frequency (VHF) maritime band transponder system capable of sending and receiving ship information, including navigation, identification, and cargo data. AIS improves significantly the Navy's ability to distinguish between legitimate and suspicious merchant ships. Navy warships using AIS have dramatically increased situational awareness, safety of ship, and intelligence gathering. $16 million in fiscal year 2009 will support continued fielding of AIS to the Fleet.

*Navy Enterprise Resource Planning System (Navy ERP)*

Navy ERP is an integrated business management system that modernizes and standardizes Navy business operations, provides management visibility across the enterprise, and increases effectiveness and efficiency. The program will align Navy to DOD's business enterprise architecture and provide real-time, end-to-end data to enable informed decisions. The current program of record delivers functionality in three releases: financial management and acquisition, wholesale and retail supply chain management, and intermediate-level maintenance support. The fiscal year 2009 budget provides $145 million for the Navy ERP program.

*Infrastructure/Environment*

*Undersea Warfare Training Range (USWTR)*

The proposed USWTR is a 500-square nautical mile instrumented underwater training range in shallow littoral waters on each coast. USWTR will support undersea warfare (USW) training exercises for the Atlantic and Pacific Fleet. Undersea hydrophones will provide real time tracking and a record of participants' activities to evaluate tactics, proficiency, and undersea warfare combat readiness. The instrumented area will be connected to shore via a single trunk cable.

Pending signature of the environmental Record of Decision (ROD) for the East Coast USWTR in May 2009, the Navy will commence hardware procurement in fiscal year 2010. The west Coast Shallow Water Range is being analyzed as part of the Environmental Impact Statement for the Southern California Range Complex and the ROD is scheduled for signature in January 2009. The shallow water ranges for both coasts will be completed in fiscal year 2015. The Navy has requested $17.6 million in fiscal year 2009 for the program.

*Facilities Recapitalization and Sustainment*

Facilities Recapitalization is comprised of modernization and restoration. Modernization counters obsolescence by renewing a facility to new standards or functions without changing the facility size. Restoration includes efforts to restore degraded facilities to working condition beyond design service life or to fix damage from natural disaster, fire, etc. While MILCON is the major contributor to the Navy's recapitalization program, O&M Restoration and Modernization (RM) remains a critical contributor to recapitalizing our existing infrastructure. The fiscal year 2009 Restoration and Modernization funding request of $300 million provides targeted investment in critical facilities.

Facilities sustainment includes those maintenance and repair activities necessary to keep facilities in working order through their design service life. The fiscal year 2009 funding request of $1.7 billion is a funding level that maintains our facilities and retains mission capability in the short term. While the Navy has historically taken significant risk in shore infrastructure investment, we intend to reduce this risk by aggressively validating requirements through an enterprise approach based on capacity, configuration, and condition of the infrastructure and by identifying and demolishing excess infrastructure.

*Marine Mammal Research/Sound in Water Effects*

The Navy is committed to proactive compliance strategies to meet legal requirements. The Navy also identifies and funds marine mammal research, especially research related to mid-frequency active sonar. The Navy has requested $18.1 million for its proactive compliance efforts in fiscal year 2009. Filling in gaps in scientific

data through continued acoustic research, enhances Navy compliance with the Marine Mammal Protection Act (MMPA), Endangered Species Act (ESA), Coastal Zone Management Act (CZMA), and National Environmental Policy Act (NEPA). This research is especially important considering the increasing pressure placed on the Navy to restrict its use of active sonar, even when it adversely impacts training and readiness. In addition to MMPA standards, the Navy firmly believes that science must both define the effects of active sonar on marine mammals and also serve as the appropriate basis for mitigation measures that ensure a proper balance between national security and protection of natural resources.

*NIMITZ-Class Refueling Complex Overhaul (RCOH)*

RCOH subjects NIMITZ-class aircraft carriers to comprehensive modernization upgrades, maintenance, and nuclear refueling to extend the service life of NIMITZ-class carriers to approximately 50 years. This is nearly 20 years longer than the originally planned service life. Execution of RCOH is required to maintain an 11 aircraft carrier force. A notional RCOH consists of 3.2 million man-days and a 36-month industrial period conducted at Northrop Grumman Newport News, Virginia. USS CARL VINSON (CVN 70) is on track to complete RCOH in March 2009. Fiscal year 2009 funding of $628 million primarily supports RCOH for USS THEODORE ROOSEVELT.

*Utilities Privatization (UP)*

The Navy and Marine Corps have 645 utilities systems that are eligible for privatization on 135 activities/installations worldwide. Five hundred and seventeen (80 percent) of these systems have reached Source Selection Authority (SSA) decisions. Of the 517 systems, 410 have been determined to be exempt, 28 have been awarded for privatization and 79 are being processed for exemption or award. 128 systems are still being reviewed for an SSA decision. $1.3 million requested in our fiscal year 2009 budget supports these ongoing initiatives.

*BRAC 2005*

The DON BRAC Program Management Office (BRAC PMO) manages and oversees the DoN prior BRAC and BRAC 2005 actions and budget. The BRAC PMO oversees the efforts of Commander, Navy Installation Command (CNIC) and Commandant of the Marine Corps (CMC) realignment and closure efforts, and is responsible for completing property disposal and environmental remediation actions. The Navy is coordinating with other Services and agencies to support implementation of Joint actions.

The DoN BRAC program provides $871 million in fiscal year 2009 to continue implementation of BRAC actions. The fiscal year 2009 program finances construction (including planning and design), operational movements at key closure and realignment locations, and the necessary environmental studies at receiving locations to fulfill National Environmental Policy Act (NEPA) requirements.

*U.S.-Japan Realignment Roadmap on Guam*

On May 1, 2006, the U.S. Japan Security Consultative Committee (SCC) approved the relocation of approximately 8,000 personnel for 3rd Marine Expeditionary Force and their 9,000 dependents from Okinawa Japan to Guam by 2014 as outlined in the U.S.-Japan Realignment Roadmap. The Roadmap stipulates that Japan will pay up to $6.09 billion of the estimated $10.3 billion cost for Guam facilities. The Secretary of Defense directed the Secretary of the Navy to work with the Secretaries of the Air Force, Army, Chairman of the Joint Chiefs of Staff, and PACOM, to establish a Joint Guam Program Office (JGPO) to facilitate, manage, and execute requirements for rebasing the Marines from Okinawa to Guam. The fiscal year 2009 budget request of $33.8 million continues planning and development for a National Environmental Policy Act (NEPA)-required Environmental Impact Statement (EIS).

*Family Housing*

Family housing supports readiness by providing Sailors and their families suitable, affordable, and safe housing. The Navy's housing strategy includes reliance on private sector housing, public/private ventures, and military construction. By the end of fiscal year 2007, 95 percent of CONUS family housing had been privatized. Eighteen privatization projects have been awarded for 40,355 homes. To date, Navy has secured $4.9 billion in private sector investment from $277 million of Navy funds; a leverage ratio of 18:1. The agreements now in place will result in the elimination of the last inadequate house by 2011. The fiscal year 2009 budget provides $462 million to support family housing.

*Global Force Posture Review*

As part of the Navy's ongoing contribution to the Defense Department's initiative to transform the U.S. global defense posture, the Navy conducted its own agility assessment of the strategic placement of its aircraft carrier force. This assessment is aligned with the Quadrennial Defense Review (QDR) decision to build a Fleet that includes 11 CSGs. It is also consistent with the movement of other Service capabilities away from an Atlantic focus. As indicated in the 2006 QDR, the principle move for the Navy will be to assure the availability of six operational nuclear-powered aircraft carriers in the Pacific theater "to support engagement, presence, and deterrence." The Navy continues to review current and alternate carrier ports to ensure the strategic Navy force disposition will promote a forward-leaning nuclear-powered carrier force that will strengthen our engagement and shaping capabilities, reassure our allies, and deter potential conflicts.

*Child Development Centers*

Navy Child Development and Youth Programs provide quality care for over 98,000 children through 131 Child Development Centers, 103 Youth Development Programs, 3,021 Child Development Homes, and 86 School Age Care Programs. The average waiting time for childcare is six months in non-Fleet concentration areas and up to 12 months in Fleet concentration areas. Fiscal year 2009 budget request increases the number of child care spaces by 5,270 to provide service to 80 percent of potential need. The fiscal year 2009 funding supports the construction of new Child Development Centers, the use of interim modular classrooms, the expansion of Child Development Home program, and additional contract civilian spaces.

*Manpower*

*Human Intelligence (HUMINT)*

The Navy continues to revitalize its HUMINT capability. The Navy's goal is to field a professional cadre of HUMINT collectors and to support personnel capable of executing the full range of HUMINT source operations in support of naval and national requirements. In conjunction with the Naval Criminal Investigative Service, the Navy continues to move forward with establishing a world-wide HUMINT program capable of successfully meeting the emerging threats in the 21st century. In the past year, Navy has successfully deployed its first tactical HUMINT teams into Iraq and experienced a very high success rate in the Al-Anbar province. Meanwhile, elements of the Office of Naval Intelligence continue to facilitate the exchange of Maritime Domain Awareness information between U.S. Navy and regional security partners. These elements provide maritime-focused collection capability that can capitalize on regional opportunities to further prosecute OEF/OIF and carry out other important missions. Naval Maritime Interdiction Operations Intelligence Exploitation Teams (MIO–IET) continue to increase on-scene intelligence collection and exploitation during MIO boardings. The fiscal year 2009 budget provides $17 million to support HUMINT and MIO–IET efforts.

*AFRICOM*

On December 15, 2006, the President directed the establishment of a Unified Command for Africa no later than October 1, 2008. The Secretary of Defense issued follow-on AFRICOM Implementation Guidance (AIG) outlining the necessary requirements and details to include stand up of a Sub-Unified Command under USEUCOM by October 1, 2007. The primary roles of the command are non-kinetic missions for security cooperation; humanitarian relief; stability, security, transition, and reconstruction activities (SSTR); partnership capacity; and MIL-to-MIL activities.

The Navy has filled the IOC requirement of 33 Navy billets. We also intend to fill our portion of the FOC manpower requirements for USAFRICOM in addition to approximately 100 billets for the associated Naval Component Command.

*Language, Regional Expertise & Culture (LREC)*

Achieving Navy's maritime strategy depends in part on our ability to communicate with and comprehend adversaries, allies, and partners. Consistent with the Defense Language Transformation Roadmap and the Navy Strategic Plan (NSP), the program incentivizes language proficiency, increases regional content in Navy Professional Military Education (NPME), and provides non-resident language instruction to all Sailors and delivers in-residence training to more officers. $51.1 million requested in fiscal year 2009 continues existing efforts and begins new initiatives of enhanced non-resident and resident language training.

*Navy Education*

*Professional Military Education (PME)*

Our fully fielded PME continuum provides career-long educational opportunities for professional and personal development that support mission capabilities. It contributes significantly to the development of 21st century leaders who have the capacity to think through uncertainty; develop innovative concepts, capabilities, and strategies; fully exploit advanced technologies, systems, and platforms; understand cultural/regional issues; and conduct joint operations.

Navy PME (NPME), with Joint PME embedded at every level, provides a common core of knowledge for all Sailors. A primary level program was implemented via distance learning in June 2006. The initial targeted audience is junior unrestricted line officers and senior enlisted Sailors. Introductory and basic level PME courses for more junior Sailors were fielded in January 2008. Our fiscal year 2009 request of $180.2 million allows the continuation of career-long educational opportunities for our Sailors.

*Joint Professional Military Education (JPME)*

JPME teaches the principles of Joint warfare and prepares leaders to conduct operations as a coherent Joint force. Our path enhances our belief in the value of jointness and systematically develops Navy leaders who are strategically minded, capable of critical thinking, and skilled in naval and Joint warfare. PME completion is linked with career progression. For example, intermediate-level PME with JPME Phase I is required for screening unrestricted line officers for command beginning in fiscal year 2009. In August 2006, the Naval War College implemented in-residence instruction of JPME Phase II into the senior-level course. To support Maritime Component Commanders, the Naval War College has also implemented the Maritime Staff Operations Course to strengthen maritime and joint planning and war fighting.

*The Naval Reserve Officers Training Corps (NROTC)*

The NROTC program comprises 59 active units at 71 host institutions of higher learning across the nation. With $178 million requested in fiscal year 2009, the program is adequately funded to provide four and two year scholarships to qualified young men and women to help prepare them for leading increasingly technical Navy and Marine Corps organizations as commissioned officers. The program continues to be a key source of nuclear power candidates and nurses and it increases officer corps diversity. We are increasing strategic foreign language skills and expanding cultural awareness among NROTC Midshipmen as well.

*The United States Naval Academy*

The Naval Academy is our naval college and it prepares young men and women morally, mentally, and physically to become professional officers of competence and character in the U.S. Navy and Marine Corps. Midshipmen attend the academy for four years. They graduate with a Bachelor of Science degree from one of 21 subject areas and are commissioned as Ensigns in the Navy or Second Lieutenants in the Marine Corps. The Naval Academy offers one of the most socially diverse educational experiences in America. Midshipmen come from all fifty states, forty-eight countries, and represent a mix of races, socio-economic groups, and religions. Naval Academy graduates serve at least five years in the Navy or Marine Corps. Renowned for producing officers with solid technical and analytical foundations, the Naval Academy is expanding its capabilities in strategic languages and regional studies. The $128.6 million requested in the fiscal year 2009 budget supports the Naval Academy mission.

*The Naval Postgraduate School (NPS)*

NPS is the Navy's principal source for graduate education. It provides Navy and defense-relevant, degree and non-degree, resident and nonresident, programs to enhance combat effectiveness. NPS provides essential flexibility for students to satisfy Navy and DOD emergent research needs. The flexibility also helps develop warfighters whose demanding career paths and deployment cycles can make graduate education opportunities difficult to achieve. NPS supports Navy operations through naval and maritime research and maintains an expert faculty capable of working in, or serving as, advisors to operational commands, labs, systems commands, and headquarters. The $92.3 million requested in fiscal year 2009 sustains this unique national asset, provides lab upgrades, and increases opportunities for distance learning.

*The Naval War College (NWC)*

The Naval War College provides professional maritime and joint military education, advanced research, analysis, and gaming to educate future leaders. Its mission is to enhance the professional capabilities of U.S. and international students to make sound decisions in command, staff and management positions in naval, joint, and multinational environments. The College also contributes to the evolution and establishment of international relationships and building Global Maritime Partners. The faculty, staff, and students support combat readiness through developing expertise at the operational level of war. The $63 million requested in fiscal year 2009 supports increased support of Joint Forces Maritime Component Command/Coalition Forces Maritime Component Command analysis and gaming capability, the China Maritime Studies Institute, initial investment for MHQ/MOC, support for JPME I and JPME II accreditation, funding for JPME I at the Naval Postgraduate School, and for NWC Maritime Staff Operations curriculum development.

*Enlisted Retention (Selective Reenlistment Bonus)*

Sailors are the Navy, and retaining the best and brightest Sailors has always been a Navy core objective and key to success. We retain the right people by offering rewarding opportunities for professional growth, development, and leadership. With reenlistment rates returning to historic levels after peaking in fiscal year 2003, current reenlistment efforts are focused on shaping and stabilizing the force. Selective Reenlistment Bonuses (SRBs) are a key tool enabling us to offer attractive incentives to selected Sailors we want to retain. $359.6 million requested in fiscal year 2009 will provide for over 76,000 new and anniversary payments and ensure the Navy will remain selective in fiscal year 2009.

*Sexual Assault Victim Intervention (SAVI)*

SAVI has three major components: awareness and prevention education, victim advocacy and intervention services, and collection of reliable data on sexual assault. Per the fiscal year 2005 National Defense Authorization Act requirements, the Navy SAVI Program was transitioned from a program management to case management focus. Existing installation program coordinator positions were increased and became Sexual Assault Response Coordinators (SARCs), which is a standard title and position across the Department of Defense. SARCs are accountable for coordinating victim care/support and for tracking each unrestricted sexual assault incident from initial report to final disposition. Navy also provides 24/7 response capability for sexual assaults, on or off an installation, and during deployment through the use of Victim Advocates who report to installation SARCs. The $6.2 million requested in the fiscal year 2009 budget enables us to maintain this expanded SAVI program fleet-wide.

*Family Advocacy Program (FAP)*

The FAP addresses prevention, identification, reporting, evaluation, intervention, and follow-up with respect to allegations of child abuse/neglect and domestic abuse involving active duty and their family members or intimate partners. Maintaining abuse-free and adaptive family relationships is critical to Navy mission readiness, maintenance of good order and discipline, and quality of service for our active duty members and their families.

RC Sailors, when activated or in a drill status, fall under the guidelines of DON Family Advocacy Program policy and have access to Navy programs until 18 months after deactivation. They also have access to Fleet and Family Support programs, which include new parent support and other prevention programs. FAP ensures proper balance for our Sailors' physical and mental health.

*Sea Warrior Spiral 1*

Sea Warrior comprises the Navy's training, education, and career management systems that provide for the growth and development of our people. The first increment, or "Spiral 1", of Sea Warrior is Interactive Detailing. This system allows Sailors to have greater insight and involvement in identifying and applying for Navy positions of interest to them professionally and personally. Spiral 1 Sea Warrior is a funded Navy program and its development follows a standard, rigorous acquisition engineering and program management processes. Additional Sea Warrior spirals will be developed in accordance with future capability needs and as clear requirements are defined.

In 2007 we fielded the first version of the Career Management System (CMS) with Interactive Detailing. This new system allows Sailors ashore to review their personal and professional information, view available jobs, and submit their detailing preferences through their career counselors. The next step is to provide the

same to Sailors on ships. This portion of the system has been tested in the laboratory and is in the process of being installed and tested on selected ships.

The successful development and testing of these increments of additional functionality to the CMS system are the first steps in achieving our vision of enabling all Sailors to review available jobs and submit their own applications for their next assignment (consistent with policy and access) by June of 2009.

*Health Care*

*Combat Casualty Care*

Combat casualty care is provided by Navy medical personnel assigned to and serving with Marine Corps units in Expeditionary Medical Facilities, aboard casualty receiving/treatment ships and hospital ships, and in military and VA hospitals. A full range of health services to support the war fighter is provided in this integrated continuum of care, from the battlefield to our CONUS hospitals. We are redesigning Expeditionary Medical Facilities to become lighter, more mobile, and interoperable in a Joint environment.

Recent advances in force protection, battlefield medicine, combat/operational stress control, and medical evacuation have led to improved survival rates and enhanced combat effectiveness. Since the start of OEF/OIF the Marine Corps has fielded new combat casualty care capabilities, including: updated individual first aid kits with QuikClot and advanced tourniquets, robust vehicle first-aid kits for convoy use, and Combat Lifesaver training. Navy Medicine leads advanced technology research for the development of new systems to provide forward resuscitative surgery, en route care, and the use of innovative technologies.

*Post Traumatic Stress Disorder (PTSD)*

Though there has been a slight increase in new cases since fiscal year 2003, the prevalence of PTSD remains about one percent of the total Navy active duty population. The number of cases of PTSD in active duty Sailors was 1,046 in fiscal year 2003, 964 in fiscal year 2004, 1,221 in fiscal year 2005 1,280 in fiscal year 2006, and 1,399 thru September 12, 2007. To reflect recent advancements in prevention and treatment of stress reactions, injuries, and disorders, the Navy/Marine Corps Combat/Operational Stress Control (COSC) doctrine is under revision and becomes effective in April 2009.

*Quality Medical Care*

Navy Medicine provides high quality, compassionate, cost-effective care. This care is a worldwide continuum from those wounded in battle to those operationally deployed, to those in garrison support, and to those who have retired from the uniformed service. Navy Medicine is continuously assessing its medical capabilities to improve and has adjusted to ensure the right health care capabilities are deployed as far forward as possible. These improvements are based on experience, lessons learned, and on requirements mandated by the warfighter. Changes have been made in the training of the physicians, nurses, and corpsmen who first encounter injured service members and in treatment methods. Recruitment and retention of health professionals remains a major focus.

*Post-Deployment Health Care*

Navy Medicine has developed new delivery models for deployment-related concerns and is working with the Office of Seamless Transition to improve coordination with the VA. Navy Medicine has established 17 Deployment Health Centers (DHC) as non-stigmatizing portals of care for service members and their families in areas of Fleet and Marine concentration. These centers support operational commands in ensuring medical care for those returning from deployment.

Senator INOUYE. Commandant.

**STATEMENT OF GENERAL JAMES T. CONWAY, COMMANDANT, UNITED STATES MARINE CORPS**

General CONWAY. Mr. Chairman, Senator Stevens, and distinguished members of the subcommittee, I pledge to always provide you with forthright and honest assessments of your Marine Corps, and I bear that in mind today as I report to you on the posture of our service.

In a written statement, I provided you a list of priorities that would enable your Corps to best serve our Nation's security inter-

ests, both today and in the uncertain future. But in brief, our young warriors in combat are my number one priority. Those magnificent patriots have been extremely effective in disrupting insurgents and the al Qaeda in the al-Anbar province. In the spirit of jointness, I must note that it hasn't been just marines, rather marines, sailors, and soldiers, a composite effort over time, that has brought success to the al-Anbar.

Quiet in their duty and determined in their approach, your marines are telling us loud and clear that wherever there is a job to be done, they'll shoulder that mission with enthusiasm. They're tough, and they'll do what it takes to win.

We are still supporting the surge in Iraq and have already shifted from population protection to transitioning security responsibilities to Iraqi security forces. They're actively stepping up to the task. What may not be our core competency, marines have addressed the nation-building aspect of our duties with enthusiasm and determination.

And as to the most recent call from the Secretary of Defense, we are also deploying more than 3,400 marines to Afghanistan. Your marines will assist a joint force in either gaining or maintaining momentum there. We fall on our expeditionary ethos of living hard and fighting well, as part of an air-ground team.

I just returned from a visit to Iraq and Afghanistan and, ladies and gentlemen, I'm pleased to report to you that your marines are demonstrating an amazing resiliency in the face of multiple deployments to dangerous lands. In spite of a one-to-one deployment to dwell regimen, that has virtually no chance of getting better until the fall, the factors that we track monthly to determine health of the force, those include desertion and UA rates, suicide, divorce, child and spousal abuse, retention and re-enlistment rates, are all as good or better than they were in 2001.

We do have a significant issue with our families, simply put, they're proud of their contributions to this war, but they're tired. We owe it to those families to put our family service programs on to a war time footing. For too long our programs have been born on the backs of volunteers, acceptable perhaps during peace time, but untellable during a protracted conflict. The Congress has been exceptionally supportive in enabling us to make good on our promises to do more.

Of course, we look beyond today in our obligation to the Nation, and we have learned lessons in trying to build the force as we fight. In response to a clear need, we are growing the Corps to 202,000 marines. We do this without lowering our standards, and we're ahead of our goals. During the last fiscal year we need to bring aboard or retain 5,000 additional marines. We actually grew 7,000 additional troops, over 96 percent of them, high school graduates.

But more than just manpower, this growth requires training, infrastructure, and equipment to meet the needs of the country. You've helped us meet those requirements with steady support and encouragement, and for that, we certainly thank you.

The Marine Corps retains the mission to provide a multi-capable force for our Nation, a two-fisted fighter, if you will, able to destroy enemy formations with our air-ground teams and major contin-

gencies, but equally able to fall back on our hard earned, irregular warfare skills, honed over decades of conflict. By far, the most complex of our congressionally mandated missions, amphibious operations, require deliberate training and long-term resourcing to achieve high levels of proficiency. The operational expertise, special equipment sets, and amphibious lift are not capabilities that we can rapidly create in the face of a threat.

PREPARED STATEMENT

Finally, on behalf of your marines, I extend a great appreciation for your support thus far, and I thank you in advance for your efforts on behalf of your brave servicemen and women in harms way. I assure you, that the Marine Corps appreciates the increasing competitions for the Nation's discretionary resources and will continue to provide a tangible return for every dollar spent.

Thank you, Mr. Chairman.

[The statement follows:]

PREPARED STATEMENT OF GENERAL JAMES T. CONWAY

EXECUTIVE SUMMARY

Chairman Inouye, Senator Stevens, and Distinguished Members of the Subcommittee; I have pledged to always provide you forthright and honest assessments of your Corps. I bear that in mind today as I report to you on the posture of your Corps.

Your Marine Corps is fully engaged in what we believe is a generational struggle against fanatical extremists; the challenges we face are of global scale and scope. This Long War is multi-faceted and will not be won in one battle, in one country, or by one method. Your Marines are a tough breed and will do what it takes to win—not only in these opening battles of Iraq and Afghanistan, but also in the subsequent conflicts which we endeavor to prepare for today.

In the face of great hardship, your Marines have made a positive and selfless decision to stay resolved. More than 332,000 Marines have either enlisted or re-enlisted since September 11, 2001; more than 208,000 have deployed to Iraq or Afghanistan—a telling number for a force of less than 200,000 Marines. Make no mistake, they joined or decided to re-enlist knowing they would go into harm's way.

They have answered the Nation's call and are fully engaged in this fight—serving with distinction as the professionals they are. It falls on us, then, to fully support them—we owe them the full resources required to complete the tasks ahead. Now more than ever, they need the sustained support of the American people and the Congress to provide them the help they need to fight today's conflict, prepare for tomorrow's, and fulfill our commitment to our Marine families.

Without question, Marines in combat are our number one priority. Taken as a whole, combat operations are indeed stressing our forces and families. That said, the Marine Corps will not fail her country when called. In fact, in answer to the most recent call to provide ready forces to serve our Nation, the Marine Corps is deploying more than 3,200 Marines to Afghanistan in addition to supporting ongoing surge operations in Iraq and other force requirements worldwide.

It is with these great men and women in mind that the Marine Corps has shaped its priorities—which are enduring and serve not only the conflict of today, but also the inevitable crises that will arise in our Nation's future. Through this budget request, we seek to:

*Right-size the Marine Corps for today's conflict and tomorrow's uncertainty*.—To fulfill our obligations to the Nation, the Marine Corps will grow its personnel end strength to 202,000 Active Component Marines by the end of fiscal year 2011. This increase will enable your Corps to train to the full spectrum of military operations and improve the ability of the Marine Corps to address future challenges of an uncertain environment. Our growth will enable us to recover our ability to respond in accordance with timelines outlined in Combatant Commander war plans—thereby, reducing operational risk. More than just manpower, this growth will require training, infrastructure, and equipment to meet the needs of our Nation.

*Reset the force and prepare for the next contingency*.—To meet the demands of this war, we must reset the force so that we can simultaneously fight, train, and sustain

our Corps. The Long War is taking a considerable toll on our equipment, and we continue to make tough choices on how best to apply the resources we are provided. Congress has responded rapidly and generously to our requests for equipment and increased protection for our Marines and Sailors. We are committed to fulfilling our responsibility to manage these resources prudently as we modernize our force.

*Modernize for tomorrow to be "the most ready when the Nation is least ready".*—Congressionally-mandated to be "the most ready when the Nation is least ready," your multi-capable Corps is committed to fulfilling this responsibility. We remain focused and steadfast in our responsibility to be the Nation's premiere expeditionary Force-in-Readiness. To do so, we continue to adapt our organization and equipment to provide our country the best Marine Corps in the world.

*Provide our Nation a naval force that is fully prepared for employment as a Marine Air Ground Task Force across the spectrum of conflict.*—The newly published Maritime Strategy reaffirms our naval character and reemphasized our enduring relationship with the Navy and, now, Coast Guard. Current operations limit our ability to aggressively commit forces to strategy implementation at this time. However, as we increase our end-strength to 202,000 Marines and as security conditions continue to improve in Iraq, the Marine Corps will transition our forces to other battles in the Long War. The most complex mission in the Maritime Strategy is the Congressionally-mandated mission of amphibious forcible entry. Such an operation requires a high level of proficiency and long-term resourcing and is not a capability that we can create on short notice.

*Take care of our Marines and their families.*—Our most precious asset is the individual Marine. Our Marines and families have been steadfast and faithful in their service to our country, and we have an equally enduring obligation to them. As such, we are committed to putting our family programs on a wartime footing—our Marines and families deserve no less.

*Posture the Marine Corps for the future beyond the horizon.*—The United States faces a complex mix of states who sponsor terrorism, regional and rising peer competitors, failing states that undermine regional stability, and a variety of violent non-state actors—all serving to destabilize legitimate governments and undermine security and stability of the greater global community. We see this global security context as a persistent condition for the foreseeable future.

The Marine Corps continues to create a multi-capable force for our Nation—not only for the current operations in Iraq and Afghanistan, but also for subsequent campaigns of the Long War. We are committed to ensuring we remain where our country needs us, when she needs us, and to prevail over whatever challenges we face.

On behalf of your Marines, I extend great appreciation for your support thus far and thank you in advance for your ongoing efforts to support our brave service men and women in harm's way. I promise you that the Corps understands the value of each dollar provided and will continue to provide maximum return for every dollar spent.

## MARINES AND SAILORS IN COMBAT ARE OUR NUMBER ONE PRIORITY

Marines in the operating forces have been pushed hard by the tempo and frequency of operational deployments; yet, their morale has never been higher—because they believe they are making a difference. Thanks to the Congress, your Marines know that the people of the United States and their Government are behind them. Your support has been exceptional—from the rapid fielding of life-saving equipment to the increase of Marine Corps end strength. With your continued support, your Marines will continue to make progress in their mission.

### *USMC Commitments in the Long War*

Over the past year, your Marines deployed to all corners of the globe in support of our Nation. With more than 24,000 Marines deployed throughout the U.S. Central Command's Area of Responsibility, Operations IRAQI FREEDOM (OIF) and ENDURING FREEDOM (OEF) remain our largest commitment. The Marine Corps continues to support surge operations in Iraq in the form of two additional infantry battalions and the enabling forces that accompany them. As part of the Marine Air Ground Task Force in Iraq, these forces have proven extremely effective in the disruption of insurgent activities in the Al Anbar province.

As part of these forces, Marine Corps provides more than 250 personnel to OEF—Afghanistan. Approximately 100 of these Marines are members of a Marine Special Operations Company that routinely engages in combat operations with partnered Afghan and U.S. Special Forces units. The remaining Marine complement to Afghanistan forms the nucleus of seven Embedded Training Teams (ETTs); these de-

tachments provide strong mentorship to Afghan National Army units in the continuing fight against the Taliban.

Taken as a whole, these recurring commitments of Marine forces in support of combat operations is indeed a stressing challenge on our forces and families. That said, the Marine Corps is fully cognizant of the regional and global effects of progress in Iraq, Afghanistan, and the Middle East. In fact, in answer to the most recent call to provide ready forces to serve our Nation, the Marine Corps is deploying a Marine Expeditionary Unit (MEU)-sized Marine Air Ground Task Force and an additional Battalion to conduct combat operations in Afghanistan. These 3,200 Marines are in addition to surge operations in Iraq and other force requirements worldwide.

The Marine Corps also deployed forces to participate in over sixty Theater Security Cooperation events, which ranged from small Mobile Training Teams in Central America to Marine Expeditionary Unit exercises in Africa, the Middle East, and the Pacific. The Marine Corps also took part in civil-military and humanitarian assistance operations such as New Horizons events in Nicaragua, land mine removal training in Azerbaijan, and disaster relief in Bangladesh after a devastating cyclone.

RIGHT-SIZE THE MARINE CORPS FOR TODAY'S CONFLICT AND TOMORROW'S UNCERTAINTY

To meet the demands of the Long War, as well as the unforeseen crises that will inevitably arise, our Corps must be sufficiently manned, well trained, and properly equipped. Like the Cold War, the Long War is a long-term struggle that will not be measured by the number of near-term deployments or rotations; it is this long-term view that informs our priorities and plan for growth.

To fulfill our obligations to the Nation, the Marine Corps will grow its personnel end strength to 202,000 Active Component Marines. This increase will enable your Corps to train to the full spectrum of military operations and improve the ability of the Marine Corps to address future challenges of an uncertain environment. Our growth will enable us to recover our ability to respond in accordance with timelines outlined in Combatant Commander war plans—thereby, reducing operational risk.

Current wartime deployment rates dictate an almost singular focus to prepare units for their next rotation and counterinsurgency operations. This focus and the deployment rate of many units threaten to erode the skills needed for Marine Corps missions such as combined-arms maneuver, mountain warfare, and amphibious operations. Our deployment cycles must not only support training for irregular warfare, but also provide sufficient time for recovery and maintenance as well as training for other contingency missions. By increasing dwell time for our units, we can accomplish the more comprehensive training needed for the sophisticated skill sets that have enabled Marine Air Ground Task Forces to consistently achieve success in all types of operations.

Just as importantly, this growth will relieve strain on those superb Americans who have volunteered to fight the Nation's battles. We must ensure that our personnel policies, organizational construct, and training enable our Marines to operate at the "sustained rate of fire." This means that we must have sufficient dwell time, equipment for training, and resources for our Marines and their families to sustain their efforts over time. Our recently begun growth to 202,000 Marines will significantly enhance our ability to operate at the "sustained rate of fire."

Our goal, during the Long War, is to achieve a 1:2 deployment-to-dwell ratio for all of our active forces; for every seven months a Marine is deployed, he or she will be back at home station for fourteen months. Right now, many of our forces are at a 1:1 deployment-to-dwell ratio or less—which cannot be sustained in the long-term. We also aim to implement a 1:5 deployment to dwell ratio for our reserve forces and, eventually, achieve a peacetime deployment-to-dwell ratio goal is 1:3 for our active forces.

As we grow, we will develop all the elements of our Marine Air Ground Task Force in a balanced manner to meet the diverse challenges of an uncertain future. This growth includes:

—An increase in our end strength to 202,000 Marines;

—Adequate expansions of our infrastructure to provide for our Marines, their families, and their equipment; and

—The right mix of equipment for the current and future fight.

This additional end strength will result in three Marine Expeditionary Forces—balanced in capacity and capability. The development of Marine Corps force structure has been the result of a thorough and ongoing process that supports the Combatant Commanders and accomplishes our Title 10 responsibilities. The process addresses all pillars of combat development (Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, and Facilities) and identifies our re-

quired capabilities and the issues associated with fielding them. The most recent assessment revealed a requirement to front-load structure for recruiters and trainers to support our personnel growth and a phased introduction of units balanced across the Marine Air Ground Task Force.

In fiscal year 2007, we stood up two infantry battalions: 1st Battalion, 9th Marines and 2nd Battalion, 9th Marines. We also added capacity to our combat engineer battalions and air naval gunfire liaison companies. Our plan will gradually improve the deployment-to-dwell ratio of some of our other habitually high operational tempo units—such as military police, unmanned aerial vehicle, helicopter, air command and control, combat service support, and explosive ordnance disposal units.

Growing the Marine Corps as we simultaneously fight the Long War is a challenge, but we are committed to being the best stewards of the Nation's resources and working with the Congress to achieve these important goals.

*Growing to 202,000 Marines*

The Marine Corps surpassed its fiscal year 2007 authorized end strength goal of 184,000 and is on track to meet the goal of 189,000 Marines for fiscal year 2008 as well as our target end strength of 202,000 Marines by fiscal year 2011.

*Recruiting*.—A vital factor in sustaining our force and meeting end strength goals is continuing to recruit qualified young men and women with the right character, commitment, and drive to become Marines. With over 70 percent of our end strength increase comprised of Marines on their first enlistment, our recruiting efforts are a critical part of our overall growth.

While exceeding Department of Defense quality standards, we continue to recruit the best of America into our ranks. In fiscal year 2007, the Marine Corps achieved over 100 percent of the Active Component accession goal necessary to grow the force as well as 100 percent of our reserve recruiting goals. We reached this goal without compromising the high quality standards the American people expect of their Marines.

We forecast that both active and reserve recruiting will remain challenging in fiscal year 2008, particularly given the increased accession missions needed to meet our end strength growth. We will need the continued indispensable support of Congress to sustain our existing programs and other incentives essential to achieving our recruiting mission.

*Retention*.—Retention is the other important part of building and sustaining the Marine Corps. As a strong indicator of our force's morale, the Marine Corps has achieved unprecedented numbers of reenlistments in both the First Term and Career Force. The expanded reenlistment goal, in which we sought to reenlist over 3,700 additional Marines, resulted in the reenlistment of 31 percent of our eligible First Term force and 70 percent of our eligible Career Force—compared to the 22 percent first term and 65 percent career force reenlistments in fiscal year 2006. This achievement was key to reaching the first milestone in our end strength increase—184,000 Marines by the end of fiscal year 2007—without sacrificing our high quality standards. In fact, a recent Center for Naval Analyses study concluded that the quality of our First Term force who reenlist has improved steadily since fiscal year 2000.

For fiscal year 2008, our retention goals are even more aggressive, but we fully expect to meet them. Our continuing success will be largely attributable to several important enduring themes. First, Marines are motivated to "stay Marine" because they are doing what they signed up to do—fighting for and protecting our Nation. Second, they understand our culture is one that rewards proven performance; our Selective Reenlistment Bonuses are designed to retain top quality Marines with the most relevant skill sets.

There is no doubt that your Marines' leadership and technical skills have rendered them extremely marketable to lucrative civilian employment opportunities. To retain the most qualified Marines, we must maintain Selective Reenlistment Bonus (SRB) funding. In fiscal year 2007, the Marine Corps spent approximately $460 million in SRB and Assignment Incentive Pay (AIP) to help achieve our end strength goal. With a reenlistment mission of 17,631 in fiscal year 2008—compared to an historical average of 12,000—the Marine Corps expects to spend approximately $500 million in reenlistment incentives during fiscal year 2008.

This aggressive SRB plan will allow us to retain the right grade and skill sets for our growing force—particularly among key military occupational specialties. The continued support of the Congress will ensure we have the necessary combat-trained Marines for the Long War and other contingency operations.

*Reserve Component End Strength*.—Our fights thus far in Iraq and Afghanistan have been a Total Force effort—our Reserve forces continue to perform with grit and determination. Our goal is to obtain a 1:5 deployment-to-dwell ratio within our Re-

serve Component. As our active force increases in size, our reliance on our Reserve forces should decrease—helping us achieve the desired deployment-to-dwell ratio. We believe our current authorized end strength of 39,600 Selected Marine Corps Reserves is appropriate. As with every organization within the Marine Corps, we continue to review the make-up and structure of our Reserve in order to ensure the right capabilities reside within the Marine Forces Reserve units and our Individual Mobilization Augmentee program.

*Military-to-Civilian Conversions*.—Military-to-civilian conversions replace Marines in nonmilitary-specific billets with qualified civilians, enabling the Corps to return those Marines to the operating forces. Since 2004, the Marine Corps has returned 3,096 Marines to the operating force through military-to-civilian conversions. We will continue to pursue sensible conversions as this will aid in our deployment-to-dwell ratio goals for the force.

*Growing to 202,000: Infrastructure*

Military Construction is one of our keys to success in increasing the Marine Corps to 202,000 Marines by 2011. We have determined the optimal permanent locations for these new units and have generated estimates for the types and sizes of facilities needed to support these forces. Because our end strength will increase before final construction is complete, we are providing interim support facilities that will include lease, rental, and purchase of temporary facilities. Our plan will ensure adequate facilities are available to support the phase-in and Final Operating Capability of a 202,000 Marine Corps while meeting our environmental stewardship responsibilities.

*Military Construction—Bachelor Enlisted Quarters Initiative*.—Housing for our single Marines continues to be our top military construction focus. Barracks are a significant quality of life element in taking care of our single Marines. We have put ourselves in extremis with regards to new barracks as we have degraded their priority for decades in lieu of operational requirements. We are now committed to providing adequate billeting for all of our existing unmarried junior enlisted Marines and non-commissioned officers by 2012—and for our increased end strength by 2014. To do that, we doubled the amount of our bachelor housing funding request from fiscal year 2007 to 2008; we will more than triple the 2008 amount in fiscal year 2009. We are also committed to funding replacement of barracks' furnishings on a seven-year cycle and prioritizing barracks repair projects to preempt a backlog of repairs.

*Public Private Venture (PPV) Housing*.—Our efforts to improve housing for Marines and their families continue. The housing privatization authorities are integral to our efforts to accommodate both current housing requirements and those resulting from our planned force increases. Thanks to Congressional support, the Marine Corps had business agreements in place at the end of fiscal year 2007 to eliminate all of our inadequate family housing. However, we need to continue our PPV efforts to address the current insufficient number of adequate housing units as well as the deficit being created by the increase in end strength to 202,000 Marines.

*Training Capacity*.—Marine Corps Training & Education Command is increasing its training capacity and reinvigorating our pre-deployment training program to provide support to all elements of the Marine Air Ground Task Force (MAGTF) across the full spectrum of potential missions. In accordance with the Secretary of Defense's Security Cooperation guidance, we are developing and coordinating training and education programs to build the capacity of allied and partner nations. We are also developing the capability to conduct large-scale MAGTF exercises within a joint, coalition, and interagency context to maintain proficiency in core warfighting functions such as combined arms maneuver, amphibious operations, and maritime prepositioning operations. Finally, we are ensuring our training and education programs and training ranges accommodate the 27,000 Marine Corps end strength increase.

*Growing to 202,000: Equipment*

Our assessment of the materiel requirements for our growth has been significantly enhanced through cooperation between the Marine Corps and industry partners. Through this effort, the units we created in fiscal year 2007 were provided the equipment necessary to enter their pre-deployment training cycle. By prioritizing Marines in combat and redistribution of some of our strategic stocks, these new units were able to meet training and deployment requirements for combat. With the Congress' continued support, the numerous equipment contracts required to support our growth were met during fiscal year 2007 and will be met through fiscal year 2008 and beyond.

RESETTING THE FORCE AND PREPARING FOR THE NEXT CONTINGENCY

To meet the demands of this war, we must reset the force so that we can simultaneously fight, train, and sustain our Corps. The Long War is taking a considerable toll on our equipment, and we continue to make tough choices on how best to apply the resources we are provided—either to replace our rapidly aging equipment with similar platforms or to modernize with next generation equipment. Additionally, we have routinely drawn additional equipment from strategic stocks, which need to be replenished in order for us to remain responsive to emerging threats. The Congress has responded rapidly and generously to our requests for equipment and increased protection for our Marines and Sailors. We are committed to fulfilling our responsibility to manage these resources prudently as we modernize our force.

*Costs of Resetting the Force*

Reset funds replenish the equipment necessary to keep the Marine Corps responsive to emerging threats. Costs categorized as "reset" meet one of the following criteria: maintenance and supply activities to restore and enhance combat capability to unit and pre-positioned equipment; replace or repair equipment destroyed, damaged, stressed, or worn out beyond economic repair; and enhance capabilities, where applicable, with the most up-to-date technology.

Our current reset estimate is $15.6 billion. To date, Congress has appropriated a total of $10.9 billion for Marine Corps GWOT reset costs. As the nature of the Long War evolves, "reset the force" cost estimates evolve as well. We not only need to "Reset" the force to support current readiness, but we also need to "Reconstitute and Revitalize" the force in preparation for future challenges. We are coordinating with other Services and the Joint Staff to refine estimates, and we are aggressively executing funding to ensure the Marines in the fight have the proper equipment in a timely manner.

*Equipment Readiness*

While the vast majority of our equipment has passed the test of sustained combat operations, it has been subjected to more than a lifetime's worth of wear stemming from increased vehicle mileage and operating hours as well as harsh environmental conditions—resulting in an escalated maintenance effort. This maintenance requirement is a consequence of not only operational tempo and operating environments, but also the sheer amount of equipment employed in operations. Approximately 26 percent of all Marine Corps ground equipment is currently engaged overseas. Most of this equipment is not rotating out of theater at the conclusion of each force rotation; it remains in combat, used on a near-continuous basis at a pace that far exceeds normal peacetime usage.

For example, in Operation IRAQI FREEDOM, crews are driving Light Armored Vehicles in excess of 8,700 miles per year—3.5 times more than the programmed annual usage rates of 2,480 miles per year. Our tactical vehicle fleet is experiencing some of the most dramatic effects of excessive wear, operating at five to six times the programmed rates. Many weapon systems have been modified during this conflict; some of these modifications have led to further wear and tear due to additional weight—for example, armor plating has been added for protection against improvised explosive devices. These factors, coupled with the operational requirement to keep equipment in theater without significant depot repair, has tremendously decreased the projected lifespan of this equipment. As a result, we can expect higher than anticipated reset costs and more replacements than repair of equipment. The depot level maintenance requirements for the equipment that is repairable will continue beyond the conclusion of hostilities in Iraq and Afghanistan.

Our priority for equipment is to support Marines serving in harm's way. Therefore, we have drawn additional equipment from the Maritime Prepositioning Ships and prepositioned stores in Norway; we have also retained equipment in theater from units that are rotating back to the United States. The operational results of these efforts have been outstanding—the average mission capable rates of our deployed forces' ground equipment remain above 90 percent—but there is a price.

The cost of this success is a decrease in non-deployed unit readiness as well as an increase in the maintenance required per hour of operating time. Equipment across the Marine Corps is continuously cross-leveled to ensure that units preparing to deploy have sufficient equipment to conduct our rigorous pre-deployment training programs. Because the stateside priority of equipment distribution and readiness is to units preparing to deploy, there has been a trade-off in unit training for other types of contingencies. The timely delivery of replacement equipment is crucial to sustaining the high readiness rates for the Marines in theater, as well as improving the rates for the forces here at home. While additional equipment has been pur-

chased, long lead times and production rates mean that, although funded, much of this equipment is still many months from delivery.

*Aviation Equipment & Readiness*

The operationally demanding and harsh environments of Iraq, Afghanistan, and the Horn of Africa have highlighted the limitations of our aging fleet of aircraft. In order to support our Marines, sister Services, and coalition partners successfully, our aircraft have been flying at two to three times their designed utilization rates.

Despite this unprecedented use, our maintenance and support personnel have sustained a 79 percent aviation mission-capable rate for deployed Marine aircraft over the past twelve months. Maintaining the readiness of our aviation assets while preparing our aircrew for their next deployment is and will continue to be an enormous effort and constant challenge for our Marines. To maintain sufficient numbers of aircraft in deployed squadrons, our non-deployed squadrons have taken significant cuts in available aircraft and parts as they prepare for deployment—resulting in a 30 percent decrease in the number of non-deployed units reporting "deployment capable" over the last five years. Reset funding has partially alleviated this strain, but continued funding is needed as we are simply running short of aircraft on our flight lines due to age, attrition, and wartime losses.

Reset programs have helped us mitigate degradation of our aircraft materiel readiness through aircraft modifications, proactive inspections, and additional maintenance actions. These efforts have successfully bolstered aircraft reliability, sustainability, and survivability; nevertheless, additional requirements for depot level maintenance on airframes, engines, weapons, and support equipment will continue well beyond the conclusion of hostilities.

*Prepositioning Programs*

Comprised of three Maritime Prepositioning Ships Squadrons (MPSRON) and other strategic reserves, the Marine Corps' prepositioning programs are a critical part of our ability to respond to current and future contingency operations and mitigate risk for the Nation. Targeted withdrawal of equipment from our strategic stocks has been a key element in supporting combat operations, growth of the Marine Corps, and other operational priorities; these withdrawals provided necessary equipment from the existing inventory while industry catches up to our new requirements in the long-term. Generous support from the Congress has enabled the long-term solution, and as a result, shortfalls within our strategic programs will be reset as equipment becomes available from the manufacturer.

*Maritime Prepositioning Ships Squadrons (MPSRON).*—Our MPSRONs will be reset with the most capable equipment possible, and we have begun loading them with capabilities that support lower spectrum operations while still maintaining the ability to generate Marine Expeditionary Brigades capable of conducting major combat operations. Since 2007's report, all three squadrons have completed the Maritime Prepositioning Force (MPF) Maintenance Cycle eight (MMC–8). MPSRONs 1 and 3 were reconstituted to 91 percent and 100 percent respectively. The near-term reduction of MPSRON–1 was required to outfit new units standing up in fiscal year 2007 and fiscal year 2008 as part of our end strength increase. MPSRON–1 will complete MPF Maintenance Cycle-nine (MMC–9) in June 2008, and we anticipate it will be loaded with roughly 80 percent of its full equipment set as a result of our requirement to support end strength increase to 202,000 Marines. MPSRON–2 was loaded to 54 percent of its equipment requirements; much of MPSRON–2's equipment remains committed to Operation IRAQI FREEDOM. With projected deliveries from industry, our intent is to fully reset and modernize MPSRON–2 and MPSRON–3 when they return for maintenance beginning in May 2008 and April 2009 respectively.

We are actively working with the Navy and Transportation Command to incorporate newer, more flexible ship platforms from the existing Military Sealift Command fleet into our aging legacy Maritime Prepositioning Force program. As we reset MPF, these changes are necessary to ensure we incorporate hard fought lessons from recent combat operations. Two decades of equipment growth and recent armor initiatives have strained the capability and capacity of our present fleet—that was designed to lift a Naval Force developed in the early 1980s.

We plan to incorporate three of Military Sealift Command's nineteen large, medium-speed, roll-on/roll-off ships (LMSR) as replacements for five of our older leased platforms. The LMSR significantly expands MPF flexibility and will allow us to reset and optimize MPF to meet current and emerging requirements.

*Marine Corps Prepositioning Program—Norway.*—The Marine Corps Prepositioning Program—Norway (MCPP–N) was also used in support of current operations, growth of the Marine Corps, and resetting other Marine Corps shortfalls

with a higher operational priority. The Marine Corps continues to reset MCPP–N in concert with our operational priorities while also exploring other locations for geographic prepositioning that will enable combat and theater security cooperation operations for forward deployed Naval Forces.

*Depot Maintenance*

The Marine Corps has aggressively worked to stabilize the conditions that affect our depot maintenance. These conditions include: the uncertainty of the timing of reset, asset availability, timing of funding, equipment condition, and evolving skill requirements. One area we focus on is the in-theater identification of equipment and scope of work to be performed; this effort enables better planning for parts, manpower resources, funding requirements, and depot capacity. Triage assessments made in theater and relayed back to the sources of repair have helped to ensure efficient repair preparation time. These efforts reduce the repair cycle time, returning the mission capable equipment to the warfighter as soon as possible—improving materiel readiness.

Depot capacity is elastic; productivity is not constrained by money or capacity; the limiting factor is asset (carcass) availability. We increase capacity to support surge requirements through a variety of means—overtime, additional shifts, and additional personnel. Performing work on over 260 product lines, our depot workforce currently has multiple trade skills ranging from laborers to engineers. Much of the equipment in theater today includes items not previously repaired by any depot facility—organic or non-organic. As a result, the existing workforce may require additional training. New personnel and continued supplementation through contractor support may also be required. We continue to leverage state and local institutions, such as the technical colleges and universities, which can provide valuable assistance in training our workforce in skills such as welding, environmental science, and engineering.

Future challenges to meeting the increasing workload requirements include leveraging depot capacity, lessening the impact on our labor force, and ensuring parts are available. Continuing to partner with other Services and industry, we will enhance execution of reset using organic and non-organic sources of repair. We will continue to work with the Congress to anticipate the evolving depot maintenance funding requirements.

*Equipment Retrograde Operations from Central Command Area of Operations*

During 2006, in a continued effort to support the Commander, United States Marine Forces, Central Command, Marine Corps Logistics Command took the lead as the Service Executive Agent for the retrograde of equipment in theater determined to be excess. In addition to receiving, preparing, and shipping excess equipment within theater, Marine Corps Logistics Command (Forward) coordinates strategic lift requirements and manages the redistribution of principle end items in accordance with the Commandant of the Marine Corps' sourcing priorities. Since June 2006, over 15,731 principle end items have been processed at the retrograde lot in Al Taqaddum and approximately 11,799 items have been shipped back to Blount Island Command for disposition. Once disposition is received, assets are sent to Marine Corps Logistics Command for induction into the Master Work schedule, placed In-Stores, used to fill requisitions, or sent to the Defense Reutilization Marketing Office if deemed uneconomical to repair. The repair and return of items to In-Stores will enable us to better address the many demands for equipment. This, in turn, will keep us moving forward towards our goal of continued readiness improvement.

Operation IRAQI FREEDOM has led to a conceptual change in the way we provide operational-level logistics to the warfighter. Due to changing operational and mission requirements, Marine Corps Logistics Command is implementing capabilities extending beyond traditional boundaries, creating a more mobile and agile organization. The Marine Corps Logistics Command (Forward) was established to satisfy operational logistics requirements using competitive, comprehensive, and integrated solutions obtained from "the best" strategic Department of Defense and commercial providers. While continuing to execute its strategic-level responsibilities, Marine Corps Logistics Command has transformed from a garrison-centric organization to one capable of deploying operational-level logistics solutions to augment the sustainment requirements of Marine Forces in combat.

MODERNIZE FOR TOMORROW TO BE "THE MOST READY WHEN THE NATION IS LEAST READY"

We know we have tough choices ahead of us to meet equipment demands across the Corps. As we reset, we are making prudent assessments on when it is more effective to replace aging and worn out equipment with similar equipment or to buy

new equipment. We remain focused and steadfast on our responsibility to be the Nation's premiere expeditionary Force-in-Readiness.

*Experimentation*

Our Marine Corps Warfighting Laboratory conducts experiments to support operating force requirements and combat development. We continually seek to improve the capabilities of the operating forces by focusing on the needs of our lower-level ground combat and ground combat support units engaged in current and potential near-term contingencies. Some examples of current projects include:

—"Combat Hunter," a project aimed at enhancing observation and hunting skills of individual Marines operating in a combat environment;
—Company Level Intelligence Cell experiment, designed to provide us with a "best practices" model and to standardize infantry battalion intelligence processes;
—Squad Fires experiment, enhancing close air support to squad-level units;
—Combat Conditioning project, examining advances in physical fitness training to best prepare Marines for the demands of combat; and
—Lighten the Load initiative, an effort to decrease the amount of weight carried by Marines in the field.

*Enhancing Individual Survivability*

The Marine Corps continues to pursue technological advancements in personal protective equipment—our Marines in combat deserve nothing less. Fully recognizing the limiting factors associated with weight, fatigue, and movement restriction, we are providing Marines the latest in personal protective equipment—such as the Modular Tactical Vest, QuadGard, Lightweight Helmet, and Flame Resistant Organizational Gear.

*Body Armor*.—Combat operations in Iraq and Afghanistan have highlighted the need to evolve our personal protective vest system. In February 2007, we began transitioning to a newly-designed Modular Tactical Vest (MTV). This vest is close to the same weight as its predecessor, the Outer Tactical Vest, but it integrates more easily with our other personal protection systems. It provides greater comfort through incorporation of state-of-the-art load carriage techniques, which better distributes a combat load over the torso and onto the hips of the Marine. The MTV also incorporates our combat-proven Enhanced Small Arms Protective Inserts (E–SAPI) and Side SAPI plates. These plates are provided to every Marine in the Central Command theater of operations. The E–SAPI provides the best protection available against a wide variety of small arms threats—to include protection against 7.62 mm ammunition. The initial acquisition objective for the MTV was 60,000 systems, with deliveries completed in October 2007. We are procuring additional MTVs during this fiscal year to ensure our Marines continue to deploy with the best body armor system available.

*QuadGard*.—The QuadGard system is designed to provide ballistic protection for a Marine's arms and legs when serving as a turret gunner on convoy duty. This system, which integrates with other personal ballistic protection equipment, such as the MTV ESAPI and Lightweight Helmet, provides additional protection against ballistic threats—particularly improvised explosive device fragmentation.

*Lightweight Helmet*.—We are committed to providing the best head protection available to our warfighters. The Lightweight Helmet (LWH) weighs less than its predecessor and provides a high level of protection against fragmentation threats and 9 mm bullets. We now require use of a pad system inside the helmet as multiple independent studies and tests demonstrated that it provides greater protection against non-ballistic blunt trauma than the sling suspension system. We are retrofitting more than 150,000 helmets with the pad system and have already fielded enough helmet pads for every deployed Marine. Since January 2007, all LWHs produced by the manufacturer are delivered with the approved pad system installed. In October 2007, we began fielding the Nape Protection Pad (NAPP), which provides additional ballistic protection to the occipital region of the head—where critical nervous system components, such as the cerebellum, brain stem, occipital lobe, and spinal cord are located. The NAPP is attached to the back of the LWH or the Modular Integrated Communications Helmet (MICH), which is worn by our reconnaissance Marines. Final delivery of the initial 69,300 NAPPs is scheduled for April 2008. That said, we continue to challenge industry to build a lightweight helmet that will stop the 7.62 mm round fired from an AK–47.

*Flame Resistant Organizational Gear (FROG)*.—In February 2007, we began fielding FROG to all deployed and deploying Marines. This lifesaving ensemble of flame resistant clothing items—gloves, balaclava, long-sleeved under shirt, combat shirt, and combat trouser—is designed to mitigate potential injuries to our Marines from

flame exposure. These clothing items provide protection that is comparable to that of the NOMEX combat vehicle crewman suit/flight suit, while adding durability, comfort, and functionality. We have recently begun fielding flame resistant fleece pullovers to our Marines for use in cooler conditions, and we are developing flame resistant varieties of cool/cold weather outer garments and expect to begin fielding these to Marines in late fiscal year 2008. With the mix of body armor, undergarments, and outerwear, operational commanders can determine what equipment their Marines will employ based on mission requirements and environmental conditions. Through ongoing development and partnerships with other Services, we continue to seek the best available flame resistant protection for our Marines.

Sustained funding for the development and procurement of individual protective equipment has had a direct impact on our ability to reduce or mitigate combat injuries. Continued Congressional support is needed to ensure that our Marines and Sailors receive the best equipment available in the coming years.

*Counter Improvised Explosive Devices (CIED)*.—Responding to urgent warfighter needs, we are providing the most capable force protection systems available. We are upgrading our Counter Remote-controlled IED Electronic Warfare Chameleon systems to meet rapidly evolving threats while remaining engaged with the Joint Program Board to develop a joint solution. We are enhancing our ability to combat the effects of weapons of mass destruction as well as protecting our Marines worldwide by fielding eighteen consequence management sets using the best available commercial off-the-shelf technologies. These sets complement the capabilities of our Family of Incident Response Systems and the Chemical Biological Incident Response Force. Our Family of Explosive Ordnance Disposal Equipment has undergone significant modernization through enhancement of technician tool kits and greater counter IED robotics capability and availability.

*Marine Aviation Plan*

Resetting Marine Aviation means getting more capable and reliable aircraft into the operational deployment cycle sooner—not merely repairing and replacing damaged or destroyed aircraft. Daily, your Marines rely on these aircraft to execute a wide array of missions including casualty evacuation for our wounded and timely close air support for troops in contact with the enemy. Legacy aircraft production lines are no longer active—exacerbating the impact of combat losses and increasing the urgency for the Marine Aviation Plan to remain fully funded and on schedule.

The 2007 Marine Aviation Plan (AvPlan) provides the way ahead for Marine Aviation over the next 10 years as it transitions 39 of 71 squadrons from 13 legacy aircraft to 6 new aircraft; it incorporates individual program changes and synchronizes support of our end strength growth to 202,000 Marines.

*Joint Strike Fighter (JSF)*.—F–35B Lightning II development is on track with the first flight of BF–1 Short Take-Off/Vertical Landing (STOVL) variant scheduled for 2008. The F–35B STOVL variant is a fifth generation aircraft that will provide a quantum leap in capability, basing flexibility, and mission execution across the full spectrum of warfare. The JSF will act as an integrated combat system in support of ground forces and will be the centerpiece of Marine Aviation. The manufacture of the first nineteen test aircraft is well underway, with assembly times better than planned and exceptional quality demonstrated in fabrication and assembly. The first Conventional Take-Off/Landing (CTOL) aircraft flew in December of 2006 and accumulated nineteen flights prior to a planned technical refresh. The JSF acquisition strategy, including software development, reflects a block approach. The Marine Corps remains committed to an all-STOVL tactical aircraft force—which will enable future Marine Air Ground Task Forces (MAGTFs) to best fulfill its expeditionary warfighting responsibilities in support of the Nation and Combatant Commanders.

*MV–22 Osprey*.—The MV–22 brings revolutionary assault support capability to our forces in harm's way; they deserve the best assault support aircraft in the world—without question, the MV–22 is that aircraft. The MV–22 is replacing the CH–46E aircraft. The CH–46E is over forty years old, with limited lift and mission capabilities to support the MAGTF. In September 2005, the V–22 Defense Acquisition Board approved Full Rate Production. Twenty-nine Block A and twenty-four Block B aircraft have been delivered and are based at Marine Corps Air Station New River, North Carolina; Patuxent River, Maryland; and Al Asad Air Base, Iraq.

Much like the F–35, the MV–22 program uses a block strategy in its procurement. Block A aircraft are training aircraft, Block B are operational aircraft, and Block C aircraft are operational aircraft with mission enhancements that will be procured in fiscal year 2010 and delivered in fiscal year 2012. One V–22 Fleet Replacement Training Squadron, one test squadron, and three tactical VMM squadrons have stood up. MV–22 Initial Operational Capability was declared on June 1, 2007 with a planned transition of two CH–46E squadrons per year thereafter.

VMM–263 is deployed to Al Asad Air Base, Iraq, and the significant capabilities of the Osprey have already been proven in combat. A brief examination of the daily tasking of the MV–22 squadron in Iraq tells a compelling story: a flight of MV–22s are doing in six hours what would have taken twelve hours in CH–46s. In addition, the aircraft easily ranges the entire area of operations and flies a majority of the time at altitudes beyond the range of our enemy's weapons. The Marine Corps asked for an aircraft that could take us farther, faster, and safer; and Congress answered.

*KC–130J.*—KC–130Js have been continuously deployed in support of Operation IRAQI FREEDOM since February 2005—providing state-of-the-art, multi-mission, tactical aerial refueling, and fixed-wing assault support. The KC–130J is the workhorse of the MAGTF; its theater logistical support reduces the requirement for resupply via ground, limiting the exposure of our convoys to IEDs and other attacks.

The introduction of the aerial refuelable MV–22 combined with the forced retirement of the legacy KC–130F/R aircraft due to corrosion, fatigue life, and parts obsolescence requires an accelerated procurement of the KC–130J. In addition, the Marine Corps will replace its twenty-eight reserve component KC–130T aircraft with KC–130Js, simplifying the force to one Type/Model/Series. The Marine Corps is contracted to procure a total of forty-six aircraft by the end of fiscal year 2013; twenty-nine new aircraft have been delivered and four KC–130J aircraft requested in the fiscal year 2008 budget.

*H–1 Upgrade.*—The H–1 Upgrade Program (UH–1Y/AH–1Z) resolves existing operational UH–1N power margin and AH–1W aircrew workload issues—while significantly enhancing the tactical capability, operational effectiveness, and sustainability of our attack and utility helicopter fleet. The Corps' Vietnam-era UH–1N Hueys are reaching the end of their useful life. Due to airframe and engine fatigue, Hueys routinely take off at their maximum gross weight with no margin for error. Rapidly fielding the UH–1Y remains a Marine Corps aviation priority, with the first deployment of UH–1Ys to Operation IRAQI FREEDOM scheduled for the spring of 2009.

Due to significant operational demands and aircraft attrition in the existing attack and utility helicopter fleet, the Marine Corps adopted a "build new" strategy for the UH–1Y in fiscal year 2006. Similarly, the Marine Corps began investing in Non-Recurring Engineering (NRE) in fiscal year 2007 for the production of a limited number of AH–1Z "build new" aircraft; these AH–1Zs will augment those existing AH–1Ws that will be remanufactured. This combined "build new" and remanufacture strategy will enable the Marine Corps to rapidly increase the number of AH–1s available, support the Marine Corps' growth to 202,000 Marines, and alleviate inventory shortfalls caused by aircraft attrition. Ten production aircraft have been delivered. Operation and Evaluation (OPEVAL) Phase II commenced in February 2008, and as expected, showcased the strengths of the upgraded aircraft. Full rate production of the H–1 Upgrade (and the contract award of Lot 5 aircraft) is scheduled to take place during the fourth quarter fiscal year 2008.

*CH–53K.*—In operation since 1981, the CH–53E is becoming increasingly expensive to operate and faces reliability and obsolescence issues. Its replacement, the CH–53K, will be capable of externally transporting 27,000 lbs to a range of 110 nautical miles, more than doubling the current CH–53E lift capability. Maintainability and reliability enhancements of the CH–53K will significantly decrease recurring operating costs and will radically improve aircraft efficiency and operational effectiveness over the current CH–53E. The program passed Milestone B (System Development & Demonstration [SDD] initiation) in December 2005. The SDD Contract was awarded to Sikorsky Aircraft Corporation in April 2006. Initial Operational Capability (IOC) is scheduled for fiscal year 2015, and is defined as a detachment of four aircraft, ready to deploy.

*Unmanned Aerial Systems (UAS)*

The Marine Corps is taking aggressive action to modernize and improve organic UAS capabilities. The Marine Corps' UAS are organized into three echelons, appropriate to the level of commander they support. Tier III UAS serve at the Marine Expeditionary Force (MEF) level. Tier II UAS support Regimental Combat Team and Marine Expeditionary Unit operations, and Tier I UAS support battalion and below operations. At the Tier III level, we have simultaneously transitioned Unmanned Aerial Vehicle Squadrons (VMU) to the RQ–7B Shadow; started reorganizing the squadrons' force structure to support detachment-based flexibility (operating three systems versus one for each squadron); and initiated the stand up of a third active component VMU squadron.

With the significant support of the Army, the Marine Corps has completed the transition to the RQ–7B Shadow in less than nine months. The transition to the Shadow provides a mature and modern—yet basic and readily available—Tier III

platform upon which to baseline Marine VMU reorganization. A detachment-based concept of operations for the VMU will give Marine Expeditionary Force commanders flexibility to task-organize based on mission requirements. The addition of a third VMU squadron is critical to sustaining current operations by decreasing our current operational deployment-to-dwell ratio—currently at 1:1—to a sustainable 1:2 ratio. This rapid transition and reorganization, begun in January 2007, will be complete by the fourth quarter fiscal year 2009, significantly improving organic Marine Corps UAS capability while increasing joint interoperability and commonality.

The Marine Corps is using an ISR Services contract to provide Scan Eagle systems to Multi-National Forces—West, Iraq to fill the Tier II void until future fielding of the Tier II/Small Tactical UAS (STUAS), a combined Marine Corps and Navy program beginning in fiscal year 2008 with planned fielding in 2011. At the Tier I level, the Marine Corps is transitioning from the Dragon Eye to the joint Raven-B program, also common with the U.S. Army.

When fully fielded, the Corps' Unmanned Aerial Systems will be networked through a robust and interoperable command and control system that provides commanders an enhanced capability applicable across the spectrum of military operations.

*Ground Mobility*

The Army and Marine Corps are leading the Services in developing tactical wheeled vehicle requirements for the joint force. Our efforts will provide the joint force an appropriate balance of survivability, mobility, payload, networking, transportability, and sustainability. The Army/Marine Corps Board has proven a valuable forum for coordination of development and fielding strategies; production of armoring kits and up-armored HMMWVs; and response to requests for Mine Resistant Ambush Protected vehicles. The Ground Mobility Suite includes:

*Expeditionary Fighting Vehicle (EFV).*—The Marine Corps provides the Nation's joint forces with a unique and flexible forcible entry capability from the sea. The EFV is specifically suited to maneuver operations conducted from the sea and sustained operations in the world's littoral regions. Its inherent capabilities provide utility across the spectrum of conflict. As the Corps' largest ground combat system acquisition program, the EFV is the sole sea-based, surface-oriented vehicle that enables projection of combat power from a seabase to an objective. It will replace the aging Assault Amphibious Vehicle—in service since 1972. Complementary to our modernized fleet of tactical vehicles, the EFV's amphibious mobility, day and night lethality, enhanced force protection capabilities, and robust communications will substantially improve joint force capabilities. Its over-the-horizon capability will enable amphibious ships to increase their standoff distance from the shore—protecting them from enemy anti-access weapons.

The Marine Corps recently conducted a demanding operational assessment of the EFV. It successfully demonstrated the most critical performance requirements, but the design complexities are still providing challenges to system reliability. To that end, we conducted a comprehensive requirements review to ensure delivery of the required capability while reducing complexity where possible. For example, the human stresses encountered during operations in some high sea states required us to reevaluate the operational necessity of exposing Marines to those conditions. Based upon this assessment, along with subsequent engineering design review, we will tailor final requirements and system design to support forcible entry concepts while ensuring the EFV is a safe, reliable, and effective combat vehicle.

*Joint Light Tactical Vehicle (JLTV).*—The Army/Marine Corps Board has been the focal point for development of joint requirements for a Joint Light Tactical Vehicle—which will provide protected, sustained, networked, and expeditionary mobility in the light tactical vehicle weight class. Throughout 2007, Army and Marine Corps combat and materiel developers coordinated with the Joint Staff, defining requirements and acquisition planning for the replacement for the up-armored HMMWV. In December, the Defense Acquisition Board approved JLTV entry into the acquisition process at Milestone A, designating the Army as lead Service and initiating competitive prototyping during the technology development phase. Prototypes will be evaluated to demonstrate industry's ability to balance survivability, mobility, payload, network enabling, transportability, and sustainability. The program is on track for a Milestone B in early 2010.

*Marine Personnel Carrier (MPC).*—The MPC is an expeditionary armored personnel carrier—ideal for irregular warfare—yet effective across the full range of military operations. Increasing armor-protected mobility for infantry battalion task forces, the MPC program balances vehicle performance, protection, and payload attributes. Through 2007, we completed both joint staffing of an Initial Capabilities Document and, a draft concept of employment. Additionally, the Analysis of Alter-

natives final report was published in December 2007. The program is on track for a Milestone B decision in the second quarter of fiscal year 2010 and an Initial Operational Capability in the 2015 timeframe.

*Internally Transported Vehicle (ITV)*.—The ITV is a family of vehicles that will provide deployed Marine Air Ground Task Forces with ground vehicles that are transportable inside the MV–22 and CV–22 tilt-rotor aircraft, as well as CH–53 and MH–47 aircraft. There are three variants of the ITV, the Light Strike, the Prime Mover-Weapon, and the Prime Mover-Trailer. Both prime mover variants are components of the Expeditionary Fire Support System designed to support the M327 120 mm mortar. In conjunction with testing of our Expeditionary Fire Support System, we conducted an operational assessment of the ITV Light Strike variant during which it met all key performance parameters. We expect to begin fielding this variant the Light Strike Variant of the ITV in June 2008.

*Vehicle Armoring*

Our goal is to provide the best level of available protection to 100 percent of in-theater vehicles that go "outside the wire." Our tactical wheeled vehicle strategy pursues this goal through the coordination of product improvement, technology insertion, and new procurement in partnership with industry. The Marine Corps, working with the other Services, is fielding armored vehicles such as: the Mine Resistant Ambush Protected Vehicle (MRAP), the Medium Tactical Vehicle Replacement Armor System, the Logistics Vehicle System (LVS) Marine Armor Kit, and the Up-armored HMMWV.

*Medium Tactical Vehicle Replacement (MTVR) Armor System (MAS)*.—MAS provides an integrated, armor enclosed, climate-controlled cab compartment and an armored troop carrier for our MTVR variants. These vehicles are also being upgraded with an improved blast protection package consisting of blast attenuating seats, five-point restraint harnesses, and improved belly and fender-well blast deflectors. Basic MAS has been installed in all of the Marine Corps' MTVRs in the Central Command's theater of operation. Additionally, we are installing blast upgrade, fuel tank fire protection kits, and 300 AMP alternators; target completion for in-theater vehicles is Fourth Quarter fiscal year 2008.

*Logistics Vehicle System (LVS) Marine Armor Kit (MAK) II*.—The LVS MAK II provides blast, improvised explosive device, and small arms protection. It has a completely redesigned cab assembly that consists of a new frame with armor attachment points and integrated 360-degree protection. The new cab will also have an air conditioning system that cools from 134 degrees Fahrenheit to 89 degrees Fahrenheit in twenty minutes. Additional protection includes overhead and underbody armor using high, hard steel, rolled homogenous armor, and 2.75 inch ballistic windows. The suspension system has been upgraded to accommodate the extra weight of the vehicle. We estimate the LVS MAK II armoring effort will complete fielding by February 2009.

*M1114 Highly-Mobile Multi-Wheeled Vehicle (HMMWV)—Upgrade—Fragmentation Kit 2 and Kit 5*.—Fragmentation Kit 2 enhances ballistic protection in the front driver and assistant driver wheel-well of HMMWVs. Fragmentation Kit 5 reduces injuries from improvised explosive devices as well as armor debris and fragmentation. Installation of both fragmentation kits was completed in fiscal year 2007. We are continuing to evaluate the U.S. Army's objective kit development and work with the Army and Office of Naval Research to assess new protection-level capabilities and share information. The Marine Corps has adopted a strategy of a 60 percent fully up-armored HMMWV fleet. All new Expanded Capacity Vehicles will have the Integrated Armor Package. Of those, 60 percent will be fully up-armored to include the appropriate "B" kit and Fragmentation kits during production. The Marine Corps will continue to work with the Army to pursue the development of true bolt-on/bolt-off "B" kits and fragmentation kits to apply as needed to post-production vehicles.

*Mine Resistant Ambush Protected (MRAP) Vehicles*.—MRAP vehicles have a V-shaped armored hull and protect against the three primary kill mechanisms of mines and improvised explosive devices (IED)—fragmentation, blast overpressure, and acceleration. These vehicles provide the best currently-available protection against IEDs. Experience in theater shows that a Marine is four to five times less likely to be killed or injured in a MRAP vehicle than in an up-armored HMMWV—which is why Secretary Gates made the MRAP program the number one acquisition priority for the Defense Department. MRAP vehicles come in three categories: Category I designed for use in urban environments and carries by up to six personnel; Category II for convoy escort, troop transport, and ambulance evacuation, which transports up to ten personnel; and Category III for route clearance/explosive ordnance disposal vehicles.

The total Department of Defense requirement for MRAP vehicles is 15,374—of which 3,700 are allocated for the Marine Corps. However, the Marine Corps requirement has been revalidated to 2,225, pending Joint Requirements Oversight Council approval. The Navy is the Executive Agent for the program and the Commander, Marine Corps Systems Command is the Joint Program Executive Officer. As an example of our adaptation to evolving threats, the Joint MRAP Vehicle Program Office has recently selected qualified producers of a new MRAP II vehicle for the Marine Corps and other forces. Vehicles procured through this second solicitation will meet enhanced survivability and performance capability required by field commanders.

The Marine Corps is very pleased with the overwhelming support of Congress on the MRAP program, both financially and programmatically. We ask that Congress continue their support for these life-saving vehicles and support us as we transition to the sustainment of these vehicles in future years.

*MAGTF Fires*

In 2007, we initiated a study entitled "The Major Combat Operations Analysis for fiscal years 2014 and 2024." This study scrutinized the current organic fire support of the Marine Air Ground Task Force (MAGTF) to determine the adequacy, integration, and modernization requirements for ground, aviation, and naval surface fires. The study concluded that the MAGTF/Amphibious Task Force was unable to adequately address moving and armored targets 24/7 and in all weather conditions. This deficiency is especially acute during the Joint Forcible Entry Operation phase of combat operations. The study also reinforced the critical importance of both the Joint Strike Fighter and AH1Z in minimizing the fires gap. With this information, we then developed a set of alternatives for filling these gaps—using either MAGTF reinforcing or joint fires. We also performed a supplemental historical study using Operation IRAQI FREEDOM data to examine MAGTF Fires in the full spectrum of warfare. These studies reconfirmed the requirement for a mix of air, naval surface, and ground-based fires as well as the development of the Triad of Ground Indirect Fires.

Our Triad of Ground Indirect Fires provides for complementary, discriminating, and nondiscriminating fires that facilitate maneuver during combat operations. The Triad requires a medium-caliber cannon artillery capability; an extended range, ground-based rocket capability; and a mortar capability with greater lethality than current models and greater tactical mobility than current artillery systems. The concept validates the capabilities provided by the M777 lightweight 155 mm towed howitzer, the High Mobility Artillery Rocket System, and the Expeditionary Fire Support System, a 120 mm rifled towed mortar.

*M777 Lightweight Howitzer*.—The new M777 lightweight howitzer replaces our M198 howitzers. It can be lifted by the MV–22 Osprey and the CH–53E helicopter and is paired with the Medium Tactical Vehicle Replacement truck for improved cross-country mobility. Through design innovation, navigation, positioning aides, and digital fire control, the M777 offers significant improvements in lethality, survivability, mobility, and durability over the M198 howitzer. The Marine Corps began fielding the first of 511 new howitzers to the operating forces in April 2005 and expects to complete fielding in fiscal year 2011.

*High Mobility Artillery Rocket System (HIMARS)*.—HIMARS fills a critical range and volume gap in Marine Corps fire support assets by providing twenty-four hour, all weather, ground-based, indirect precision and volume fires throughout all phases of combat operations ashore. We will field forty-six HIMARS—eighteen to the Active Component, eighteen to the Reserve Component, four to the Supporting Establishment, and six to the War Reserve Material Readiness—Forward. When paired with Guided Multiple Launch Rocket System rockets, HIMARS will provide a highly responsive, precision fire capability to our forces. We will reach Initial Operational Capability this August and expect to be at Full Operational Capability by fiscal year 2010.

*Expeditionary Fire Support System (EFSS)*.—The EFSS, a towed 120 mm mortar, will be the principal indirect fire support system for heli- and tiltrotor-borne forces executing Ship-to-Objective Maneuver as part of a Marine Air Ground Task Force. When paired with an Internally Transportable Vehicle, EFSS can be transported aboard MV–22 and CH–53E aircraft. EFSS-equipped units will have immediately responsive, organic indirect fires at ranges beyond current infantry battalion mortars. Initial operational capability is planned during fiscal year 2008, and full operational capability is planned for fiscal year 2010.

*Infantry Weapons*

Based on combat experience and numerous studies, we are developing infantry weapons systems with the following goals: increased effectiveness, lighter weight,

improved modularity, and integration with other infantry equipment. The Marine Corps and Army are co-leading joint service capabilities analysis for future developments.

*Individual Weapons*.—The M16A4 is our current service rifle and makes up the majority of our assigned individual weapons. It is supplemented by the M4 Carbine, which is assigned to Marines based on billet and mission requirements. We are participating in several Army tests which will evaluate the capabilities and limitations of our small arms inventory. In conjunction with the Army and Air Force, we will use these results to determine priorities for a future service rifle with focus on modularity, ergonomics, balance, and lethality. We also have executed a two-pronged strategy for a larger caliber pistol: supporting the Air Force's effort to analyze and develop joint capabilities documents for a new pistol and examining the Army's recent consideration of personal defense weapons.

*Multi-Purpose Weapons*.—The Shoulder-Launched Multipurpose Assault Weapon (SMAW) is an aging, heavy weapon that is nearing the end of its service life. We are seeking ways to reduce weight, increase reliability, and improve target identification as well as develop a "fire from enclosure" capability that will enable Marines to fire the weapon from within an enclosed space.

*Scout Sniper Capability*.—We are conducting a holistic assessment of our Scout Sniper capability to identify shortfalls and develop recommended solutions—concurrently integrating the doctrine, training, weapons, equipment, and identified tasks with a Marine sniper's professional development and career.

*Non-lethal Weapons Technology*.—The complexities of the modern battlespace often place our Service men and women in challenging situations where sometimes, lethal force is not the preferred response. In these environments, our warfighters need options for a graduated escalation of force. As the Executive Agent for the Department of Defense Non-Lethal Weapons Program, we see the need for long-range, directed-energy systems. Marines and Soldiers in Iraq are already using non-lethal directed energy weapons; green laser warning devices have reduced the requirement to use lethal force at checkpoints against wayward, but otherwise innocent, Iraqi civilians. We continue to pursue joint research and development of promising non-lethal weapon technologies, such as the millimeter wave Active Denial System. We thank the Committee for its support of these vital capabilities for modern warfare.

*Counter-Sniper Technology*.—We are leveraging the work of the Defense Advanced Research Projects Agency, our sister Services, the Marine Corps Intelligence Activity, and the National Ground Intelligence Center in an effort to increase our ability to counter enemy snipers. We are examining different obscurant technologies as well as various infrared detection/location sense and warn capabilities. We are experimenting with advanced equipment and improved tactics, techniques, and procedures. The ability to detect enemy optics will provide our Marines warning of impending sniper or improvised explosive device attacks and the ability to avoid or engage the sniper before he can fire. Ongoing joint and interagency cooperation, coupled with industry collaboration, will shape our future experiments.

*Infantry Battalion Enhancement Period Program (IBEPP)*.—We are fielding additional equipment to infantry battalions to better enable Marines to fight and win on the distributed and non-linear battlefield. This equipment encompasses communications, optics, weapons, and vehicles, at a cost of approximately $19 million per battalion. Key elements of the IBEPP include a formal squad leader course for every rifle battalion squad leader, a tactical small unit leaders' course for prospective fire team leaders, and a "Train the Trainer" mobile training team to teach junior tactical leaders the skills required to more effectively train their own Marines.

*Command and Control (C2) Harmonization*

The Marine Corps' Command and Control Harmonization Strategy articulates our goal of delivering an end-to-end, fully-integrated, cross-functional capability to include forward-deployed and reach-back functions. We envision seamless support to Marines in garrison and in combat—taking the best of emerging capabilities to build a single solution that includes the Common Aviation Command and Control System (CAC2S), Tactical Communications Modernization (TCM) program, Very Small Aperture Terminal (VSAT), and training.

The CAC2S fuses data from sensors, weapon systems, and command and control systems into an integrated display, assisting commanders in controlling organic, joint, and coalition efforts while operating as a joint task force. Delivered in a common, modular, and scalable design, CAC2S reduces the current systems into one hardware solution. The TCM and VSAT programs fuse data on enemy forces into the Common Operating Picture and increase our ability to track friendly forces. Lastly, our C2 Harmonization Strategy increases capability to train our staffs through Marine Air Ground Task Force Integrated System Training Centers.

*Information Operations*

The ability to influence an adversary through information operations has been a critical capability our current operations and will be of even more importance as we continue to engage in security cooperation efforts around the globe. To better support our Information Operations (IO), we are standing up the Marine Corps Information Operations Center at Quantico, VA—our primary organization to integrate and deliver IO effects throughout the Marine Corps.

*Marine Corps Intelligence, Surveillance, and Reconnaissance Enterprise*

We are increasing the quality of our Intelligence, Surveillance, and Reconnaissance (ISR) capabilities through the use of an enterprise approach known as the Marine Corps ISR Enterprise (MCISR–E)—resulting in a fully-integrated architecture compliant with joint standards for data interoperability. MCISR–E will provide networked combat information and intelligence down to the squad level across the range of military operations. To ensure Marines have access to these new capabilities, our MAGTF Command and Control systems feed combat operation centers with information from wide field of view persistent surveillance systems such as Angel Fire, traditional ISR systems such as our family of Unmanned Aircraft Systems (UAS), and non-traditional collection assets such as Ground Based Operational Surveillance System (GBOSS). Intelligence sections down to the company level are equipped with ISR fusion systems as well as applications such as MarineLink that enable rapid discovery, data mining, analysis, and most importantly incorporation of Intelligence into tactical planning for operations and intelligence reporting down to squad level and up to higher headquarters.

*Marine Corps Operational Logistics*

*Operating Force Sustainment Initiatives*.—We have aggressively moved forward on several forward-deployed initiatives that have improved our support to our Marines in combat. Our Marine Corps Logistics Command is working with our Marine Expeditionary Forces on extending heavy intermediate maintenance support within the continental United States. Maintenance Center contact teams at Camp Lejeune and Camp Pendleton are extending the service life of equipment through corrosion control and maintenance programs that enhance pre-deployment readiness.

*Improving Combat Readiness Through Innovation*.—To assure optimum use of the resources provided by Congress and the American taxpayers, we are making innovations in how we equip, sustain, house, and move our war-fighters. We are aggressively applying the principles of continuous process improvement to these enabling business processes across the Corps. In just the past year we have cut costs and repair cycle time at both aviation and ground maintenance depots, revamped and speeded up the urgent universal needs statements process, and instituted regional contracting for materiel and services that is proving more cost effective. Such improvements are expected to increase as training and experience proliferate.

*Urgent Universal Needs Statement (UUNS) Process*

The UUNS process enables deployed commanders to request equipment based on their recent experience. Designed to procure equipment more expediently than if submitted in the regular budgeting process, the Marine Corps' UUNS process uses a secure, web-based system that provides full stakeholder visibility from submission through resolution. Through continuous process improvement, we have reduced our average processing time by 58.8 days. Our goal is responsive support to commanders in the field by providing a rational, disciplined, and time-sensitive process that fulfills their validated urgent requirements in the fastest, most logical way. We continue to review the system for opportunities to increase efficiency and timeliness. For example, as a result of a February 2006 Lean Six Sigma review, several improvements were implemented including standardization, on-line tracking, and streamlined approval. Typically, UUNS are funded by reprogramming funds from approved programs or through Congressional supplemental funding. They are funded with regard for current law, their effects on established programs of record, or other initiatives in the combat capability development process.

*Information Technology Enablers/Global Combat Support System—Marine Corps*

Global Combat Support System—Marine Corps continues to make strides toward delivering a modernized information technology system that will enhance logistics support to the warfighter. As the primary information technology enabler for the Marine Corps' Logistics Modernization efforts, the system's primary design focus is to enable the warfighter to operate while deployed and provide reach back capability from the battlefield. At the core is modern, commercial-off-the-shelf enterprise resource planning software that will replace our aging legacy systems. The Global Combat Support System—Marine Corps Block 1 focuses on providing the operating

forces with an integrated supply/maintenance capability and enhanced logistics-chain-management planning tools. Field User Evaluations and Initial Operational Test & Evaluations are scheduled for 1st Quarter fiscal year 2009, followed by fielding of the system and Initial Operating Capability during fiscal year 2009. Future blocks will focus on enhancing capabilities in the areas of warehousing, distribution, logistics planning, decision support, depot maintenance, and integration with emerging technologies to improve asset visibility.

*Secure Internet Routing Protocol Network (SIPRNET)*

The Secure Internet Routing Protocol Network (SIPRNET) is our primary warfighting command and control network. The asymmetric nature of current attacks combined with future threats to our networks demand a greater reliance on the SIPRNET to ensure the security of Marine Corps warfighting and business operations. The Marine Corps is aggressively upgrading our existing SIPRNET capabilities and an expansion of our SIPRNET in the future will be necessary to meet operational demands. The resources required for this expansion will enable wider use of the SIPRNET across the Marine Corps as we transition more warfighting and business operations into a highly secure and trusted network.

*Infrastructure Energy Considerations*

The purchase of electricity, natural gas, petroleum fuels, and potable water to operate our facilities is a significant expense. Through proactive Facilities Energy & Water Management and Transportation Programs to reduce consumption, we are achieving substantial cost avoidance and environmental benefits including reduction of greenhouse gas emissions and other pollutants. Our program provides the direction, actions, and metrics necessary for commands to:

—Reduce rate of energy use in existing facilities;
—Improve facility energy efficiency of new construction and renovations;
—Expand use of renewable resources;
—Reduce water usage rates on our installations;
—Improve security and reliability of energy and water systems; and
—Decrease petroleum use through increased efficiency and alternative fuel use.

Marine Corps conservation efforts have been substantial, but installation energy and water requirements continue to increase as we increase our end strength and adjust to rising energy prices.

PROVIDE OUR NATION A NAVAL FORCE FULLY PREPARED FOR EMPLOYMENT AS A MAGTF ACROSS THE SPECTRUM OF CONFLICT

The enduring value of naval expeditionary forces in protecting our homeland, preventing crises, and winning our Nation's wars is a key theme of the recently signed maritime strategy entitled "A Cooperative Strategy for 21st Century Seapower," the Naval Operations Concept, and the Marine Corps Operating Concepts for a Changing Security Environment. These documents acknowledge the uncertainty of the strategic environment and that winning the battle for influence—and thus preventing wars—is as important as our Nation winning wars. Influenced by a variety of geographic, diplomatic, and geographic factors, our country's access to strategic basing is in decline. Our strategies address the requirement to maintain a robust forcible entry capability: the ability to maneuver from the sea, gain and maintain access anywhere in the littorals as well as transition to operations ashore and sustain the force from the seabase. They provide a template for Maritime Service capability and capacity and underscore our Marine Corps-Navy warfighting interdependence.

These concepts and strategies also incorporate hard-fought lessons from our current battles in Iraq and Afghanistan. Combat casualties have in a very real sense become a center of gravity for America—no matter what the cause or conflict. Therefore, "increased risk" and "slower response times" must always be calculated in terms of their real costs—loss of life and materiel on the battlefield and then, potentially, the loss of support of the American people.

Seapower is a distinct asymmetric advantage of the United States. For Marines, that asymmetric advantage includes Joint Seabasing, which allows us to maximize forward presence and engagement while "stepping lightly" on local sensitivities, avoiding the unintended political, social, and economic disruptions that often result from a large American presence ashore. It allows us to conduct a broad range of operations in areas where access is challenged, without operational commanders being forced to immediately secure ports and airfields. Given diplomatic, geographic, and infrastructure constraints, Seabasing is absolutely critical to overcoming area denial and anti-access weapons in uncertain or openly hostile situations. The combination of capabilities that allows us to influence events ashore from over the hori-

zon—amphibious warfare ships, innovative Maritime Prepositioning Force (Future) ships, Joint High Speed Vessels, surface connectors, MV–22s, and Expeditionary Fighting Vehicles—play a key role in surmounting access challenges.

Seabasing is not exclusive to the Navy and Marine Corps—it will be a national capability. In fact, we view Joint Seabasing as a national strategic imperative. Just as the amphibious innovations championed by the Navy-Marine Corps team during the 1920s and 1930s were employed by all U.S. and Allied forces in every theater during World War II, we believe that the Seabasing initiatives currently underway will expand to become joint and interagency capabilities. Our control of the sea allows us to use it as a vast maneuver space—365 days a year. Seabasing allows us to project influence and expeditionary power in the face of access challenges, a distinct asymmetric advantage. These capabilities allow maritime forces to support our partners and to deter and defeat adversaries in a complex and uncertain future. Today, another generation of Naval planners continues to envision how our amphibious capabilities can evolve into more fully sea-based operations and better meet the Combatant Commanders' varied and competing requirements.

*Amphibious Ship Requirements*

The maritime strategy advocates credible combat power as a deterrent to future conflict. The Marine Corps supports this capability through the flexibility and combat power of the Marine Air Ground Task Force embarked on amphibious warfare ships. By far the most complex of our congressionally-mandated missions, amphibious forcible entry requires long-term resourcing and a high-level of proficiency. It is not a capability that we can create in the wake of a threat.

The characteristics of amphibious ships (their command and control suites, flight decks, well decks, air and surface connectors, medical facilities, messing and berthing capacity, and survivability) merged with the general-purpose nature of embarked Marines, make them multi-mission platforms—unbeatable in operations ranging from humanitarian assistance to amphibious assault. These forces have brought hope and assistance to peoples ravaged by tsunamis, earthquakes, and cyclones—even hurricanes in our own country. They have provided a powerful combat force from the sea as evidenced by the opening days of Operation ENDURING FREEDOM when Marines provided the first conventional forces ashore in Afghanistan. An equally powerful force assaulted from amphibious ships up the Al Faw peninsula in early weeks of Operation IRAQI FREEDOM. In spite of the proliferation of anti-access technologies among state and non-state actors, Navy-Marine Corps amphibious capabilities have answered our Nation's "9–1–1 call" over 85 times since the end of the Cold War. Many international navies have recognized the value of amphibious warfare ships—as evidenced by the global renaissance in amphibious ship construction.

Based on strategic guidance, in the last several years we have accepted risk in our Nation's forcible entry capacity and reduced amphibious lift from 3.0 Marine Expeditionary Brigade (MEB) assault echelons to 2.0 MEB assault echelons. In the budgetary arena, the value of amphibious ships is too often assessed exclusively in terms of forcible entry—discounting their demonstrated usefulness across the range of operations and the clear imperative for Marines embarked aboard amphibious ships to meet Phase 0 demands. The ability to transition between those two strategic goalposts, and to respond to every mission-tasking in between, will rely on a strong Navy-Marine Corps Team and the amphibious ships that cement our bond. The Navy and Marine Corps have worked diligently to determine the minimum number of amphibious ships necessary to satisfy the Nation's needs—and look forward to working with the Committee to support the Chief of Naval Operation's shipbuilding plans.

The Marine Corps' contribution to the Nation's forcible entry requirement is a single, simultaneously-employed two Marine Expeditionary Brigade (MEB) assault capability—as part of a seabased Marine Expeditionary Force. Although not a part of the Marine Expeditionary Force Assault Echelon, a third reinforcing MEB is required and will be provided via Maritime Prepositioning Force (Future) capabilities. Each MEB assault echelon requires seventeen amphibious warfare ships—resulting in an overall ship requirement for thirty-four amphibious warfare ships. However, given current fiscal constraints, the Navy and Marine Corps have agreed to assume greater operational risk by limiting the assault echelon of each MEB by using only fifteen ships per MEB—in other words, a Battle Force that provides thirty operationally available amphibious warfare ships. In that thirty-ship Battle Force, ten aviation-capable big deck ships (LHA/LHD/LHA(R)) and ten LPD 17 class ships are required to accommodate the MEB's aviation combat element.

In order to meet a thirty-ship availability rate—based on a Chief of Naval Operations-approved maintenance factor of 10 percent—a minimum of eleven ships of

each of the current types of amphibious ships are required—for a total of thirty-three ships. The Navy has concurred with this requirement for thirty-three amphibious warfare ships, which provide the "backbone" of our maritime capability—giving us the ability to meet the demands of harsh environments across the spectrum of conflict.

*Amphibious Assault Ship (Replacement) (LHA(R))*.—The legacy Tarawa class amphibious assault ships reach the end of their service life during 2011–2015. The eighth Wasp class LHD (multi-purpose amphibious assault ship) is under construction and will replace one Tarawa class ship during fiscal year 2008. To meet future warfighting requirements and fully capitalize on the capabilities of the MV–22 and Joint Strike Fighter, two LHA(R) class ships with enhanced aviation capabilities will replace the remaining LHA class ships. These ships will provide enhanced hangar and maintenance spaces to support aviation maintenance and increased jet fuel storage and aviation ordnance magazines. We are investigating the feasibility of incorporating the reduced island concept and well-deck capabilities in future, general-purpose assault ship construction.

*Amphibious Transport Dock (LPD)*.—The LPD 17 San Antonio class of amphibious warfare ships represents the Department of the Navy's commitment to a modern expeditionary power projection fleet that will enable our naval force to operate across the spectrum of warfare. It is imperative that eleven of these ships be built to meet the minimum of ten necessary for the 2.0 MEB assault echelon amphibious lift requirement.

The Navy took delivery of the first LPD 17 in the summer of 2005 and operational evaluation is scheduled for Spring 2008. The LPD 17 class replaces four classes of older ships—LKA, LST, LSD 36, LPD 4—and will have a forty-year expected service life. LPD 17 class ships will play a key role in supporting the ongoing Long War by forward deploying Marines and their equipment to better respond to crises abroad. Its unique design will facilitate expanded force coverage and decreased reaction times of forward deployed Marine Expeditionary Units. In forcible entry operations, the LPD 17 will help maintain a robust surface assault and rapid off-load capability for the Marine Air Ground Task Force and the Nation.

*The Maritime Prepositioning Force*

Capable of supporting the rapid deployment of three Marine Expeditionary Brigades (MEB), the Maritime Prepositioning Force is an important element of our expeditionary warfighting capability. MPF is a proven capability and has been used as a force deployment option in selected contingencies, to close forces on accelerated timelines for major combat operation, and in combination with amphibious forces to rapidly and simultaneously react to crises in more than one theater.

The next and necessary evolution of this program is incorporation of the Maritime Prepositioning Force—Future (MPF(F)) Squadron into the existing MPF Program. MPF(F) is a key enabler for Seabasing and will build on the success of the legacy Maritime Prepositioning Force program. MPF(F) will provide support to a wide range of military operations with improved capabilities such as at-sea arrival and assembly, selective offload of specific mission sets, and long-term, sea-based sustainment. From the sea base, the squadron will be capable of prepositioning a single MEB's critical equipment and sustainment for delivery—without the need for established infrastructure ashore.

While the MPF(F) is not suitable for forcible entry operations, it is critical for the rapid build up and sustainment of additional combat forces once our entry has been achieved by our assault echelon—launched from amphibious assault ships. The MPF(F), along with two legacy MPF squadrons, will give the Marine Corps the capacity to quickly generate three MEBs in support of multiple Combatant Commanders. The MPF(F) squadron composition decision was made in May 2005. That squadron is designed to consist of three aviation-capable big-deck ships, three large medium-speed roll-on/roll-off ships, three T–AKE supply ships, three Mobile Landing Platforms, and two dense-packed container ships. All of these will be crewed by civilian mariners and, as stated earlier, are not designed to conduct forcible entry operations. The program is currently in the technology development phase of acquisition, with a Milestone B decision planned in fiscal year 2008.

*Mobile Landing Platform (MLP)*.—The MLP is perhaps the most flexible platform in the MPF(F) squadron. Designed to be the "pier in the ocean," the MLP is an interface platform for other surface lift ships and vessels. Instead of ships and lighters going to a terminal on shore, they could transfer vehicles and equipment to and from the MLP. The ship is being designed to interface with MPF(F) Large Medium-Speed Roll-on/Roll-off ships through sea state four and accommodate Landing Craft Air Cushion operations in sea state three at a minimum. Additionally other service platforms could leverage the ship as an interface. In concert with the Navy, the

MLP capabilities development document was delivered to the Joint Requirements Oversight Counsel in January 2007.

*Dry Cargo/Ammunition Ship (T–AKE)*.—The T–AKE is a selectively off-loadable, afloat warehouse ship, which is designed to carry dry, frozen, and chilled cargo; ammunition; and limited cargo fuel. Key holds are reconfigurable for additional flexibility. It has a day/night capable flight deck. These ships can support the dry cargo and compatible ammo requirements of Joint forces and are the same ship class as the Combat Logistics Force T–AKE ships.

*Large Medium-Speed Roll-on/Roll-off (LMSR) Ship*.—The LMSRs were designed to accommodate the Department of Defense's largest vehicles—such as the Abrams Tanks, Rough Terrain Cargo Handler, and tractor trailers; this capacity is being leveraged to support Marine Corps vehicles and equipment. These ships, modified for MPF(F), will be very large, afloat equipment staging areas with additional capabilities including vehicle maintenance areas, berthing, ammunition breakout areas, two aviation operating spots, underway replenishment equipment, MLP interface, and a 113-ton crane capable of lifting vehicles or shipping containers. Importantly, they will also reduce strategic airlift requirements associated with our fly-in echelon.

*Ship-to-Shore Mobility*

Historically, Marine Corps amphibious power projection has included a deliberate buildup of combat power ashore; only after establishment of a beachhead could the Marine Air Ground Task Force begin to focus its combat power on the joint force's operational objective. Advances in mobility, fires, and sustainment capabilities will greatly enhance operations from over the horizon—by both air and surface means—with forces moving rapidly to operational objectives deep inland without stopping to seize, defend, and build up beachheads or landing zones. The ability to project power inland from a mobile sea base has utility across the spectrum of conflict—from humanitarian assistance to major combat operations. The Expeditionary Fighting Vehicle, MV–22 Osprey, and CH–53K heavy lift helicopter are critical to achieving necessary capabilities for future expeditionary operations.

*High Speed Connectors*.—High-speed connectors will facilitate sustained seabased operations by expediting force closure and allowing the necessary sustainment for success in the littorals. Coupled with strategic airlift and sealift assets, the Joint High Speed Vessel and Joint Maritime Assault Connector provide an intra-theater capability, which enables rapid closure of Marine forces and sustainment ashore. These platforms will link bases and stations around the world to the sea base and other advanced bases, as well as provide linkages between the sea base and forces operating ashore.

TAKING CARE OF OUR MARINES AND OUR FAMILIES

Our most precious asset is the individual Marine. Our Marines and families have been steadfast and faithful in their service to our country, and we have an equally enduring obligation to them. As such, we are committed to putting our family programs on a wartime footing—our Marines and families deserve no less.

*Putting Family Readiness Programs on a Wartime Footing*

Last year, we directed a rigorous assessment of our family programs and have aggressively moved forward to improve them at every level. We continue our assessments—targeting younger Marines and their families to ensure that we are fully addressing their needs. We request that Congress continue to support these initiatives so that we can advance these reforms to meet the evolving requirements of our warfighters and their families.

Our Marine Corps Family Team Building Program and unit Family Readiness Programs, the centerpiece to our family support capability, was based on a peacetime model and 18-month deployment cycles. It was also largely supported on the backs of our dedicated volunteers; our volunteers have been performing magnificently while shouldering the lion's share of this program—but it is time to dedicate sufficient resources in light of the demands of our wartime operations.

We have recently initiated a sustained funding increase to implement Marine Corps family readiness reforms in fiscal year 2008. These reforms include:

—Formalizing the role and relationship of process owners to ensure accountability for family readiness;
—Expanding programs to support the extended family of a Marine (spouse, child, and parents);
—Establishing primary duty billets for Family Readiness Officers at regiment, group, battalion, and squadron levels;
—Improving the quality of life at remote and isolated installations;
—Increasing Marine Corps Family Team Building installation personnel;

—Refocusing and applying technological improvements to our communication network between commanders and families;
—Dedicating appropriate baseline funding to command level Family Readiness Programs; and
—Developing a standardized, high-quality volunteer management and recognition program.

The Marine Corps continues its proud heritage of "taking care of its own" and ensuring family programs sustain our families and our Marines for the Long War.

*Casualty Assistance*

Your Marines proudly assume the dangerous, but necessary, work of serving our Nation. Some Marines have paid the ultimate price, and we continue to honor them as heroes for their immense contributions to our country. Our casualty assistance program continues to evolve to ensure the families of our fallen Marines are always treated with the utmost compassion, dignity, and honor.

Our trained Casualty Assistance Calls Officers provide the families of our fallen Marines assistance to facilitate their transition through the stages of grief. Last year, Congressional hearings and inquiries into casualty next-of-kin notification processes revealed deficiencies in three key and interrelated casualty processes: command casualty reporting, command casualty inquiry and investigation, and next-of-kin notification. These process failures were unacceptable. Instantaneous with discovery of the process failures, we ordered an investigation by the Inspector General of the Marine Corps and directed remedial action to include issuing new guidance to commanders—reemphasizing investigation and reporting requirements and the importance of tight links between these two systems to properly serve Marines and their families. We will continue to monitor our processes, making every effort to preclude any future errors and to ensure Marines and families receive timely and accurate information relating to their Marine's death or injury.

*Wounded Warrior Regiment*

In April 2007, the Wounded Warrior Regiment was activated to achieve unity of command and effort in order to develop a comprehensive and integrated approach to Wounded Warrior care. The establishment of the Regiment reflects our deep commitment to the welfare of our wounded, ill, and injured. The mission of the Regiment is to provide and facilitate assistance to wounded, ill, and injured Marines, Sailors attached to or in support of Marine units, and their family members, throughout all phases of recovery. The Regiment provides non-medical case management, benefit information and assistance, and transition support. We use "a single process" that supports active duty, reserve, and separated personnel and is all inclusive for resources, referrals, and information.

There are two Wounded Warrior Battalions headquartered at Camp Lejeune, North Carolina, and Camp Pendleton, California. The Battalions include liaison teams at major military medical treatment facilities, Department of Veterans Affairs Polytrauma Rehabilitation Centers and Marine Corps Base Naval Hospitals. The Battalions work closely with our warfighting units to ensure our wounded, ill and injured are cared for and continue to maintain the proud tradition that "Marines take care of their own."

The Regiment is constantly assessing how to improve the services it provides to our wounded, ill, and injured. Major initiatives of the Regiment include a Job Transition Cell manned by Marines and representatives of the Departments of Labor and Veteran Affairs. The Regiment has also established a Wounded Warrior Call Center for 24/7 support. The Call Center both receives incoming calls from Marines and family members who have questions, and makes outreach calls to the almost 9,000 wounded Marines who have left active service. A Charitable Organization Cell was created to facilitate linking additional wounded warrior needs with charitable organizations that can provide the needed support. Additionally, The Regiment has also strengthened its liaison presence at the Department of Veterans Affairs Central Office. These are just some of the initiatives that reflect your Corps' enduring commitment to the well-being of our Marines and Sailors suffering the physical and emotional effects of their sacrifices for our great Nation.

We are at the beginning of a sustained commitment to care and support our wounded, ill and injured. As our Wounded Warrior Program matures, additional requirements will become evident. Your continued support of new legislation is essential to ensure our Wounded Warriors have the resources and opportunities for full and independent lives.

Thank you for your personal and legislative support on behalf of our wounded warriors. Your personal visits to them in the hospital wards where they recover and the bases where they live are sincerely appreciated by them and their families. Your

new Wounded Warrior Hiring Initiative to employ wounded warriors in the House and Senate demonstrates your commitment and support of their future well-being. We are grateful to this Congress for the many wounded warrior initiatives in the 2008 National Defense Authorization Act. This landmark legislation will significantly improve the quality of their lives and demonstrates the enduring gratitude of this Nation for their personal sacrifices. I am hopeful that future initiatives will continue to build upon your great efforts and further benefit the brave men and women, along with their families, who bear the burden of defending this great country.

*Traumatic Brain Injury (TB I)*

With the frequent use of improvised explosive devices (IEDs) and improved protective measures that reduce mortality rates, more Marines are exposed to possible traumatic brain injuries. As with other poorly understood injuries, there is sometimes a reluctance by individual Marines to seek medical attention at the time of the injury. Education is the best way to reduce this stigma, and it is to be the most effective treatment for those suffering a mild injury. TBI awareness and education is part of pre-deployment and routine training. All Marines are being screened for TBI exposure during the post-deployment phase and those identified as injured receive comprehensive evaluation and treatment. A pilot program for baseline neurocognitive testing is being implemented to improve identification of TBI and maintain individual and unit readiness in the field. The Marine Corps continues to work closely with DOD's Center of Excellence for Psychological Health and Traumatic Brain Injury to continue to advance our understanding of TBI and improve the care of all Marines.

*Post Traumatic Stress Disorder (PTSD)*

The Marine Corps Combat Development Command, Marine Corps Training and Education Command, Naval Health Research Center, and others are studying ways to identify risk and protective factors for Post-Traumatic Stress Disorder (PTSD) and to increase our resilience to stress. By improving the awareness of both individuals and our leaders, we can provide early identification and psychological first aid for those who are stress-injured. Better screening and referral of at-risk Marines are underway via pre- and post-deployment standard health assessments that specifically screen for mental health problems. The Department of Veterans Affairs has established comprehensive guidelines for managing post-traumatic stress, which are available to all services.

The Marine Corps is grateful for the effort Congress has put into making TBI, PTSD, and other-combat-related mental illness issues a top priority. We will continue to do the same so that we can further improve our knowledge and treatment of these disorders.

*Combat and Operational Stress Control (COSC)*

Marine Corps commanders are fully engaged in promoting the psychological health of our Marines, Sailors, and family members. Our commanders bear responsibility for leading and training tough, resilient Marines and Sailors, and for maintaining strong, cohesive units. Unit commanders have the greatest potential for detecting stress occurrences and assessing impact on warfighters and family members. Our leaders establish an environment where it is okay to ask for help and that combat stress is as deserving of the same respect and care as any physical wound of war. With the Navy's medical community, we are expanding our program of embedding mental health professionals in operational units—the Operational Stress Control and Readiness (OSCAR) program—to directly support all elements of the Marine Air-Ground Task Force. We also continue our collaboration with sister Services, the Department of Veterans Affairs' National Center for Post-traumatic Stress Disorder, and external agencies to determine best practices to better support Marines and their families.

*Family Member Pervasive Developmental Disorders*

The effectiveness of Marines and Sailors during deployment is dependent upon the adequacy of support provided to family members at home. Children of Service members with special needs, to include pervasive developmental disorders, have additional medical, educational, and social needs that are challenging to meet even when both parents are available. The TRICARE Enhanced Care Health Option has not been able to provide sufficient support. To address this issue, the Marine Corps is working with the Department of Defense Office of Family Policy Work Group on examining options to expand its Educational & Developmental Intervention Services (EDIS), a program that delivers Early Intervention Services to eligible infants and

toddlers in domestic and overseas areas as well as through Medically Related Service programs in Department of Defense schools overseas.

*Exceptional Family Member Program (Respite Care)*

Parental stress can be heightened for families that are not only impacted by the current operational tempo but are also caring for a child with special needs. To focus on this need, we offer our active duty families enrolled in the Exceptional Family Member Program up to 40 hours of free respite care per month for each exceptional family member. We seek to provide a "continuum of care" for our exceptional family members. In this capacity, we are using our assignment process, working with TRICARE and the Department of the Navy Bureau of Medicine and Surgery to expand access and availability to care, and providing family support programs to ease relocations and ensure quality care transitions.

*Water Contamination at Camp Lejeune*

Past water contamination at Camp Lejeune has been and continues to be a very important issue for the Marine Corps. Our goal is, using good science, determine whether exposure to the contaminated water at Camp Lejeune resulted in any adverse health effects for our Marines, their families, and our civilian workers.

The Marine Corps continues to support the Agency for Toxic Substances and Disease Registry (ATSDR) in their health study, which is estimated to be completed during 2009. With the help of Congress, the highly respected National Academy of Sciences is now helping us develop a way ahead on this difficult issue.

The Marine Corps continues to make progress notifying former residents and workers. We have established a call center and notification registry where the public can provide contact information so that we can keep them apprised of the completion of these health studies.

BEYOND THE HORIZON—POSTURING THE MARINE CORPS FOR THE FUTURE

History has proven that we cannot narrowly define the conditions for which our military must be ready. With little warning, our Nation has repeatedly called its Corps front and center. In the southern Pacific after Pearl Harbor, in Korea after the communist invasion in 1950, in the mountains of Afghanistan after 9/11, and southern Asia in the wake of the catastrophic tsunami of 2004—to name a few. These strategic surprises demonstrate the broad range of possibilities for which the Marine Corps must be prepared.

The United States faces a complex mix of states who sponsor terrorism, regional and rising peer competitors, failing states that undermine regional stability, and a variety of violent non-state actors—religious extremists, insurgents, paramilitary forces, pirates, and other criminals—all serving to destabilize legitimate governments and undermine security and stability of the greater global community. We see this global security context as a persistent condition for the foreseeable future.

Our Nation and its international partners are engaged in a global struggle for influence at the same time our access to many areas is acutely challenged—diplomatically, militarily, and geographically. In the past, the United States has maintained large forces on a significant number of permanent bases beyond our shores. Today, however, we have far fewer installations overseas. When conflict is imminent or crises occur, which may require land-based forces, we must conduct extensive diplomatic negotiations to acquire basing rights. Because of local and regional political, social, or economic pressures, even countries friendly to the United States decline to host or place conditional restrictions on basing U.S. forces. Furthermore, proliferation of anti-access technology among state and non-state actors further diminishes access opportunities.

Our national interests increasingly require us to operate in remote, developing regions of the world where infrastructure is either insufficient or rendered useless by natural disasters. The growing trend of violent, transnational extremism is especially prevalent in many of these remote areas. In addition to ethnic and religious intolerance, many developing regions are troubled with economic challenges and infectious diseases. These problems are especially severe in the densely populated urban centers common to the world's littorals, resulting in discontented populations ripe for exploitation by extremist ideologues and terrorist networks. We estimate that by the 2035 timeframe, more than 75 percent of the world's population will live within just 120 miles of the ocean; alternative energy sources will not be mature, so industrial and, increasingly, developing nations will depend on the free flow of oil and natural gas. Fresh water will be as equally important as petroleum products; during the 20th century, while the global population increased 300 percent, the demand for water increased 600 percent. Demographics and the aging of the population in industrial countries, accompanied by a youth bulge in developing countries,

will literally change the face of the world as we know it. The U.S. technological advantage, economic power, and military might still exceed that of other nations, but will not be nearly as dominant.

Given these strategic conditions, the requirement for maritime forces to project U.S. power and influence has increased—and will continue to increase. With its inherent advantages as a seabased and expeditionary force, the Marine Corps can quickly reach key areas of the globe in spite of challenges to U.S. access. The Marine Corps and its naval partners will expand the application of seapower across an even wider range of operations to promote greater global security, stability, and trust—key objectives for winning the Long War. Our seabased posture will allow us to continue to conduct "Phase 0" operations with a variety of allies and partners around the world to ease sources of discontent and deter conflict. We must increase our capacity for these operations without forfeiting our warfighting prowess in the event of a major regional conflict. As a forward-deployed force, we are able to achieve familiarity with various environments, as well as behavioral patterns of regional actors—contributing to our significant advantage in speed and flexibility.

Recently combat-tested in the Middle East and historically engaged in the Pacific, the Marine Corps will seek to further enhance its operational capabilities in the Pacific theater. Some areas like Africa offer unique challenges and opportunities for significant U.S. engagement. The shear breadth and depth of that great continent present their own challenges, but given the operational flexibility afforded by Seabasing and the extended reach of the MV–22 and KC–130J, the future bodes well for the ability of dispersed units of Marines—with interagency partners—to extend our partnerships within the continent of Africa.

*Security Cooperation Marine Air Ground Task Force (MAGTF)*

The linchpin of future Marine efforts to support the engagement requirements of combatant commanders to build partnership capacity will be the Security Cooperation Marine Air Ground Task Force. Similar to a Marine Expeditionary Unit but regionally-focused and task organized for security cooperation, Security Cooperation MAGTFs will provide training and assistance to partner nations—shaping the environment and deterring irregular adversaries.

The units comprising the Security Cooperation MAGTF are general purpose forces, which will maintain a foundation of excellence in combined arms and the full range of military operations. Additional training in culture, language, and foreign internal defense will further prepare these units for the unique tasks needed to train foreign militaries. Able to aggregate and dis-aggregate based on mission requirements, elements of the Security Cooperation MAGTFs will be capable of operating for sustained periods and will help prepare the militaries of partner nations to disrupt irregular adversaries and reduce the requirement for U.S. forces to be committed to these regions.

*Defense Policy Review Initiative (DPRI) /Guam*

Our recent force posture agreement reached under the auspices of the Defense Policy Review Initiative with Japan is facilitating an opportunity to more effectively employ Marine Corps forces while mitigating the effects of encroachment around United States facilities in Japan. The most significant DPRI action is completion of the Futenma Replacement Facility on Okinawa. Its completion is a prerequisite for realignment of Marine units north of Kadena Air Force Base on Okinawa, shifting KC–130s from Futenma to Iwakuni, Japan, and movement of approximately 8,000 Marines and their family members from Okinawa, Japan, to Guam. The Government of Japan is prepared to bear much of the cost associated with the planned changes, but there are still significant remaining military construction and other infrastructure needs that require United States financial support. For the past two years, the Marine Corps has worked with numerous stakeholders to shape the eventual basing of forces onto Guam. The Department of Navy-led Joint Guam Program Office is leading the detailed facility-level planning effort to support the force build-up on Guam. The Marine Corps is working with Joint Guam Program Office, the Secretary of the Navy, and Commander, United States Pacific Command to ensure plans meet operational requirements.

*Law of the Sea Convention*

To be able to maneuver from the seas in a timely and reliable manner, and in concert with the U.S. Navy, we support joining the Law of the Sea Convention. Joining the Convention will best preserve the navigation and overflight rights that we need to reliably maneuver and project power from the sea.

*The Future of Training and Education*

With Marine forces so heavily engaged in counterinsurgency operations, we will have to take extraordinary steps to retain the ability to serve as the Nation's shock troops in major combat operations. Continued congressional support of our training and education programs will enable us to remain faithful to our enduring mission: To be where the country needs us, when she needs us, and to prevail over whatever challenges we face.

The Long War requires a multi-dimensional force that is well trained and educated for employment in all forms of warfare. Historically, our Corps has produced respected leaders who have demonstrated intellectual agility in warfighting. Our current deployment tempo increasingly places our Professional Military Education (PME) programs at risk. No level of risk is acceptable if it threatens the steady flow of thinkers, planners, and aggressive commanders who can execute effectively across the entire spectrum of operations.

*Marine Corps University (MCU)*.—We have made substantial improvements in our Officer and Enlisted Professional Military Education (PME) programs and have significant improvements planned for the future. Marine Corps War College was the first senior Service college to be certified as Joint PME II and will soon undergo accreditation as part of the process for joint education accreditation by the Joint Staff. The Command and Staff resident and non-resident programs are scheduled for Joint PME I re-accreditation in September 2008. We have integrated irregular warfare instruction throughout all levels of PME; at the same time, balance between irregular and conventional warfare has been maintained so as not to lose sight of our essential core competencies, including amphibious operations. Additionally, MCU has led the way for integration of culture and language by continually refining their curricula to provide proper balance among PME, culture, and language.

Last year we conducted a comprehensive assessment of the health of PME. The assessment examined six areas: students, curriculum, educational programs, staff, infrastructure, and policy. We are working diligently to improve our information technology and infrastructure by developing a facility master plan to accommodate needed growth. We must develop an aggressive plan and commit resources for additional faculty, facilities, and resources. The assessment was informative—we have world-class students, curricula, and faculty as evidenced by Marines' performance on today's battlefields. With continued Congressional support, we can build our information technology and facility structure to match.

*Marine Corps Center for Lessons Learned*.—Our Marine Corps Center for Lessons Learned applies lessons from operational experiences as well as those of the Joint Staff, other Services, and Joint Forces Command to guide efforts for "fine tuning" and transforming our force. This rapid, continuous process ensures the latest enemy and friendly tactics, techniques, and procedures are used in training and are part of the decision-making for institutional changes. In 2007, as result of these lessons learned, the Marine Corps implemented changes in pre-deployment training in such areas as detention operations; transition teams; interagency coordination of stability, support, transition, and reconstruction operations; irregular warfare; and the role of forensics in counterinsurgency operations.

*Center for Irregular Warfare*.—In 2007, we established the Center for Irregular Warfare as the primary Marine Corps agency for identifying, coordinating, and implementing irregular warfare capability initiatives. The Center reaches out through the Center for Advanced Operational Culture Learning (CAOCL) and Security Cooperation Education and Training Center (SCETC) to other military and civilian agencies. Last year, the CAOCL expanded beyond pre-deployment unit training by offering operational culture, regional studies, and limited language courses for officer professional military education programs. Thus far, approximately 2,100 new lieutenants have been assigned regions for career long-term study through the regional learning concept, which will be expanded this year to include sergeants, staff sergeants, and captains. Both officer and enlisted Marines will receive operational culture education throughout their careers. We plan to have Language Learning Resource Centers at the eight largest Marine Corps bases and stations to provide local, on-call, operational language training. Congressional support, to include recent supplemental funding, has been invaluable.

Since early 2006, our SCETC formalized our military advisor training process and trained over thirty transition teams in fiscal year 2007. In fiscal year 2008, the SCETC is scheduled to train over 100 teams (over 2,000 Marine advisors) as well as stand up a Marine Corps Training Advisory Group to manage the global sourcing of future transition and security cooperation teams.

*Foreign Area Officers*.—The Marine Corps has begun an expansion of its Foreign Area Officer (FAO) program in response to the wide-spread demand for language and cultural expertise for worldwide service with the Defense Attaché System and

combined, joint, and Service headquarters. As a result, the training of Marine FAOs will more than double in the near term. In addition to our traditional emphasis on Arabic, Russian, and Chinese, FAOs selected this year will learn more than a dozen different foreign languages, including Pashto, Hindi, Thai, French, and Indonesian.

*Training Marine Air Ground Task Forces*

Operations in support of the Long War have significantly increased our training requirements. To meet deployment requirements and remain skilled in the full spectrum of operations, Marines must now train to a broader range of skills. However, due to high operational tempo, we face ever-decreasing timetables for Marines to achieve mastery of these skills. Our first major initiative to maximize effective use of limited time for training was the establishment of a standardized and well-defined Pre-deployment Training Program. Subsequently, we have instituted two additional training efforts: the Marine Combat Operations Training Group and the Infantry Battalion Enhancement Period Program.

*Marine Corps Tactics and Operations Group (MCTOG)*.—We recently established the MCTOG to provide standardized training and instructor qualifications for ground combat elements, similar to our exceptionally successful Marine Aviation Weapons and Tactics Instructor Course in Yuma, Arizona. The MCTOG is developing and implementing a Ground Combat Element Operations and Tactics Training Program to provide advanced training in MAGTF operations, combined arms training, and unit training management and readiness at the battalion and regimental levels. We will improve unit preparation and performance by:

—Providing focused, advanced instruction for key battalion and regimental staff personnel, and

—By assisting with the identification and vetting training requirements and deficiencies for our ground combat elements.

Located at Twentynine Palms MAGTF Training Center, the MCTOG will reach an Initial Operating Capability by Spring 2008 and a Full Operating Capability by Spring 2009.

*Marine Aviation Training Systems Program (ATS)*.—Marine Aviation, through Aviation Training Systems (ATS), is pursuing the development of fully integrated training systems at the post-accession aviation officer and enlisted level, to greatly enhance operational readiness, improved safety through greater standardization, and to significantly reduce the life cycle cost of maintaining and sustaining aircraft. ATS will plan, execute, and manage Marine Aviation training to achieve individual and unit combat readiness through standardized training across all aviation core competencies.

*29 Palms Land Expansion*.—The Marine Corps currently lacks a comprehensive training capability to exercise all elements of a Marine Air-Ground Task Force (MAGTF) in an environment that replicates operational conditions with our current equipment—as our new weapons systems have greatly increased ranges over legacy systems. As a result, we are conducting planning studies for expansion of our range complex at the Marine Corps Air Ground Combat Center in Twentynine Palms, California. Implementing this action will involve acquiring land and seeking assignment of airspace by the Federal Aviation Administration in support of large-scale MAGTF live fire and maneuver training. This will give us the maneuver space to simultaneously train three to four battalions in the range complex and train with our current equipment. Our proposed complex will further facilitate the use of the Western Range Training Complex and lead to the capability for future large-scale MAGTF, Coalition, and Joint National Training Center training.

*Modernization of Training Ranges*.—In 2001, we activated a Range & Training Area Management Division, and in 2004, we began a comprehensive investment program to sustain, upgrade, and modernize our training infrastructure. This modernization effort provides tools for better planning and execution of live training. The four principles of our program are:

—Preserve and enhance our live-fire combined arms training ranges. The full development of our doctrine and the integrated employment of air and ground weapons will continue to require access to the volume of land and air space available at these larger installations.

—Recapture the unit-training capabilities of the Nation's two premier littoral training areas, Camp Lejeune and Camp Pendleton. The transition of expeditionary combat power from sea to shore remains among the most challenging of military tasks, and we must reorient and update our training capabilities.

—Provide timely and objective feedback to Marines who are training. Proficiency with individual weapons and in combined-arms requires that we provide venues that have the air and land space to allow realistic employment and the instrumentation and targetry to provide objective, actionable feedback.

—Ensure our complexes are capable of supporting joint forces. Common range infrastructure and systems architecture to support the joint national training capability are requirements of our modernization program.
—The range modernization program is a program of record and has successfully programmed the resources to continue operating and maintaining the many investments made with supplemental and congressional-add funds.

*Core Values and Ethics Training*

As part of our ethos, we continually seek ways to improve ethical decision-making at all levels. In 2007, we implemented the following initiatives to strengthen our Core Values training:

—Tripled the amount of time Drill Instructor and recruits conduct "foot locker talks" on values;
—Institutionalizing habits of thought for all Marines operating in counterinsurgencies, the message of the importance of ethical conduct in battle, and how to be an ethical warrior is being strengthened and re-emphasized at all levels of the Marine Corps;
—Published pocket-sized Law of War, Rules of Engagement, and Escalation of Force guides;
—Increased instruction at our Commander's Course on command climate and the commander's role in cultivating battlefield ethics, accountability, and responsibility;
—Educated junior Marines on the "strategic corporal" and the positive or negative influence they can have; and
—Re-invigorated the Values component of our Marine Corps Martial Arts Program, which teaches Core Values and presents ethical scenarios pertaining to restraint and proper escalation of force as the foundation of its curriculum.

We imbue our Marines with the mindset that "wherever we go, everyone is safer because a U.S. Marine is there."

CONCLUSION

The Marine Corps continues to create a multi-capable force for our Nation—not only for the current operations in Iraq and Afghanistan, but also for subsequent campaigns of the Long War. We are committed to ensuring we remain where our country needs us, when she needs us, and to prevail over whatever challenges we face. Your continued support has been critical to our readiness for today and adaptation for tomorrow. I promise you that the Corps understands the value of each dollar provided and will continue to provide maximum return for every dollar spent.

Perhaps most importantly to keep in mind as we develop our force for the future, everything we read about the future indicates that well-trained, well-led human beings with a capacity to absorb information and rapidly react to their environment have a tremendous asymmetric advantage over an adversary. Ladies and gentlemen, that advantage goes to us. Our young Marines are courageous, willing to make sacrifices and, as evidenced by our progress in Al-Anbar, capable of operating in complex environments. Quiet in their duty yet determined in their approach, they are telling us loud and clear that wherever there is a job to be done, they will shoulder that mission with enthusiasm. On behalf of your Marines, I extend great appreciation for your support thus far and thank you in advance for your ongoing efforts to support our brave service men and women in harm's way.

Senator INOUYE. I thank you very much, Commandant. I'd like to begin my questioning with you, sir.

MARINE CORPS FORCE

At the present time, there are 350 marines and marine reservists in Afghanistan, and you recently announced that you'll be adding 3,200 marines to Afghanistan. In addition to this, there are 25,300 marines and marine reservists deployed in Iraq, and added to that, you have your commitments in the Horn of Africa, Kuwait, and other locations. And this from a small number of 189,000. How will this additional 3,200 deployed in Afghanistan impact your organization?

General CONWAY. Sir, the impact is significant, and I would add, just in recent days, that number of 3,200 has actually grown to

some 3,400 because of requirements that we see with regard to the battalion, the marine battalion, 2d Battalion, 7th Marines. It will be dropped down into some very bad-guy country. And to that regard, we saw the need for a couple of more people—a couple hundred more people—with special capabilities.

But, to get at the essence of your question, it will keep us at what we call surge capacity, that is one-to-one deployment to dwell, or worse, in some cases through October of this year. It's not something that we like to do. We have told the Secretary, in his judgment, that we need that force to respond to the request for forces that came from both Afghanistan and CENTCOM, that in a very real sense, we're taking one for the team because we were not able to raise the force elsewhere. But the fact is, we believe that there's an important time window there. I think my marines feel like it is a very worthwhile mission, they said as much when I spoke to them in Afghanistan. And through October, I think we'll be able to bear up under that increased stress that the service will experience.

Senator INOUYE. How much more do you think you'll be adding to your force?

General CONWAY. In terms of—in what, capacity, sir? If I could ask for a clarification?

Senator INOUYE. The number of marines. You have plans to add an additional 27,000.

General CONWAY. Yes, sir.

Senator INOUYE. Through 2011.

General CONWAY. Yes, sir. Sir, we will grow to 202,000 marines, as I referenced in our opening statement, we are ahead of our program.

We thought we would originally grow to about 189,000 this year, that's roughly 5,000 for each of the first couple of years. We're ahead of that schedule, and we think we can stay ahead of it this year.

So, our target is actually something closer to 192,000 marines. And, of course what that means on the deck, is the creation of new units to put against, especially, some of our low-density, high-stressed organizations, to be able to do something about this deployment-to-dwell.

Senator INOUYE. Thank you very much.

DDG 1000

I'd like to ask the CNO, the DDG 1000 program that you spoke of has been in development in one form or another since the 1990s, to address the land attack requirements. The number of ships the Navy plans to buy has declined to seven. The cost estimates of the first of these new destroyers have increased to at least $3 billion apiece. Can you explain where the DDG 1000 fits into the future of the surface Navy, and do you believe this is the right ship?

Admiral ROUGHEAD. Senator, the DDG 1000, as you've said, has been some time in coming. But what the DDG 1000 brings to our Navy and the two ships that we put on contract recently, is the introduction of new technologies that will be very important to how we go forward.

In most instances, when we introduce a new class of ship, there are only a couple of new advances on those ships. In the case of the DDG 1000 there are about 10.

The one that is most important, I believe, for the future of our Navy, is the effort that has been put into the design, that brings the crew size of these very complex ships down to numbers that we have never seen before. So, I believe that is absolutely a critical step forward for us, in the DDG 1000.

With regard to the reduced number of ships that we have in this year's proposed budget, that's really being driven by not having four littoral combat ships in there, because of some of the issues we've been facing with that program.

But I do believe that both of these ships portend the Navy of the future. In the case of the littoral combat ship, it's not as if we're replacing a capability we already have. We have gaps in our ability to operate in the littoral areas, and that is something that we must have for the future, in my professional opinion.

The DDG 1000 will bring the longest-reach shore-fire support gun that we've ever had, but most importantly, the DDG 1000 brings the technologies that will shape our Navy for the future.

Senator INOUYE. Mr. Secretary, I presume you agree with that?

Dr. WINTER. Most definitely, sir. I think that the addition of the DDG 1000 has been well-thought out. As you pointed out, it's been under development for a number of years. We've made significant investments in the technology developments that underpin this new vessel. We've had more engineering development models on this particular vessel than we've ever had before, we've also gone, to a much greater degree, of detailed design prior to the signing of the contract and start of construction than we ever have before. So, I'm comfortable that we're proceeding on a well-thought out process here.

At the same time, as the CNO pointed out, DDG 1000 by itself does not solve the future surface Navy issues. There were many other issues—not the least of which—is the littoral combat ship.

LITTORAL COMBAT SHIP

We have adjusted the pace of acquisition there, from one that proved to be too aggressive and too fast, to one that I believe is more appropriate to the development of a new class of vessel. That development is now proceeding along a well-established route. We have good progress being made on both of the individual vessels, the hulls. And we're also having exceptionally good development on mission modules that will support that particular activity.

We will, even with this slower acquisition of the LCS, still have the desired number, 55, as part of the target 313 ships that we will achieve in the 2019 time period. So, I'm very comfortable with the acquisition process, and the budget that's been laid out for that.

Senator INOUYE. So, you're comfortable and you're pleased with the present progress of the LCS?

Dr. WINTER. I look at it very carefully. I'm never pleased by any of these development activities, but I think that recognizing the amount of new development that is associated with this new vessel, that we're making good progress there, and I'm pleased to see that progress continuing to be made.

I'm also particularly pleased, I will note, to see that we're able to bring along the mission modules, as well. We have taken delivery already on the first of those modules, the mine warfare module, the first of the mine warfare modules, and we expect to take delivery of the first of the surface warfare in the first of the ASW modules later this year.

Senator INOUYE. Thank you very much.

Senator Stevens.

Senator STEVENS. Thank you very much, Mr. Chairman.

NNMC BETHESDA AND WALTER REED

Secretary Winter, we've been told that the Navy has announced now its award to rebuild Walter Reed at Bethesda. You will be in charge of that, right?

Dr. WINTER. Yes, sir.

Senator STEVENS. Do you know what the total cost of that is?

Dr. WINTER. The current estimate cost is a little over $900 million, sir. I can get you the exact figure if you'd like.

[The information follows:]

The current estimate to rebuild Walter Reed at Bethesda is $939.6 million. Detailed cost information follows:

[In millions of dollars]

| Construction Description | Cost |
|---|---|
| Medical Center Addition, Alteration, and Parking Garage | 697.5 |
| Warrior Transition Unit Administrative and Building 17 Renovation for non-clinical administration | 101.0 |
| Warrior Transition Clinical Space | 3.2 |
| Facilities for the Warrior Transition Unit/Brigade (including renovation of Comfort Hall BEQ, Parking, a Fitness Facility, Dining Facility, and other Billeting) | 134.4 |
| Additional Planning and Design costs in fiscal year 2008 | 3.5 |
| Total Estimated Cost | 939.6 |

Senator STEVENS. There's a base realignment and closure (BRAC) deadline on that, is there?

Dr. WINTER. There is a BRAC deadline, there is also an acceleration of the activity that we have committed to. The cost growth is, in part—a small part—due to the acceleration process. There are also additional costs associated with the significant expansions that we have made to the plans for the integration of these two great facilities, to ensure that they truly represent a world-class medical treatment facility for all of our servicemembers.

Senator STEVENS. Well, the subcommittee will probably be disturbed with me, because I felt the same way about moving the installations from Germany to Italy. We moved two massive installations out of Germany, down to Italy, now we're going to replace Walter Reed—which is still functioning—all during wartime. Do you think this is the right time to be doing that?

Dr. WINTER. Sir, we've made a priority to ensure that the continuity of care for all of those who are treated at Bethesda is maintained during this process. That has been a major priority that has been established for the architects and engineers that are going through the overall development process.

Senator STEVENS. Well, respectfully, Walter Reed has been considered an Army facility.

Dr. WINTER. Yes, sir.

Senator STEVENS. But the Navy is going to take it over?

Dr. WINTER. Well, sir, it's going to be worked as a joint activity. We have the responsibility for the facilities implementation of the joint activity, here.

Senator STEVENS. All right, well put me down as one who disagrees, but it doesn't do any good. I just think that it's the wrong time to be doing that, and that the Army ought to have its facility, just as the Navy has had its, over the years.

V–22

General Conway, the V–22 Osprey squadron was deployed last year, as you know, I had the honor to be the first member of the Congress to fly that—how did it do?

General CONWAY. Sir, they're about 2 months from coming home from that 7-month deployment, I've made it a point to visit with them both times that I've been in-theater while they've been over.

I will tell you, sir, you're asking the question because we have purposefully suppressed information coming out of the theater until such time as the deployment is over. But the fact is, they're performing very, very well. They've flown over 2,700 hours with the aircraft without incident, they're performing all manner and function of missions of the aircraft that the Osprey is replacing—the venerable old CH–46 and the CH–53 Delta.

It cruises at 13,000 feet, well above the small arms and the rocketry that have taken down other of our aircraft. It cuts the time one-half to one-third, that it takes to transit in and around the theater. It's performing very, very well, sir, on the first-time deployment of an aircraft in combat, to a very austere environment.

Senator STEVENS. Well, the chairman and I caught a little hell over that—keeping that alive, as you recall. And so many people—after the instance occurred in its initial operation, wanted to retire it. I'd just put in a request that when they do get back that we can get a de-brief from those guys as to how it really functioned. I thought—we thought—that was absolutely a necessary system for the marines, and I'm glad to hear that.

General CONWAY. Appreciate your support, sir. And we have that as a takeaway.

MARINE CORPS GROW THE FORCE

Senator STEVENS. Tell me, you're trying to accelerate growth, and I hope that you understand what I'm saying—this is to appear to continue the engagement, now how does that work out? It takes some period of time before you can deploy those people, doesn't it?

General CONWAY. Yes, sir, it does. And what happens, sir, is that as we grow the force, our initial targets were, again, those low-density, high-use MOS fields that are being most stressed in our Corps. It takes time to get those marines recruited, through their entry-level training, into their MOS schools, mated with the right equipment and so forth.

But, in the case of two of the three infantry battalions, Senator, that we have grown—those people are already scheduled to go to Iraq.

So, the process is underway, it is working very well. As I mentioned in my opening statement, we're seeing no diminution in terms of quality of the marines that are joining us, and it's working very much like we would have hoped, again, or even in excess of goals, compared to where we thought we would be today.

Senator STEVENS. Do you have the resources to do that, while the war is going on?

General CONWAY. Sir, we have had augmentation through supplementals, in terms of resources required. We hope that for this year, for 2009, that it will go into a baseline budget, so that we will have that money—that available money, then—to continue to work as we continue to grow the force.

We are somewhat behind, as you might imagine, with regard to the infrastructure. The infrastructure has not caught up to the increased growth, or even the advanced pace of our growth, and in a coarse sort of way, the fact that we have so many marines deployed is helping us in that capacity, because we don't have to create so many temporary structures.

Senator STEVENS. You're talking about facilities here, at home, to house them, when they come home?

General CONWAY. Precisely, sir. Facilities, ranges, equipment—those types of——

Senator STEVENS. I've got to get you up to Alaska, and let you look around.

General CONWAY. I'd love to do that, sir.

Senator STEVENS. Secretary Winter, is that right? Is the money in here to handle the scope for the marines?

Dr. WINTER. Yes, Senator. And, in particular, just to parlay on with the Commandant's comments about the facilities, we have put additional resources into the budget to accelerate the construction of the new barracks. We expect to be able to have all of the barracks for the previous force by 2012, with the additional force being accommodated by 2014.

In the interim, we're doing two things to accommodate the additional personnel, one of which has to do with the use of temporary facilities, which are being constructed rapidly at the required locations, and there is also some activity going on to retrofit and improve some of the older facilities to ensure they're able to accommodate the marines.

GUAM

Senator STEVENS. Is part of that at Guam?

Dr. WINTER. Not yet, sir. But, in Guam, we have a major activity going on associated with the planning of the move from Okinawa to Guam of the marines, about 8,000 marines there.

Right now, the activity is focused in two areas, one of which is the Military Master Plan for Guam, and the other is the associated environmental impact statement (EIS) that needs to be established prior to the start of construction in Guam.

Senator STEVENS. Thank you.

MARITIME PATROL

Admiral Roughead, you mentioned, I think, your top unfunded priority for 2009 is for critical maritime patrol improvements. I

don't quite understand—what is that funding and how does it relate to the maritime domain awareness initiative?

Admiral ROUGHEAD. Senator, the top unfunded requirement applies to our P–3 maritime patrol airplanes, which have been used extensively in the Central Command area of operations, because of their very, very good intelligence, surveillance, and reconnaissance capability.

Senator STEVENS. Is that in the drug area?

Admiral ROUGHEAD. No, sir. They're being used in combat operations in Iraq and Afghanistan.

Senator STEVENS. You have a replacement P–3 coming yet?

Admiral ROUGHEAD. Yes, sir, we do. We have the new P–8, which is moving along quite nicely, that program is doing well, and it will make its initial operational capability (IOC) in 2013. But going back to the P–3s, we have detected cracking in the wings, because they have been flown far in excess of what their flight life was projected to be. And the additional funding that we will seek is for repairs to those wings.

We've grounded 39 airplanes, 28 of which are deployed, which represents about——

Senator STEVENS. P–3s, or——

Admiral ROUGHEAD. These are the P–3s that we've had to ground. That represents about one-quarter of our Maritime Patrol Force.

Senator STEVENS. When will the nines be delivered?

Admiral ROUGHEAD. I'm sorry, sir?

Senator STEVENS. When's the replacement?

Admiral ROUGHEAD. Replacement will IOC in 2013. Their initial operational capability will be in 2013.

Senator STEVENS. Are these going to get you through to that time?

Admiral ROUGHEAD. Yes, sir, we will—we have a plan for the rewinging of the affected airplanes, and they—we will diminish our inventory as we work our way through that. It is a rather lengthy process to make the repairs on the P–3s, but that's why I've placed it so high on the priority list.

Senator STEVENS. Well, thank you very much. I manage a bill on the floor, I'm going to have to leave. I'll tell you, to us from the World War II era, we are really honored to be able to work with you in this generation as we've got now. They are all volunteers, they're the new greatest generation. They'll go down in history, I think, in a way that will be very favorable to them. They've taken on every task and done well.

And despite the horrors of some of these engagements, their enlistments are increasing. So, I think we really owe a debt of gratitude, the whole country, to this new generation.

Thank you very much, Mr. Chairman.

Dr. WINTER. Thank you, sir.

Admiral ROUGHEAD. Thank you, sir.

Senator COCHRAN. Mr. Chairman.

LPD–17

Mr. Secretary, we noticed that the LPD–17 amphibious ship is at the top of the Marine Corps unfunded program list, and it's also

on the Navy's unfunded list. And this, I guess, in parlance means these are important. These are some of the most important requests being made for funding.

And I wonder if you would agree that if LPD–26 was to be funded in fiscal year 2009 would it provide the needed war fighting capability to the fleet at the earliest opportunity? And would it take advantage of the learning curve effect found in continuous production?

Dr. WINTER. Thank you for your interest, sir, in our shipbuilding activities, and LPD, in particular.

I think as you noted, appropriately, the LPD requirement has become a significant issue, both for the Marine Corps, and for the Navy. We accept the established requirement now for 11 operational LPDs, and recognize that it has got to be part of what we eventually develop as our integrated fleet plan.

At that point in time, we have nine LPDs in the fleet. We have six of the older Austin class, and three of the new San Antonio class, that have all been commissioned.

We also have six additional LPD–17s, the San Antonio class, that have been ordered. Four of those six are under construction. The two that have been more recently ordered, the ones in the last 1½ years, have not yet started construction, which is to say, their keels have not been laid.

We have several mechanisms of ensuring that we're able to get to, and maintain, 11 LPDs over the period of interest associated with the 30-year shipbuilding plan. We're currently going through an evaluation of that, as part of our POM 2010 evaluation, and I think we'll be able to lay out an appropriate course of action, here as part of the 2010 build that will establish an appropriate mechanism of ensuring that we get to the desired fleet.

Senator COCHRAN. Thank you.

Admiral Roughead, I know that you are aware that cost increases and delays in scheduling in several programs have had an impact—adverse impact—on Navy shipbuilding plans, and adjustments are necessary. But it's a concern that's been brought to my attention that $1.6 billion has been moved away from new ship construction for fiscal year 2009 and that could have been used to fund the 10th LPD–17 requirement. What is your observation?

Admiral ROUGHEAD. Well, Senator, when we put together the plan for our current shipbuilding plan for the future, balancing all of the other requirements that the Navy is doing, and other future needs that we have, the decision was to submit the plan as it is currently constructed—with the seven ships in there—and to hold off on the 10th LPD.

I believe that is the best way forward to apportion the resources that we have and still fulfill the needs of building the fleet for tomorrow.

Senator COCHRAN. Thank you.

JOINT HIGH SPEED VESSEL (JHSV)

General Conway, the Navy's budget request includes the first procurement of the joint high speed vessel. I understand these vessels are highly flexible and adaptable to a variety of missions, they're faster and can operate in shallower and more austere ports

than larger vessels. Would you advise us how you plan to use these vessels, and how important is funding this program to the global war on terrorism?

General CONWAY. Sir, we see a significant use for these joint high-speed vessels. Senator Stevens referenced Guam a moment ago—when we move to Guam—assuming that negotiations work out and that it happens in the vicinity of 2014 or so, Guam will not offer the training opportunities that we currently have on Okinawa, so as part of the planning that the Secretary of the Navy spoke to was looking elsewhere in the Pacific basin, immediately in the vicinity of Guam, the Marshall and Palau Islands, to determine what training opportunities exist there.

And we're also in discussion with the Australians—of course, we have some training opportunity in Korea, we have training opportunity on mainland Japan, we'd like to expand the opportunities with the Philippines—all of that requires inter-Pacific transit kind of capability. And we think the JHSV, in addition, perhaps, to some amphibs, could very well satisfy those types of requirements.

That's just one potential use. The qualities of the vessel that you mentioned open up another whole panorama of opportunities to getting to locations we might not otherwise be able to go with small numbers of marines aboard those high speed vessels.

We have some concern about their ability to operate in rough seas, and we hope that engineering and so forth, will overcome some of those shortfalls, and make them fully capable over a wide spectrum of sea states.

Senator COCHRAN. Thank you very much.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you.

Senator Mikulski.

Senator MIKULSKI. Mr. Chairman, General Conway, Admiral, Secretary.

NNMC BETHESDA AND WALTER REED

First of all, we feel very close to the Navy. We have the Naval Academy in our State, we have Bethesda Naval which has been talked about, Patuxent River, and of course the marines, the marines that are a favorite everywhere.

My question is going to go to family readiness and the family support services, but first, one quick word about Bethesda Naval.

I understand the concern of Senator Inouye, but as I understand, the intellectual underpinnings of merging Bethesda with Walter Reed is, the marines are an expeditionary force. The kinds of wounds of war that they endure parallel what our Army also endures from improvised explosive devices (IEDs) to traumatic brain injury, to those permanent wounds of war. So there's a symmetry now. And I think that's the intellectual underpinning of working together.

What I'm excited about, Mr. Chairman, and I'm sorry that Senator Stevens had to go, is that Bethesda Naval-Walter Reed is directly across the street from the National Institutes of Health (NIH). It's right across the street, too, from the Institute of Medicine, and then you have the military medical school in the same campus as this. So, we have the possibility for incredible new

thinking, new ideas, the training of the next generation of physicians, doctors, nurses, with the best ideas coming out of military medicine, as well as civilian medicine.

Am I right about what you anticipate as the symmetry of this? Knowing Walter Reed is an icon, world-known, did not seek this, but what it is, is that we think it could be really of stunning quality to serve our marines and our naval forces.

Dr. WINTER. Yes, Senator, I believe that the structure that we're building right now at Bethesda is intended to provide the Centers of Excellence that really are critical, that have been defined, recognizing the types of injuries that we see amongst all of our servicemembers that have been deployed overseas.

There are some unique issues, traumatic brain injuries, and post-traumatic stress disorders (PTSD) that really require some new developments, and require the integration, if you will, of a diverse set of clinical and nonclinical specialists. Having that all together at one location at Bethesda, gives us the ability to leverage the totality that's available within the growing medical community of Maryland. And I look forward to the ability that the conglomeration, that integrated capability will be able to provide for our medical service personnel.

Senator MIKULSKI. Well, we want to continue to work with you. What we're concerned about is the ability for State and local infrastructure, namely that with all those geniuses I just described, they could all be at the same traffic light at the same time, on Wisconsin Avenue, all calling me. And I'm going to say, but they do call me when they're all at the traffic light at the same time. So, we look forward to our physical infrastructure.

Dr. WINTER. Senator, we're taking the issues there associated with the road, and access, very seriously. It's a major part of the environmental impact study that we are working through right now, and I fully expect that we will be able to provide appropriate mechanisms of mitigating all of those——

Senator MIKULSKI. And I'd like to talk with you more about it, if I may.

Dr. WINTER. I'd be pleased to, ma'am.

FAMILY SUPPORT SERVICES

Senator MIKULSKI. If I could change to both the Marine Corps and the Navy and the family support services.

General Conway, I was so pleased to hear what you said about the Family Readiness Programs, and the reliance of the marines on volunteers. You've all been very creative, and whether it's the young marine—I've heard anecdotal information about how in California you're in something called "Boot Camp for Dads," it's a weekend program for new fathers, to learn what to do with a baby, and you even do, kind of manly things like, you hold a baby like a football, just don't toss him or run with them—but really, in ways that help these modern men, who need to be involved with their families.

But then when you get that pre-deployment and post-deployment program—we cannot do this on volunteers. We note that you've added about $400,000 to a $30 million program—could you share with us, now, with the intensity of the deployments, certainly the

Marine Corps rest time is better than the Army—how you see what you need to do to keep that spirit of volunteerism that's been a characteristic of supporting a marine and his family, or her family, and what you need to bring to this to really help them in pre-deployment, and also the reintegration when they come back home, with spouses, with children, ironing out what might have been financial wrinkles that have developed—things along those lines.

General CONWAY. Yes, ma'am, I'd be happy to.

Senator MIKULSKI. As well as the very crucial, important medical services.

But, as you know, the social fabric, often, of a family has been worn and tattered during deployment time.

General CONWAY. Yes, ma'am.

I would highlight one thing, ma'am. We're very proud of our contribution to this war, and it equates to, essentially, what the U.S. Army is doing, as well. In a 28-month period, a soldier will be deployed for 15 months, home for 12—that's a 27-month period. In a 28-month period, a marine will be gone for 14, home for 14. So, it balances out over time, even though you are correct, our deployment cycle is very different. And the marines prefer the 7-month deployments, quite frankly.

In terms of what we've done with our family programs, we have had some global war on terrorism monies as sort of a windfall for this year, and we hope now, for next year. We're using those monies to enhance our child care, which is the number one demand coming from our families—in really, all of our bases and stations. We're including some respite care in that as well, in some of our exceptional family member programs.

But, what we're doing, essentially, is trying to professionalize where we have relied on volunteers in the past. That is, in no way, demeaning what our volunteers have given.

Senator MIKULSKI. What does that mean?

General CONWAY. Well, ma'am, every unit, battalion size, squadron size, or larger has a family readiness officer. That family readiness officer has been a volunteer in seasons past, and that person normally was a spouse from the deploying battalion or squadron. Their duties were all-encompassing—create the organization, create the notification chains, stay current with information, do the socials, take care of families——

Senator MIKULSKI. And they did it on their own time?

General CONWAY. Absolutely.

Senator MIKULSKI. And in many instances, their own—I mean the families, where the families raised money——

General CONWAY. Absolutely.

Senator MIKULSKI. You know, we'll call it the "bake sale" way of——

General CONWAY. Yes, it was very much a bake sale kind of operation. And we have simply now been able to one, put more of our own budget against that, but also, again, through the benefit of some of the GWOT monies, enhance those efforts to where—we still have volunteers, and it's still an absolute requirement for some of what we do. But not nearly on the scale that we have previously relied on, over the past 4 years.

FAMILY READINESS

Senator MIKULSKI. So, now—is this true, then, in every marine base, you will have, then, someone in charge of these efforts, whose full-time duty is that?

General CONWAY. Yes, ma'am.

Senator MIKULSKI. And it will be a paid person? Because volunteer, you still—we know this even from the nonprofits sector. Volunteers are great, but you need paid professional staff to know how to organize—first of all, to create, develop, and organize what is needed.

General CONWAY. I would asterisk your comment, ma'am, with just a couple of things.

It still is the Commander's program. He has, at his discretion, the opportunity to hire someone, or if he chooses, if you have, say, a staff non-commissioned officer that's been deployed three or four times in that unit, and he wants to leave that person back, he can name that person as his family readiness officer. So, it's the Commander's option, but certainly he didn't have those options before.

Senator MIKULSKI. Well, I know my time is moving along, I'd like to have a real, a more complete description of what this Readiness Program is, and moving along in this, because you have families, you have families there with special needs, which—we're so glad you even named, because quite frankly, the Army doesn't—and the National Guard, quite frankly, the Director of Personnel for the Army didn't think enough to put it in the Guard.

So, we want to help you, because behind every marine is a family and its morale.

But, we know, for example, on one base, they organized a group called "Grannies for the Marines." These were people who were grandparents in an area that would volunteer 5 hours, say, a month, to help a Marine Corps spouse, be able to take care of some things. You can't organize volunteers with a volunteer. It just takes too much to do it. But beyond that, you have to have pre-deployment counseling, when they come back home it takes an organized effort for reintegration in the family—spouse, children and if there's intense medical needs, that could go on for a long time—we really have to have a program.

General CONWAY. Yes, ma'am.

And, ma'am, to the credit of the Navy Medical Services, a marine who deploys will typically, before he goes and after he gets back, will have four such counseling periods. And the Navy has also established a forward footprint, with teams actually in the theater, who are able to respond if a marine has a traumatic incident and needs counseling on the way.

Senator MIKULSKI. Could we hear, then, from the Navy, and that'll be the summary of my questions.

Admiral ROUGHEAD. Yes, ma'am.

As you know, we've been a deploying force for centuries, but even with that, we've made enhancements to what we are providing for our families in our fleet and family readiness, or support centers.

We, too, like the marines, have also expanded our child care, which is a very important dimension of our families' interests. But, we have also deployed our Navy differently in this war. We've de-

ployed our sailors as individual augmentees. In fact, many don't realize that the United States Navy has more people on the ground in the Central Command area than we have at sea.

And so, what we've done is we've created an organization and a separate element within that organization that deals with the welfare of those individual deployers, and the ability to support the families of those who have been individually deployed.

And I can tell you, in the time that I've been in the Navy, there has been no more focus provided by senior leadership, than that which we are providing for our individually deployed sailors and their families.

Senator MIKULSKI. Well, I know this is also a keen interest of all members of the subcommittee, but I know, Senator Murray and I are trying to see from pre-deployment to battle assignment to coming back home, to also, then, as they come back for medical care or move back into the VA, that we really are developing this system that the family needs, as well as the warfighter.

Our position is that even though the warfighter might not be literally wounded, with shrapnel or from an IED, they are permanently impacted. And we need to stick with them all the way through.

So, starting with pre-deployment all the way through is what we're interested in, so we can help you, and behind every great soldier, seaman, marine, is a family that supports them, but a mission that supports the family.

So, thank you, and we look forward to more conversation on this.

Senator INOUYE. Thank you.

Senator Shelby.

Senator SHELBY. Thank you, thank you, Mr. Chairman.

LCS

Secretary Winter, this may—I stepped out a few minutes, and this may have been asked, and it may not have.

The littoral combat ship that you alluded to earlier is vitally important to the future of our Navy, and I think you've said that many times. And I believe it represents an important capability for the Navy, and will give our forces a new transformational system with the maneuverability to operate anywhere, especially in shallow waters, is that correct?

Dr. WINTER. Yes, sir.

Senator SHELBY. While I know there have been issues that we've talked about with the LCS acquisition program, can you discuss the way forward on the littoral combat ship program?

Dr. WINTER. Thank you very much, Senator, for your interest in this area. I think that we've restructured the LCS program into an acquisition process now which is appropriate for the development of a new class of vessel, and still gets us to the desired fleet size of 55 LCS ships as part of the 313 that we're targeting for in 2019.

What we've done right now is, I believe you're aware, is to focus on the first two individual vessels—one of each type—so as to ensure that we can get through the initial construction phase there, understand any issues in construction, take them out to sea, be able to go through the initial sea trials, and be able to take benefit from all of that as part of the next procurement.

We have approval and funding for one additional vessel in 2008, and we are requesting funding for two additional vessels in 2009. Our desire there is to go out on the acquisition of three additional vessels with the idea that we would have a competition—one contractor getting two, one contractor getting one—providing some motivation for the contractors but maintaining the competitive base through that period of time.

That would lay the groundwork for the future, full-scale acquisition process, which would be informed by the full benefits of the sea trials, as well as the development activities that have taken place.

Senator SHELBY. Would you just take a minute and tell us again for the record, how important the littoral combat ship program is to the Navy, and the future capability, and how we deal with the threats in the shallow water?

Dr. WINTER. I will touch lightly on three specific items there, and then ask the CNO to add specifically from an operational point of view.

What we've stressed on the design and development of the LCS, is really three things. Number one, having speed, speed consistent with the evolving threat that we're seeing out in the Middle East and elsewhere around the world. Second of all, shallow draft—the ability to operate safely and effectively in the littoral regions, which is becoming more and more of a focus for our Navy. And last, having the capability to use what we call mission modules, the ability to switch the mission capability to adapt to the challenges that we see at any given point in time.

This provides us with a huge increase in flexibility, of responding to the threat, whether that's a surface threat, submarine threat, or mine threat. And also gives us the ability to continue to evolve this class of vessels to deal with future, perhaps unidentified threats, that we may need to deal with in many years to come.

And with that, I'd like the CNO to comment on the operational aspects.

Admiral ROUGHEAD. Sure, thank you, Mr. Secretary.

And——

Senator SHELBY. How important is it, Admiral?

Admiral ROUGHEAD. It is extraordinarily important. And in my perspective, as based on being fortunate to come into this job as one of two officers who has commanded the Pacific Fleet and the Atlantic Fleet. And from my experiences, and the types of operations that we are involved in now, and the fact that we do not have a capability that allows us to work in close to shore, work in the larger archipelagos that are in the world today, the LCS gives us that flexibility—the speed, the shallow draft which expands the amount of ocean we can operate in, and the flexibility to change mission capabilities in that ship rapidly.

There is nothing on the books now, or on the boards now, that fulfills that need, and that is why that ship is so important to us.

LPD–17

Senator SHELBY. Thank you, this question may have been asked, Admiral—I understand the Navy's fiscal year 2009 budget that LPD–17 production will conclude after nine ships. It's my under-

standing that the Marine Corps top-funded priority for this year is acquiring another LPD. Do you feel that the future amphibious fleet should include 11 LPDs? What are your thoughts, here?

Admiral ROUGHEAD. Yes, sir, I do agree with that.

General Conway and I have had several discussions about the future of where we are going. I believe that the world that we will live in, in the future, the Navy and Marine Corps will be a force of choice, because of our ability to move quickly, to be able to move into areas where access may be denied, and our amphibious fleet, the assault echelon, as well as the maritime pre-position force of the future, will give the Navy and Marine Corps that flexibility.

I support his requirement of 11 LPDs, and that's why it also appears on my unfunded program list.

Senator SHELBY. General, you want to comment? You just agree with the—do you agree or disagree?

General CONWAY. Sir, I agree wholeheartedly. We've had some very productive discussions, and both the Navy and the Marine Corps agree upon the requirement of the ships.

We have accepted some risk already, with the idea of 30 amphibious ships to satisfy a two-brigade requirement. The Navy has been forthcoming in trying to sort of stretch the rubber band to satisfy our needs, they have agreed to potentially extend some of the older amphibious ships. But even with their best effort, that leaves us another 9 percent, or so, short of being able to project those brigades, so a 30 percent shortfall, or so, roughly, is still not something that we're comfortable with, so we have asked for newer ships, larger ships, really, that allow us to put more aboard.

Senator SHELBY. Thank you, gentlemen.

Chairman, thank you.

Senator INOUYE. Thank you.

Senator Murray.

Senator MURRAY. Thank you very much, Mr. Chairman.

Thank you to all of you for your service and for being here today.

MENTAL HEALTH

Secretary Winter, I want to follow up on a little about what Senator Mikulski talked about. I think we're still playing catch-up for the poor planning that took place after very long operations—7 years in Afghanistan, almost 5 years in Iraq.

A large concern I have is the slow change of tide regarding the perception and attitude about psychological health. And wanted to ask—I know you talked a lot about the programs themselves. But what about—what are we doing to really change the attitude, all the way down to the bottom levels, about sailors, marines, feeling comfortable talking about needing help with psychological issues?

Dr. WINTER. I think, ma'am, the stigma issue, if you will, is I think a very critical issue. We recognize it, I think it's been recognized at all levels within both the Navy and the Marine Corps, and has been attacked from the very senior levels, all the way on down.

The issue there, I think, is to first of all make clear what the leadership position is on this, to make sure people understand the view. To provide mechanisms of facilities access, so that people can access medical care.

This has gone to the point of including forward-deployed mental health professionals, as part of our OSCAR Program, the operational stress combat—I'm trying to remember the details of the acronym, there—program in which we are actually deploying mental health professionals with the forces, to be able to provide close proximity and access.

We're also providing training for many people who have peripheral access to such issues—our chaplains and religious professionals—who have the ability to guide individual servicemembers to seek medical care when it is needed and appropriate.

We're also trying to get marines and sailors to help each other. And this has been a longstanding tradition, and I think some of the ways in which we are able to get that message out, and have individual marines recognize, and be able to go marine-to-marine, I think, has a huge benefit.

Last, we're trying to work with the families, and one of the issues that keeps on coming up is, how do you deal with this issue post-deployment, and post-discharge? We try to do the normal checkups and all the reviews and things of that nature, and we're looking to be able to reevaluate——

Senator MURRAY. It's oftentimes the spouse that recognizes PTSD or other——

Dr. WINTER. Exactly.

Senator MURRAY. And I know you talked about some of the programs you have for spouses—they're great. But you need professionals who are helping the families understand what to look for, too. How are you doing with that?

Dr. WINTER. What we're trying to do there, ma'am, is to first of all, help the spouses and the families recognize the issues, and then ensuring that they understand how to get help. And that includes a series of outreach activities, as well as resources that they can draw upon, by phone, by Internet, and by visiting personnel—whether they're at fleet concentration areas, major bases, and operations, or out in the economy. And so, we're trying to facilitate that access so that they know where they can turn and understand the resources that are available to them.

Senator MURRAY. General.

General CONWAY. If I could augment a very complete answer just a little bit, I agree with you that we need professionals and we need programs, but we can also help ourselves, and we're endeavoring to do that.

First of all, you get at why a marine feels like there may be some stigma associated with it, and quite frankly, Sergeant Major and I, when we go and visit, and in publications are saying, "You don't get PTSD unless you're a warrior. You have had experiences that, in some cases, no one else has had. So, you don't start out being weak or a wimp in this business, PTSD, to begin with."

Second, some of our most senior people are experiencing it. We have a couple of sergeants major, or master gunnery sergeants out there who are experiencing these kinds of things, and it's just as true for them that we want to help you with this injury, because we consider it an injury, just as certainly as an external wound, we want to help you with this, and we want to get you through it, because you can recover.

We want to change the name, from "disorder" to something else. Because, it has, I think, a negative connotation with it.

And the last thing is—you're right—spouses sometimes recognize it even before the servicemember does, and sometimes the dialogue is, "Well, don't report it or they'll toss you out." Well, we're not doing that. We want to get people through it, and we want to keep them as productive members of our Corps, and——

Senator MURRAY. And you're giving that message to——

General CONWAY. Absolutely.

Senator MURRAY [continuing]. All the way down?

General CONWAY. Absolutely.

INDIVIDUAL AUGMENTEES (IAS)

Senator MURRAY. And what about the IAs, in particular?

Admiral ROUGHEAD. We have a screening process for our IAs and not just our active force. I think the greatest challenge we have are for IAs who are Reservists who come back, and then go back into their communities. So, at the operational support centers, we're paying particular attention to that.

We also, in the Navy, have taken about 1,300 positions that involve medical providers, chaplains and other individuals, and have spent some additional time and resources on them to make sure that they too are familiar with the types of things that they must be aware of.

And similarly with the Marine Corps, the effort to de-stigmatize the PTSD issue. And I do believe we're making some good progress in this regard.

MENTAL HEALTH PROFESSIONALS

Senator MURRAY. So we have enough resources to hire the mental health professionals that you need?

Dr. WINTER. I think, ma'am, we have the resources, the issue is in actually being able to hire.

Senator MURRAY. To fill them?

Dr. WINTER. The availability of mental health professionals, particularly psychologists and psychiatrists, has been a challenge. We've done a little bit better with the mental health nurses, we've done very well with social workers that we've been able to use in certain, limited, mental health capacities, but for psychologists and psychiatrists, this is a national challenge.

Senator MURRAY. Okay.

Admiral ROUGHEAD. Mr. Secretary—if I may.

Senator MURRAY. Absolutely.

Admiral ROUGHEAD. Senator, that's why the provisions that you have provided us, in the form of the incentives and the bonuses is so very important, particularly in the mental health area, so we thank you for that.

Senator MURRAY. Okay, well I can assure you that a number of us on this subcommittee really want to continue not only to work with you to get that message all the way down to the man or woman at the bottom, but also to provide the services we need. And certainly, I think, we do have to worry about the capability of hiring enough professionals out there, and want to continue to work with you on that.

Dr. WINTER. Greatly appreciate the support, ma'am.

Senator MURRAY. Thank you.

ELECTRONIC WARFARE

To change the topic a little bit, I wanted to ask you about the military's ability to jam and use electronic warfare in Iraq and Afghanistan—certainly critical as we all know. But historically, as we've seen threats decrease, our electronic warfare capability has decreased, and we have not invested in platforms and technologies and communities.

Can you give me a current assessment of where we are on that?

Dr. WINTER. Well, right now, ma'am, our principal activity is the development of the Growler, which is the replacement for the EA6B Prowler aircraft. The EA6B is being used extensively in the theater right now. It is also the only mechanism we have of prosecuting electronic attack at this point in time.

It is being used extensively, and we are starting to get concerned about the life-limiting features associated with it.

Our analyses suggest that we—an 84-aircraft Growler fleet is what we need to build to. We have requested funds for 22 Growlers in this budget as part of that. That's in addition to five Growlers that are pending from the supplemental request from 2008. We believe that it is a proper course toward providing satisfaction of the 84 aircraft requirement.

I will note that the sizing of 84 aircraft presume that the aircraft would also participate in the development of additional electronic attack capabilities——

Senator MURRAY. Are you concerned that other agencies aren't investing?

Dr. WINTER. We will be looking at that, ma'am, as part of the 2010 POM evaluation, and determining whether or not we're still comfortable with that assumption, and if that assumption is in need of revisitation, we will take a look at the implications of that.

Senator MURRAY. Thank you.

NAVAL STATION EVERETT

I also want to ask you, as you know, Naval Station Everett is one of the three west coast locations under consideration as home port for the DDG 1000 that we talked about earlier. My understanding is that three of these ships will be stationed at a selected location—and with all respect to my chairman—I think Naval Station Everett, obviously, is an ideal location.

Barring that, can you give us a quick assessment of where we are in the process and criteria that will be used to develop that? Admiral.

Admiral ROUGHEAD. Senator, what we are doing is looking at what the lay down of our force should be. When I came into this position a few months ago, I wanted to have a very thoughtful approach to where forces should be, my staff is working on that, and I look forward to having that presented to me, and then making the appropriate recommendations.

Senator MURRAY. Okay, we look forward to hearing that, very much.

BREMERTON CVN PIER

And finally, Mr. Chairman, if I could, I just wanted to mention that the Navy is preparing a major overhaul of an existing maintenance pier at Naval Base Kitsap in Bremerton, I'm sure you're aware of it. It's a $160 million project, and very important to all of us—there's no doubt that we all know how critical it is.

But, I was just recently made aware that there are several concerns that have been raised at the local level about the Navy's consultation with some of the impacted parties, and I was hoping that you could just work with us later, and make sure we're working with those local constituencies.

Admiral ROUGHEAD. Yes, ma'am, we are, and——

Senator MURRAY. Are you aware of the problems?

Admiral ROUGHEAD. I'm aware of that, and the meetings that we've been having—I'm committed to continuing to address the issues that have been put on the table. And as you pointed out, it is very critical that it get resolved, because of the availabilities that will be coming into the shipyard and that will need that facility there.

Senator MURRAY. Okay. Thank you very much, I appreciate that.

Senator INOUYE. Thank you very much.

AEGIS BALLISTIC MISSILE DEFENSE

Admiral Roughead, the subcommittee wishes to congratulate you and the men and women of your command for the very successful interception of the failing NRO satellite, 2 weeks ago.

However, I note that there are many aegis ships deployed with long-range surveillance and tracking capabilities, but very few equipped with the missile itself. When are you going to have this transition from the Missile Defense Agency (MDA), so you can take over?

Admiral ROUGHEAD. Thank you for the question, Senator.

I believe that what our, what we demonstrated 3 weeks ago showed that our capability is one that is very valuable to the Nation, even though we had to modify significant portions of it, to be able to go after a satellite as opposed to ballistic missiles.

But, over the years, as we have demonstrated at Barking Sands, at the range in Hawaii, the success of our program, I believe is a function of having some great capability that was purchased without the intent of what we're using it for now.

But most importantly, it shows that our capability is in the operational Navy. It has grown up in the operational Navy, the tests that have been performed, the engagement of the satellite were done by sailors, in their ships, using systems that they use every day.

I believe that the investment that MDA makes in the Navy, which is roughly 10 percent of their budget, is an investment well spent. I also believe that it is an appropriate time to consider the migration of what is referred to as the fielding wedge for the capability, for that to migrate to the Navy, so we can move forward quickly and robustly in maritime ballistic missile defense.

Senator INOUYE. So, you plan to equip the aegis vessels with missiles?

Admiral ROUGHEAD. Yes, sir, I believe that we will have to increase the inventory of missiles. As I look around the world today, the proliferation and the sophistication of ballistic missile development in many places in the world will be important for us to ensure access, to protect our forces, and also to support our partners and allies.

ADDITIONAL COMMITTEE QUESTIONS

Senator INOUYE. Mr. Secretary, I have a lot of questions I'd like to submit to you and your colleagues for their responses.

And Senator Cochran, do you have any questions?

If not, I'd like to thank you, Mr. Secretary, Admiral Roughead and General Conway for your testimony this morning before the subcommittee. And we appreciate your continuing service to our country.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. DONALD C. WINTER

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

SUSTAINING CURRENT AIRCRAFT VERSUS INVESTING IN FUTURE PROGRAMS

*Question.* Secretary Winter, as budget pressures rise there is often a dilemma in balancing the maintenance of current or legacy systems versus developing new capabilities. How is Navy addressing this balance in the aviation community? Are sufficient funds being invested in the reliability of current systems—like the P–3C, the E–2C, and the H–3—to avoid capability gaps should new systems be delayed? Secretary Winter, given that delays and cost growth in the development and fielding of new aircraft are so common, how confident are you that plans to accelerate procurement of various new aircraft to address deficiencies in the current fleet is the right strategy?

Answer. December's grounding of 39 P–3Cs impacted our ability to meet COCOM requirements. To mitigate capability gaps and sustain the P–3C force until the arrival of the P–8A, fiscal year 2008 and fiscal year 2009 funding is being separately requested for P–3C wing panels, supporting hardware and installation, and acceleration of the Fatigue Life Management Program. The fiscal year 2009 budget also reflects a systems sustainment and modernization budget to continue to address a multitude of mission essential efforts to replace obsolete components, integrate open architecture technology, and leverage commonality.

In addition, we are requesting funding to accelerate the introduction of the P–8A. Even with our current efforts, the remaining unknowns in the fatigue life of the P–3C airframe continue to present significant risk in our ability to sustain the force. I am confident that a combination of sustainment of the P–3Cs and acceleration of the introduction of the P–8A provides the best balance of mitigating risk, minimizing costs, and providing safe and highly effective platforms to the warfighters.

The E–2D Advanced Hawkeye program is currently in flight test and building pilot production aircraft. The Navy is planning on reaching a production milestone next year. As we procure the E–2D, we continue to maintain the Navy's E–2C capability. The Naval Aviation Enterprise, led by Commander Naval Air Forces, periodically reviews the sustainment of our aircraft using a Cost Wise Readiness model. As with any older platform, some investments in the E–2C are required to keep the weapon system performing well. As an example, these have addressed reliability of replaceable components for the APS–145 radar system—which is the key reason we are buying the E–2D and the APY–9 radar in that aircraft. These strategic investments also keep our industry base active as we ramp up the new production line. E–2Cs are also being modified to enable an Open Architecture computing environment, which will make sustaining software on this platform more affordable. I believe this strategy of modest investments for targeted sustainment, while delivering a new platform that will be effective well into this century, meets the goals of the Maritime Strategy.

In regards to Presidential Helicopter Programs, sufficient funds have been allocated to sustain both the VH–3D and VH–60 through the VH–71 Increment 2 restructure. Those gaps associated with the delayed fielding of VH–71 Increment 2 will be addressed where feasible and funds have been set aside for service life issues and essential communication requirements for support to the President. Additionally, the five Increment 1 aircraft, with an estimated initial operational capability of September 2010, will also mitigate the capability gap until fielding Increment 2. The Department will continue to ensure that the legacy Presidential fleet maintains viability throughout the transition to the VH–71.

LITTORAL COMBAT SHIP (LCS)

*Question.* Secretary Winter, there have been many changes in the acquisition strategy for the Littoral Combat Ship. What is your current plan for proceeding with this program? Secretary Winter, do you have confidence that the cost growth in the LCS program is under control and that the Navy can execute additional ships within the existing cost cap of $460 million per ship?

Answer. An updated acquisition strategy for fiscal year 2008 and fiscal year 2009 procurements has been approved by the Under Secretary of Defense (Acquisition, Technology and Logistics). The Navy will award one ship in fiscal year 2008 using the funding appropriated by Congress, along with material from one of the ships terminated in CY 2007. The fiscal year 2009 President's budget requests two additional LCS.

The Navy believes that additional design maturity, production progress on LCS 1 and 2, and a competitive contract award between incumbent suppliers will enable the use of fixed price incentive terms for the fiscal year 2008 ship appropriated by Congress and the two fiscal year 2009 ships that the Navy is requesting. When these ships are delivered, the Navy will be able to better evaluate their costs and capabilities, and to make decisions regarding the best manner to procure the remainder of the class.

Acquisition strategies for fiscal year 2010 and later ships have not yet been formulated.

The Navy's restructured program contains more informed cost estimates that include: incorporation of lessons learned with each lead ship contract execution; a more refined estimate of the cost of known required changes to the designs; and a higher allowance for program management costs to provide for the government oversight expected by Congress.

The Navy has worked diligently with the industry teams to identify and evaluate program cost, schedule and technical risk.

Execution within the cost cap will be a challenge as the initial Navy estimate of $460 million end cost was predicated on two ships being appropriated in fiscal year 2008. This would have allowed sharing of some program costs between seaframes. Moreover, the cap is based on the total limitation of the government's liability, which requires the Navy to keep the contract's ceiling value below the cap. The basis of the Navy's $460 million estimate was contract target price, which is lower than the ceiling value.

VH–71 PRESIDENTIAL HELICOPTER

*Question.* In December, the Navy issued a stop-work order on the VH–71 Presidential Helicopter as costs continued to spiral higher and schedules have failed to be met. However, the fiscal year 2009 budget request includes $1 billion to continue development and produce four helicopters. I am told that the Navy analyzed 22 alternatives before deciding on the plan presented in the request. Secretary Winter, could you comment on why the plan reflected in the budget request was found to be the best of all those options? Secretary Winter, the Navy's budget justification contains no information on the VH–71 program beyond fiscal year 2009. When will Congress receive additional details on this program?

Answer. We have taken a very hard and deliberate look at this program reviewing over 35 options and have determined that there are no other viable alternatives for the VH–71. The options considered were both inside and outside of the VH–71 program and all came to the same conclusion: to meet the operational requirements and technical scope of the program we have the right helicopter. The VH–71 full program of record is the best option to meet the full set of White House requirements.

The fiscal year 2009 plan reflected in the President's budget request is a restructured program and allows execution to meet the full set of White House requirements. As reported recently in the media, a decision between the Department and the White House was made on March 5. Details of this decision are presently being

briefed to Professional Staff Members. Funding details beyond fiscal year 2009, however, are dependent upon the Department's Planning, Programming, Budgeting and Execution Process and will not be finalized until the President's fiscal year 2010 submission.

NUCLEAR ENGINEERS

*Question.* Secretary Winter, the demand for qualified nuclear engineers in the civilian sector appears to be rising as Baby Boomers begin to retire and the energy industry is taking another look at nuclear power. As is so often the case, private industry is able to lure talent from the public sector by offering better wages and benefits. What is the Navy doing to make sure that our shipyards will have access to the engineers we need to design, build, and maintain our nuclear powered ships?

Answer. The Navy has been working proactively to understand the demand for nuclear engineers and to develop strategies to retain the necessary number of nuclear engineering professionals to accomplish Navy missions. Senior nuclear engineering managers have been actively reviewing common issues and problems affecting the recruitment, development and retention of nuclear engineers. These efforts will identify best practices and long-term actions that will help to ensure a stable cadre of nuclear engineers for the Naval Nuclear Propulsion Program. The Navy continuously reviews incentives and benefits to promote a rewarding work environment that affords opportunities and challenges. Examples include: positively influencing new engineers with immediate responsibility; providing a stable work environment; providing continuous employee training and development; offering competitive pay incentives and other benefits; and encouraging engagement in the local community.

VIRGINIA CLASS SUBMARINE

*Question.* Admiral Roughhead, last year the appropriations conference added $588 million above the budget request to accelerate the procurement of two submarines per year. I understand the Navy now plans to begin procuring two submarines per year in fiscal year 2011. What effects will this have on the Navy's overall shipbuilding plan? Secretary Winter, would you comment on the procurement plan for the Virginia Class?

Answer. Procuring two submarines per year one year earlier (fiscal year 2011 vice fiscal year 2012), will reduce the number of years the SSN force structure is below 48 from 14 (per fiscal year 2008 shipbuilding plan) to 12 years.

The 30 year Shipbuilding Plan is the best balance of anticipated resources to the Navy's force structure requirements. Having less than 48 attack submarines (from 2022 through 2033) is not ideal, but the long-term risk is manageable as part of a stable, properly balanced shipbuilding plan.

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## QUESTION SUBMITTED BY SENATOR DIANNE FEINSTEIN

T–AKE SHIP PROCUREMENT PLAN

*Question.* The recent Navy Long Range Report on Vessel Construction noted: "The current budget does not include the 13th or 14th T–AKEs required to meet the MPF(F) structure described above, pending completion of an ongoing MPF(F) concept of operations study." The report further confirms that "it is expected that the assessment will show that the MPF(F) will need those two T–AKEs." Can you comment on the Navy's plans for procuring the 13th and 14th T–AKEs and will this be done in a way to bring greater stability to the shipbuilding budget in order to make ship procurement more affordable?

Answer. The Joint Requirements Oversight Council (JROC) is currently reviewing requirements for the 13th and 14th T–AKE ships. Pending JROC approval, the Navy's contract with the T–AKE shipbuilder, NASSCO, includes fixed priced contract options for T–AKE 13 and T–AKE 14. These pre-priced contract options provide stability to the shipbuilding budget and make ship procurement more affordable.

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## QUESTIONS SUBMITTED BY SENATOR JUDD GREGG

COMPARATIVE COST OF DDG 1000

*Question.* In a February 27, 2008 report to Congress, the Congressional Research Service provided a comparison of the cost of procuring and maintaining a DDG 51

class destroyer to that of the new DDG 1000 class destroyer. The report indicates the Navy argues that when life cycle operation an support costs were taken into account, it would cost roughly the same amount of money to procure and maintain one DDG 51 as it would a DDG 1000. Can you elaborate on why this would be the case, to include providing comparative cost data supporting this assertion?

Answer. The Navy has not stated that it would cost roughly the same amount of money to procure and maintain one DDG 51 ship as it would a DDG 1000 ship. The unit costs for the final ships of the DDG 51 class (procured in fiscal year 2005) are lower than the projected unit costs for the follow ships of the DDG 1000 class. However, the Navy does expect that a DDG 1000 class ship will have a lower annual total operating and support (O&S) cost per ship than a DDG 51 class ship. This comparison is based on the Navy service cost estimate for DDG 1000 O&S costs compared to a composite across all ships of the DDG 51 class based on reported O&S cost data. The overall lower DDG 1000 per ship annual O&S cost is primarily due to the decreased ship manning for DDG 1000 as compared to DDG 51. This decreased manning affects both direct Mission Personnel costs and indirect support costs (such as installation and personnel support costs). The Navy is currently updating the O&S cost estimate for DDG 1000 based on the current design and life cycle support strategy.

COMPARATIVE CAPABILITY OF DDG 1000

*Question.* Can you address the requirement and capability differences between DDG 51 and DDG 1000? What kind of added capability will the DDG 1000 ship class deliver to the Fleet and Joint Commanders that is currently not available?

Answer. DDG 1000 is optimally designed to operate in the littoral environment where as DDG 51 was designed for an open ocean environment.

The DDG 1000 will deliver the following capabilities that are not currently available:

—Advanced Gun System and Long Range Land Attack Projectile will provide guided 155 mm Naval Surface Fires Support out to 74 nm with the capability of multiple rounds simultaneous impact versus the 13 nm range of the current 5 inch rounds of the DDG 51.

—Dual Band Radar incorporates S-Band Volume Search Radar and X-Band Multi-Function Radar (MFR), and provides better sensitivity in clutter and greater firm track range to increase AAW capability. MFR provides periscope detection in the ASW environment.

—Dual-frequency bow mounted sonar and Multi-Frequency towed array are integrated and provide significantly enhanced littoral ASW capability, and in-stride mine avoidance.

—Integrated Power System that provides 78 MW of power for use throughout the ship (propulsion and electrical). Dual power and electrical paths increase survivability and decrease probability of power loss.

—Signature Reductions:

  —Significant reduction in radar signature compared to a DDG 51, a 50 fold reduction; stealth disrupts an adversary's detect-to-engage chain and allows missions to be performed not achievable by current ships.

  —Significant improvement in infra-red signature.

  —Significant acoustic and magnetic signature reductions that enhance survivability against littoral diesel submarine and mine threats.

—Enhanced survivability and damage control capability. DDG 1000 can withstand a USS COLE-like event and keep fighting. DDG 1000 has more robust armor than DDG 51. All DDG 1000 spaces have automated fire fighting and flooding systems. Additionally, a resilient power system allows for automatic electric plant isolation and reconfiguration.

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QUESTIONS SUBMITTED TO ADMIRAL GARY ROUGHEAD

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

P–3 "RED STRIPE"

*Question.* Admiral Roughead, last December the Navy issued a "red stripe" bulletin grounding 39 of the 123 mission-ready P–3 Orion aircraft. The problem, found by modeling and simulation, was unexpected fatigue damage leading to possible cracks in the wing. What is the operational impact of losing these aircraft? Admiral Roughead, what is the Navy's plan to get the aircraft back to mission-ready status?

Answer. The grounding of the 39 aircraft had significant operational impact. While the details of the impact are classified, ten deployed aircraft were affected. The Navy will continue to work with the Joint Staff and Combatant Commanders using Global Force Management Allocation Plan to optimize P–3 allocation as inventory constraints permit.

To recover the P–3C mission-ready inventory, fiscal year 2008 and fiscal year 2009 funding is being separately requested for P–3C wing panels and outer wing box assemblies, supporting hardware and installation, and acceleration of the Fatigue Life Management Program. A dual path approach of targeted wing repairs and outer wing replacements will be implemented to ensure P–3 flight safety through P–8A transition and to maximize industrial depot capacity. The Navy's sustainment approach to P–3 operations will include the strict management of requirements and flight hour use and continued installation of Special Structural Inspection Kits to address fatigue concerns.

NAVY END STRENGTH

*Question.* Admiral Roughead, the Navy has reduced its end strength by nearly 40,000 Sailors since fiscal year 2005 and continues to draw down personnel. These reductions have come through military to civilian conversions and technology-based efficiencies aboard ships. Are you still comfortable with the Navy's planned end strength level? Are you concerned that these manning reductions are having a negative impact on the Navy's operational capabilities? Admiral, as the Navy introduces new technology aboard ships, extensive training will be required to operate these increasingly complex vessels. More time for training will mean more time away from ships for many Sailors. Has the Navy taken the additional training requirements into account in its manning plan?

Answer. I am comfortable with the current plan for the Navy's end strength level. The planned steady-state end strength level is based on our ability to shed non-essential functions, continue to leverage advances in platform and system design, and maintain war fighting readiness. The Navy is moving toward a capability-based workforce by refining the shape and skill-mix of the force to provide the specialized skills needed to respond to new technology and expanded missions.

Reductions are targeted to ensure that we retain the skills, pay grade, and experience mix necessary to provide mission ready forces. Our steady-state end strength target of 322,000 active and 68,000 reserve Sailors and Officers is based on analysis of current and future force structure plans. Our personnel distribution system is intended to assign the right Sailor, to the right job, at the right time. Therefore, changes to force structure, capability demands, and capacity and/or limitations on manpower and personnel systems necessitate a continual reassessment of the proper force size of the Navy.

The Navy accounts for additional training requirements and continually evaluates requirements for both initial and follow-on training for our Sailors. The alignment of our Learning Centers to the Warfare Enterprises has greatly improved the dialogue between our Fleet operators and our training organization. Navy training is fundamentally driven by the skill requirements of the jobs and positions Sailors hold. As new developments and technologies transform job requirements training is updated and adapted. Many Sailors proceed directly from their accession level basic school into advanced specialized skill training designed to prepare them for their specific assignment at sea. When they arrive at their ship with the required training the amount of additional training they will need is significantly reduced during their time assigned onboard.

Similarly, Sailors proceeding from one command to another are scheduled for any new, intensive technical training required to operate equipment within their specialty while en route to their new command. Our ultimate goal is to provide effective and meaningful job training through a continuum of learning that enables our Sailors to obtain and maintain competency, while minimizing time away from their job and their ship.

NUCLEAR SURFACE SHIPS

*Question.* Admiral Roughead, some have suggested that rising oil prices and the development of energy-intensive combat systems could mean that it may make sense to include nuclear propulsion on future surface combatants. Others have argued that adding nuclear power to a next-generation surface combatant would add a large up-front cost to building new ships and may present other problems for training, maintaining, and operating a ship that does not operate on conventional power. Admiral Roughead, what are your views on the question of using nuclear power for future surface combatants? Admiral Roughead, if the Navy continues to

build conventionally powered surface combatants, how will our future fleet meet the power demands of increasingly power-hungry combat systems, such as the next-generation Aegis radar or futuristic directed energy weapons?

Answer. The decision whether nuclear power propulsion will be incorporated in future surface combatants will be based on a thorough examination in compliance with statute. The ongoing analysis of alternatives (AoA) for the Maritime Air and Missile Defense of Joint Forces capability, which includes an assessment of CG(X) alternatives, examines both fuel efficient conventional power plants and nuclear power alternatives.

The AoA addresses the power architecture options for CG(X), including the expectation for increased electrical power requirements in CG(X) for both the nuclear and fossil-fueled alternatives for future technologies such as high energy weapons and radars. The ability to accommodate higher electric energy demands associated with future weapon and sensor systems is a function of electrical generation capacity, and is independent of fuel type (nuclear vs. fossil fuel). Flexibility in accommodating increased electric loads can be introduced into either nuclear or fossil fuel propulsion plant designs.

AMPHIBIOUS SHIP BALANCE BETWEEN PACIFIC AND ATLANTIC

*Question.* Admiral Roughead, we are all aware of the growing importance of the Asia-Pacific region to the security of the United States. In fact, the 2006 Quadrennial Defense Review recommended a shift of a number of submarines from the Atlantic to the Pacific. Currently, about 55 percent of Marines are stationed within Marine Forces Pacific. Considering this and the renewed emphasis on maintaining a stable balance of power in the Pacific, are there plans to shift more amphibious ships to the region to support the Marines?

Answer. The present laydown of amphibious ships in San Diego and Japan is sufficient to meet current response times for Department of Defense contingency and steady state presence requirements. However, with the impending move of Marines from Okinawa to Guam and Hawaii, and in conjunction with the planned growth in Marine end strength, the Navy is assessing laydown possibilities that support alignment with the Marines.

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QUESTION SUBMITTED BY SENATOR DIANNE FEINSTEIN

T–AKE SHIP REQUIREMENTS

*Question.* The Navy fiscal year 2009 Unfunded Priorities identified as your 4th highest unfunded priority requirement $941 million to "fund procurement of final 2 T–AKEs (13 and 14) to accelerate and support Maritime Prepositioning Force Requirements and leverage hot production line at NASSCO shipbuilding and allow Navy to maintain support of existing production contract without renegotiation." Do you believe there remains a strong military requirement for completing the planned and already contracted buy of all 14 T–AKE ships?

Answer. The Navy has committed to procuring 12 T–AKEs, the minimum necessary to meet the Combat Logistic Force requirement.

The Joint Requirements Oversight Council is currently reviewing requirements for the 13th and 14th T–AKE ships. The T–AKE contract includes a latest option exercise date for the 13th T–AKE Long Lead Time Material of January 2010 and the 14th T–AKE Long Lead Time Material of January 2011.

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QUESTIONS SUBMITTED TO GENERAL JAMES T. CONWAY

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

UP-ARMORED HMMWVS AND MRAP VEHICLES

*Question.* General Conway, in response to urgent theater needs, we are rapidly procuring Mine Resistant Ambush Protected Vehicles, known as M–RAPs, which provide superior protection against IEDs. At the same time, you are requesting funds to procure modernized up-armored Humvees. Can you please explain to the Committee the need to continue the procurement of up-armored Humvees when the M–RAP requirement has been fully funded?

Answer. The MRAP Vehicle was never intended as a replacement for the HMMWV. MRAP vehicles were procured and fielded to meet a special in-theater requirement. While the MRAP has performed well, it is too large to conduct missions

in tight built-up areas and too heavy to conduct missions in rough offroad terrain. The Marine Corps requires a light tactical vehicle to perform these missions.

JOINT LIGHT TACTICAL VEHICLE AND UP-ARMORED HMMWVS

*Question.* General Conway, the Joint Light Tactical Vehicle is designed to replace the Humvee. If you go ahead with your planned purchase of new up-armored Humvees, do you still need the Joint Light Tactical Vehicle?

Answer. The HMMWV/ECVs future replacement, the Joint Light Tactical Vehicle (JLTV) will not achieve Initial Operational Capability (IOC) until fiscal year 2014. In order to bridge the gap until JLTV is in full production and counteract the degraded useful life of current HMMWVs (due to weight and usage) the Marine Corps will need to buy more ECVs.

MINE RESISTANT AMBUSH PROTECTED VEHICLE STRATEGY

*Question.* General Conway, the M–RAP has been characterized as a "niche" capability. What will we do with these vehicles when we pull out of Iraq?

Answer. We have identified an enduring requirement for some of these vehicles from the 2,225 total number required. Explosive Ordnance Disposal units, combat engineers, and other units responsible for route clearance will use these vehicles. We are considering several options for the remaining vehicles such as placing them forward in stores, embarked aboard Maritime Prepositioning Ships or a mix of both options. The Combat Tactical Wheeled Vehicle strategy, that will be completed this summer, will provide additional details.

TACTICAL WHEELED VEHICLE STRATEGY UPDATE

*Question.* General Conway, when will you be able to provide the Committee an update on your Tactical Wheeled Vehicle Strategy?

Answer. The Marine Corps will provide a comprehensive Combat Tactical Wheeled Vehicle (CTWV) strategy that will include a detailed "way ahead" for the current and future Marine Corps tactical wheeled vehicles to the President's Office of Management and Budget (OMB) and the Secretary of Defense (SECDEF) in July 2008.

Prior to the final briefing to OMB and SECDEF, the Joint Requirements Oversight Council and the Deputy's Advisory Working Group will review our strategy. Additionally, an internal progress review with OMB and Office of the Undersecretary of Defense Comptroller is scheduled for April 18, 2008.

EXPEDITIONARY FIGHTING VEHICLE—PROGRAM IMPROVEMENT

*Question.* General Conway, the Expeditionary Fighting Vehicle has encountered reliability problems which have delayed the program by four years, reduced by nearly half the number of vehicles the Marine Corps intends to buy, and added significant costs to the program. Given that this program is a high priority for the Marine Corps, how is the program going to be turned around while containing further cost growth?

Answer. The Expeditionary Fighting Vehicle (EFV) program was certified by the Secretary of Defense to Congress as vital to national security in June 2007. The program was restructured to provide the necessary engineering support to achieve the reliability requirement and to provide the procurement funding necessary for the approved acquisition objective of 573. The restructured program is utilizing a rigorous systems engineering approach to execute a Design for Reliability effort aimed at the redesign of mission essential components of the EFV. During the certification process the Cost Analysis Improvement Group developed an independent cost estimate for the restructured program. In order to minimize the risk of cost growth the Marine Corps funded the program to that estimate even though it was higher than the program's estimate.

The Marine Corps is actively working to manage cost using multiple approaches. The current contract's award fee structure was renegotiated to utilize objective criteria for cost, schedule and performance. The three cost criteria are aimed at managing vehicle, development, and operations and support costs. Through the conduct of a thorough Integrated Baseline Review by the Program Office and a compliance review by DCMA, the earned value system is on a path to become a vital management tool to help manage cost and schedule. The Marine Corps will continue to assess available trade-space in the engineering design and requirements through yearly reviews with the requirements owners in order to achieve the necessary EFV performance characteristics while maintaining cost and schedule.

Finally, the Acquisition Decision Memorandum (ADM) issued after certification established a significant increase in government oversight. The increased oversight includes a Quarterly Program Review with USD (AT&L). Senior acquisition leadership from the Department of the Navy (DON) and Department of Defense (DOD) and top management from General Dynamics participate in the reviews. Additionally, the ADM established three additional DAB reviews for the program prior to Milestone C. These provide off-ramps for the government if necessary.

EXPEDITIONARY FIGHTING VEHICLE—KEY PERFORMANCE PARAMETERS

*Question.* General Conway, has the Marine Corps given consideration to revisiting the key performance parameters of the Expeditionary Fighting Vehicle?

Answer. Requirements are reviewed on a recurring basis by the Marine Corps Combat Development Command (MCCDC). In addition to Key Performance Parameters (KPP), Operational Requirements, Specification Requirements, and Derived Requirements are looked at on a regular basis whenever trade space is needed.

After a thorough review of all requirements, the Marine Corps recently reduced the Wave Height requirement associated with the High Water Speed KPP with minimal operational impact. The USMC also recently reduced the follow-on land range requirement and removed the smoke grenades providing weight saving trade space resulting in cost control.

Some additional requirement changes such as removal of the NBC system and repackaging of the Auxiliary Power Unit have been identified as potential future changes to preserve cost and schedule if deemed necessary.

EXPEDITIONARY FIGHTING VEHICLE—AMPHIBIOUS ASSAULT VEHICLE PLANS

*Question.* General Conway, the original plan for the EFV was to replace the Amphibious Assault Vehicle on a one-for-one basis. But now the planned purchases of EFVs has been reduced by nearly half. Does the budget include adequate funds for sustaining the AAV into the future? What is the impact on the Marine Corps' amphibious assault capability due to the reduction of the planned purchases of EFVs?

Answer. The present level of funding is sufficient to sustain Amphibious Assault Vehicles (AAV) at the current capability level. If necessary, the Marine Corps is positioned to apply vehicle upgrades and enhance current capabilities as required. Additionally, the AAV is subjected to a regular cycle of depot level maintenance via the Inspect and Repaired Only As Necessary program with funding provided to the Marine Corps Logistics Command.

We are balancing our two missions of amphibious assault and participation in long-term, irregular warfare by shifting from an emphasis on amphibious forcible entry to a mix of platforms that have application across the range of military operations. We have tailored our EFV investment to be consistent with strategic guidance and have offset EFV reductions with investments in the Marine Personnel Carrier and the Joint Light Tactical Vehicle. In the near term, our investment in Mine Resistant Ambush Protected vehicles will afford Marines operating in Iraq and Afghanistan with significantly enhanced protection tailored specifically for Central Command operations.

The reduction of the EFV requirement will not limit our ability to conduct surface-borne ship-to-objective forcible entry from a distant sea-base nor constrain our ability to conduct amphibious operations and subsequent maneuver ashore in support of national objectives. We will continue to pursue a balance of vehicles that will enable our Navy-Marine Corps team to increasingly provide a persistent and flexible forward presence, both afloat and ashore, to meet combatant commanders' growing requirements for general purpose forces. Our future mobility systems will enable us to more effectively engage in low-end shaping, deterrence, and security missions while also positioning us to respond to high-end combat and forcible entry amphibious operations.

GUAM RELOCATION—IMPACT OF MISCONDUCT INCIDENTS

*Question.* General Conway, tensions are high in Okinawa in the wake of the alleged rape of a 14 year-old girl by a Marine. Unfortunately, this is not the first time U.S. military personnel have been accused of violence and misconduct in this area, and these incidents have added to the resentment of the United States military presence there. I understand that the charges have been dropped, but what, if any, impact will this incident have on the relocation of Marines from Okinawa to Guam?

Answer. The Marine Corps does not anticipate a major impact on the relocation of Marines from Okinawa to Guam as a result of the alleged incident. We are working with leaders in both locations to improve relationships between the military and local civilians.

All units and installations in Japan have recently conducted education and training that reinforces and encourages the high standards of professionalism and conduct expected of U.S. forces living in Japan. We also implemented a "Period of Reflection" after the alleged incident to remind Marines that we are guests and must represent our country in a professional manner.

GUAM RELOCATION—PERSONNEL MEASURES FOR POSITIVE RELATIONSHIP

*Question.* General Conway, what measures will the Marine Corps institute in order to assure the people of Guam that every effort is being taken to have a positive relationship with the local people?

Answer. We continue to review the procedures and orders that govern the discipline and conduct of all U.S. service members serving overseas. Concurrent with our reviews, we are meeting with local officials to discuss ways to work together toward the common goal of reducing off-base misconduct incidents, and to address their concerns in our relocation plans.

MV–22—PERFORMANCE IN THEATER

*Question.* General Conway, at the end of last year, the MV–22 Osprey faced one of its biggest tests ever by flying combat missions for the first time in Iraq. This was a major milestone in the Osprey's long history of triumphs and challenges. How is this aircraft performing in theater?

Answer. The successful combat deployment represented a significant milestone for the MV–22. The aircraft and the Marines and Sailors who deployed with it have exceeded expectations. Aircraft development continues as well as refinement of Tactics, Techniques, and Procedures employed by Marine aircrews that are flying MV–22s. The first combat deployment of the aircraft has been a success.

MV–22—LACK OF MOUNTED WEAPONS SYSTEMS

*Question.* General Conway, recent media criticism of the MV–22 included the concern that it has no side- or front-mounted weapons systems, leaving it vulnerable to attack. How much of a limitation has this proven to be during the Osprey's deployment?

Answer. Marine Corps assault support aircraft do not have forward firing weapons. The weapons on assault support platforms are designed for defensive suppressive fires only, thus the lack of side- or front-mounted weapons systems has not limited MV–22 operations to date. The Ramp Mounted Weapon System (RMWS) provides the MV–22 aircrew a defensive capability sufficient for its current operations. A defensive weapons system that provides 360 degree coverage is currently in development.

SUBCOMMITTEE RECESS

Senator INOUYE. This subcommittee will reconvene on Wednesday, March 12, at 10:30 a.m., when we will receive testimony on the fiscal year 2009 budget request from the Department of the Air Force.

We will stand in recess.

[Whereupon, at 11:57 a.m., Wednesday, March 5, the subcommittee was recessed, to reconvene at 10:30 a.m., Wednesday, March 12.]

# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2009

**WEDNESDAY, MARCH 12, 2008**

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.*

The subcommittee met at 10:31 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Dorgan, Murray, Stevens, Domenici, Bond, and Shelby.

## DEPARTMENT OF DEFENSE

### DEPARTMENT OF THE AIR FORCE

### OFFICE OF THE SECRETARY

**STATEMENT OF HON. MICHAEL W. WYNNE, SECRETARY OF THE AIR FORCE**

OPENING STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. Today we welcome the Honorable Michael Wynne, Secretary of the Air Force, and General T. Michael Moseley, the Air Force Chief of Staff. Gentlemen, thank you for being here today as the subcommittee reviews the Air Force's budget request for fiscal year 2009.

The Air Force's fiscal year 2009 base budget requests $117 billion, an increase of $8.6 billion over last year's enacted bill.

The subcommittee recognized the priorities of the Air Force of fighting and winning the long war on terror, taking good care of the airmen and their families, and preparing for tomorrow's challenges. We also recognize the challenges associated with recapitalizing or trying to modernize the existing fleet and maintaining readiness at the same time. With the average age of the fleet being 24 years old and the aircraft recapitalization rate approaching 50 years, it is imperative to find the correct balance among these competing priorities in order for the Air Force to posture itself for the future.

Another challenge that I am hoping to learn more about in today's testimony is the personnel drawdown of our airmen. The Air Force is projecting that there will be an end strength of 316,000 by fiscal year 2009, which is a reduction of 40,000 airmen since 2005. We are all aware that the environment in which the decision was made to draw down Air Force personnel has changed significantly,

and according to the unfunded requirements submitted by the Air Force, you need an additional $385 million in fiscal year 2009 in support of the Air Force's 86 combat wings, also referred to as the required force.

The unfunded requirements list submitted by the Air Force contains 150 items and totals to a staggering $18 billion. And this is in an environment where funding for the Department of Defense is at historically high, unprecedented rates, if intended or not. The message that I take away from such a document is that something is wrong. The services should not have to depend on the Congress to fund basic needs such as personnel requirements to sustain the force. To many in Congress, an $18 billion unfunded requirements list says our budget process is broken.

Another matter that is likely to be a topic of discussion this morning is the recent decision of the new tanker being awarded to Northrop-Grumman Corporation. We hope that Air Force officials involved in the decisionmaking process can provide more details on why they selected the Northrop-Grumman-EADS team over Boeing. As soon as the factors affecting the decision are known, people will be better informed to decide whether the award was appropriate.

Finally, as the subcommittee examines the fiscal year 2009 request, we must remember that the budget before us is based on recommendations made 6 months ago and it will be several months before a bill will be approved and sent to the White House. Between now and then, there are likely to be changes recommended for your requests in order to best serve our national defense. This subcommittee works hard to propose adjustments that makes sense. I believe it is the duty of Congress and the military services to work as partners in identifying and executing adjustments made during the appropriations process. And so I look forward to working with each of you to continue that spirit of cooperation which is a tradition that has served our Nation well.

Gentlemen, we sincerely appreciate your service to our Nation and the dedication and sacrifices that are made daily by the men and women in the United States Air Force. We could not be more grateful for what you do.

Your full statements will be included in the record, and now it is my pleasure and honor to turn to my co-chairman, Senator Stevens for his opening remarks.

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much, Mr. Chairman.

I'm glad to see you here, Mr. Secretary and General.

This is a difficult time because I think we all know there is not enough money available right now to meet all the demands for every service, and we have some tough choices to make. I look forward to your testimony.

I will say right up front I am currently a little worried about how we can handle, even get involved in this tanker dispute because of the briefing we had yesterday where we were told that so much of it is tied up in an area that is considered to be classified and particularly because of the fact that there is a protest that has been filed against the selection.

Having said that, I think that we are permitted to talk about one problem that I see which is paramount and that is, the production that takes place in 21 countries is considered the production in the United States. And that has caused concern in my home State—I do not know about the rest of the members. We are getting overwhelming mail on both sides of this issue about the question of the propriety of the foreign involvement in a critical program such as the tanker program.

I look forward to the chance to discuss this with you, but I do hope that we can understand—I do understand the parameters that we must operate in because of the situation of the protests and because of the classification of the basic information we received yesterday. But we still have to have some way to satisfy our constituents as to whether this decision was right or wrong. So I look forward to your testimony.

Mr. Chairman, Senator Cochran could not be here today, but asked that his statement be inserted into the record.

[The statement follows:]

PREPARED STATEMENT OF SENATOR THAD COCHRAN

Mr. Chairman, I am pleased to join you in welcoming Secretary Wynne and General Moseley this morning.

The Air Force is playing an important role in the global war on terrorism both on the ground and in the air. Its aircraft and forces have been guarding the skies over the United States since 2001, not to mention the support provided in Iraq, Afghanistan, and many other areas around the world.

In Mississippi, we are proud to host bases at which airmen are trained for a wide range of jobs from pilots to electronics technicians. This training provides the foundation for many of the brave men and women of the Air Force who contribute to our nation's air and space superiority. They operate or support the fighters, bombers, gunships, tankers, unmanned aircraft and space assets that are so vital to the success of our forces worldwide.

Mr. Secretary and General Moseley, we look forward to hearing your testimony to help us determine how best to address the needs of the Air Force, so you can accomplish the important missions assigned to you in support of our national security. Thank you, and the service members you represent, for your service.

Senator INOUYE. Thank you.

Senator Murray.

STATEMENT OF SENATOR PATTY MURRAY

Senator MURRAY. Mr. Chairman, I also look forward to the testimony today. I share the concern that Senator Stevens just voiced. I do know that there is proprietary information in the protest, but I will have some questions regarding both the impact on national security, questions that we as policymakers really have to look at when we are coming to this, and the issue of a company that has illegal subsidies that does have an impact on their price, as well as our decisions as policymakers on the fact that we have a contract going to a company that we do as a country have a case against because of those illegal subsidies. So I do think it is important for us to explore those and to understand as policymakers what decisions we have to make in terms of foreign-owned companies and its impact on our military and military procurement. I will be raising those questions as well.

And I thank you for the hearing today.

Senator INOUYE. Senator Dorgan.

STATEMENT OF SENATOR BYRON L. DORGAN

Senator DORGAN. Mr. Chairman, thank you very much. Let me welcome General Moseley and Secretary Wynne. I have been here through a lot of Secretaries and Chiefs, and I think both of you do a really outstanding job. I appreciate your service a lot.

There are now, I believe, 26,000 airmen and women serving from the Air Force in Iraq and Afghanistan and the region.

The chairman raised the point about funding. I think he is right. I think our funding system is broken. We cannot keep deciding we are going to fund a substantial portion of our military based on emergency supplementals, and we have got lots of problems on these funding issues and we are going to need to confront them.

I do not know that I can stay for the entire hearing because I have to be on the floor on the budget, but I am very interested in when the bomber study that our subcommittee required of the Air Force will be completed and where you think this is headed, General Moseley.

I too am interested in the tanker issue. I expect this issue is going to get a lot of attention both in this subcommittee and outside of the subcommittee.

I am also very interested in what you are learning these days and what you are experiencing with respect to retention because retention will determine what kind of an Air Force we have, and I am very interested in what happens to the young men and women who join the Air Force and how able we are to retain their services in the Air Force.

But having said all of that, let me thank both of you. I think you both do a terrific job and I am pleased that you are where you are.

Senator INOUYE. Thank you.

Senator Domenici.

Senator DOMENICI. Thank you very much, Mr. Chairman. I will wait for my observations and questions until my turn. Thank you.

Senator INOUYE. Thank you.

Senator Shelby.

Senator SHELBY. Mr. Chairman, I have an opening statement. I would ask that it be made part of the record.

Senator INOUYE. Without objection.

[The statement follows:]

PREPARED STATEMENT OF SENATOR RICHARD C. SHELBY

Thank you, Mr. Chairman.

Secretary Wynne, General Moseley, thank you for testifying today on the Air Force's fiscal year 2009 budget priorities. I also appreciate you being here to answer the inevitable questions that will come up regarding your recent tanker contract announcement. While there has been a lot of rhetoric about the Air Force's decision, I believe the controversy surrounding the tanker award is not based on the facts.

From the very beginning, it appeared clear that the Air Force's mission was to select the best tanker for the warfighter at the best price for the taxpayer. In a lengthy, full, fair and open competition, it was determined that the KC–30 was superior to the KC–767. The KC–30 has more fuel offload, carries more passengers, and transports more cargo, thereby giving the Air Force more capability, availability, flexibility and dependability. The KC–30 outperforms Boeing's KC–767 not only by industry standards, but most importantly, by the Air Force's standards. It is clearly the best tanker to meet the Air Force's needs.

However, the recent debate has not surrounded these issues. Instead, it has focused on inaccurate job claims and which U.S.-based company is "more American."

Mr. Chairman, according to the Department of Commerce's job-forecasting tool, the industry standard, Northrop Grumman will employ approximately the same number of American workers on the tanker contract that Boeing would have employed. The prime contractor of the team that won, Northrop Grumman, is headquartered in Los Angeles. It is no less an American company than is Boeing.

It is also important to note, neither of these issues were factors used by the Air Force when making their selection. If the U.S. Air Force and Members of Congress wanted the tanker to be a job creation program for Boeing, they would have scrapped a competition and sole sourced the contract in the first place. Instead, the intent was to provide our men and women in uniform with the best air refueling aircraft in the world, at the best value for the American taxpayer.

Finally, it is important to note that according to the Congressional Research Service, Congress has never intervened to overturn the outcome of a competitive source selection. For Congress to do as some Members suggest would be counter to longstanding law, require the taxpayer to pay for an aircraft that provides less value for the money, and would undermine the very integrity of our military acquisition process. Congress must remain as objective as possible and let the merits of this decision speak.

Thank you, Mr. Chairman.

Senator SHELBY. I too will be very interested in what you have to say about the award of the tanker contract because I think some of us had a briefing on it yesterday. We know there is a regular order here, that Boeing is going to protest it to the Government Accountability Office. That is my understanding. And we have a due process. But we would like to hear what you and the Secretary say about it because we have more than a passing interest in it.

Thank you.

Senator INOUYE. Thank you very much.

Mr. Secretary.

Mr. WYNNE. Senator Inouye, Senator Stevens, members of this subcommittee, thank you for the opportunity to testify on behalf of America's Air Force. Thank you as well for your support to our improved readiness via retirement and recapitalization. We are working hard to see it through.

Today we also urge you to pass the pending supplemental, as it will help.

Across the Total Force of Active, Guard, Reserve, and civilians, we are America's strategic shield in air, in space, and in cyberspace. We are contributing to today's fight with increasing ordnance drops and we stand watch at the missile fields. We stand ready in the nuclear field, and we are an effective air superiority and strike force to both deter and dissuade any opponent who may consider our forces to be stretched in the global war on terror (GWOT). We are gratified to hear that role reaffirmed by the Chairman of the Joint Chiefs in a deliberate message to those who might seek to dissuade or deter us from our own options in the future.

RECAPITALIZATION AND MODERNIZATION

This is why we seek to move forward, and not backward, into fifth generation fighters, into new expeditionary tankers, and into new long-range strike assets. We recently awarded the new KC–45A air refueling tanker. We believe we accurately followed the laws and arrived at a decision selecting the better of two very qualified competitors to a published criterion, a major step in the Air Force's critical recapitalization and modernization effort.

It is why we seek to modernize space assets as the executive agent for space and not see further fragmentation of the management of this now vulnerable area. It is why we have established the Provisional Cyberspace Command and we see this as a warfighting domain in which we need to dominate to remain a net centric force for the future.

Clearly, beyond the global war on terror, we must not lose America's asymmetric advantage in strategic forces. Your Air Force has been in the fight for 17 years and yet has over the same 17 years seen underfunded modernization. We thank you for the initiatives to restore fleet management to the United States Air Force, a responsibility we do not take lightly.

When General Moseley and I came to our posts, we set about a strategy to restructure our Air Force, to truly develop a lean and efficient Air Force in order to husband the resources for investment. We do worry about the industrial base and the need to look after open lines.

I am pleased to report to you that the Department and the Air Force had indicated a desire to not close the F–22 line and to develop the long-range strike asset. It is to these that we would like to apply the saved resources over the near term while the F–35 proves itself through rigorous tests and is effectively capped on production. We ask that you agree with an approach for the F–22 aircraft while we work to restore our readiness with younger aircraft. The F–35 and the F–22 are complementary aircraft. The F–22 is bigger, faster, planned to fly higher, and can carry more air-to-air weapons internally.

Also, with 20 penetrating bombers in our current fleet, it is time to develop an alternative there as well. We have talked about being underfunded, but here we have worked hard to offer a balanced budget, prioritized to best defend America, and we will continue to do that over the future years defense planning.

The Air Force Research Laboratory is well engaged in technology development, expanding the opportunity for energy alternatives while reducing our demand in our fleet and in our bases, also in unmanned flight and propulsion, in material science, as well as in human effectiveness. In regard to space, at Kirtland Air Force Base, New Mexico, a branch of the Air Force Research Laboratory is creating inherently defensive space assets. In cyberspace, we are focused on career development and recruiting at the Air Force Institute of Technology and also warfighting schools that we believe are key. Combatant commanders and agencies partner with us in this increasingly contested domain.

I have worked in space for almost two decades and have worked in commercial and classified space as a supplier and a customer. We need consolidated leadership to maintain our current strategic advantage. Congress asked for a relook at responses to the Space Commission, and we should really consider what is in their report. The Air Force is undergoing a back to basics, as well as a back to blue, complementary efforts to restore a steady demand and a knowledge base. I recommend we keep the executive agency where it is.

I have engaged airmen in both theaters of operation and they have asked about the continuation of our presence and the continu-

ation of the ground force tasking referred to as in lieu of tasking. My answer is they performed so well that, frankly, our Army colleagues do not want to give them up. And they do perform well, many winning bronze and silver stars. Your Air Force is currently protecting the air sovereignty of these fledgling nations, and until their air forces can do that, I would not be surprised to see our Air Force remain. As a result, we are reconsidering force cuts, although we are currently continuing to give top priority in our budget request to recapitalization.

PREPARED STATEMENT

I again thank you for the privilege of leading the best air force in the world. Every day our airmen earn the respect of our friends and enemies. We do worry for their quality of life, as we seek efficiency and as we implement joint basing, but we never worry about the sense of mission that they bring to the task. I will not have the privilege to represent them in this setting for the force posture again, and I hope I have reflected their pride in service as I have felt myself.

I am prepared to take your questions.

Senator INOUYE. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF HON. MICHAEL W. WYNNE AND GENERAL T. MICHAEL MOSELEY

THE NATION'S GUARDIANS

The United States Air Force provides the Nation with a powerful deterrent force in times of peace, and it sets the conditions for Joint and Coalition victory in times of war. For over 17 years, since Operation DESERT SHIELD, the United States Air Force has been engaged in continuous combat operations. Our Airmen have maintained constant watch, deployed continuously, engaged America's adversaries directly, responded to human crises around the world, and provided the Global Vigilance, Global Reach, and Global Power to secure our Nation.

*Global Vigilance*.—The ability to gain and maintain awareness—to keep an unblinking eye on any entity—anywhere in the world; to provide warning and to determine intent, opportunity, capability, or vulnerability; then to fuse this information with data received from other Services or agencies and use and share relevant information with the Joint Force Commander.

*Global Reach*.—The ability to project military capability responsively—with unrivaled velocity and precision—to any point on or above the earth, and provide mobility to rapidly supply, position, or reposition Joint forces.

*Global Power*.—The ability to hold at risk or strike any target anywhere in the world, assert national sovereignty, safeguard Joint freedom of action, and achieve swift, decisive, precise effects.

Global Vigilance, Global Reach, and Global Power constitute America's edge—America's asymmetric advantage that shapes the global security environment. Global Vigilance, Global Reach, and Global Power are vital to our National Security Strategy, as conveyed through the decision superiority they allow, the military options they provide, and the influence they command. However, in a world of increasing uncertainty, volatility, and accelerating technology, America's edge will become a fleeting advantage if we fail to maintain and hone it.

The United States Air Force executes its missions globally. Its warfighting domains cover the entire planet, offering a unique perspective. Every day, America's Airmen demonstrate a non-negotiable commitment to offer and deliver sovereign options for the United States in, through and from air, space, and cyberspace.

Our Air Force strategic imperatives articulate why these sovereign options are necessary to maintain and strengthen our national security and global stability. The Air Force is redefining air, space, and cyber power through cross-domain dominance—our effort to integrate all of our capabilities to exploit the natural synergies across these warfighting domains.

This Statement articulates the major elements of our Air Force Posture—our strategy for fulfilling our role in defending the Nation and its interests; our contributions to winning the Global War on Terrorism; our most critical efforts and concerns; and our top priority programs. We will continue to pursue specific programs and initiatives to safeguard and strengthen America's military advantages and to address major concerns and risks.

Three overarching Service priorities serve as the organizing principles for all of our efforts: Winning Today's Fight; Taking Care of Our People; and Preparing for Tomorrow's Challenges. The Air Force's top acquisition priorities specifically begin to address our critical recapitalization and modernization needs—the new Tanker (KC–X); the new Combat Search and Rescue Helicopter (CSAR–X); modern space systems to provide capabilities vital to our Joint warfighters; the F–35A Lightning II; and a new Bomber we intend to field by 2018.

We will continue our efforts to modernize and protect America's vital air, space, and cyberspace capabilities. We strongly recommend extending the existing C–130J production line. We are also concerned with preserving America's aerospace industrial base. Additionally, we seek relief from restrictions on the retirement of aging, worn-out aircraft which are increasingly unsafe, unreliable, and obsolete. The Air Force is highly engaged in national efforts to assure sustainable energy, and we will continue to push the performance envelope on fuel efficiency and renewable energy technologies. We are committed to the Joint Basing initiative and want to work through the transfer of total obligation authority and real property control without impacting command authorities, reducing installation service support, or negatively affecting quality of life. Finally, we will continue our practice of recruiting and retaining the world's highest quality Airmen. We will build upon our successes in achieving Total Force Integration of our Regular, Guard, Reserve, and Civilian Airmen.

America looks to its Airmen to provide dominance that spans the air, space, and cyberspace warfighting domains. They need your support today to defend the Homeland and to prepare for tomorrow's threats and challenges. Full funding and support for America's Airmen will ensure America's continued freedom of action; reassure our allies; strengthen our partnerships; reinforce our sovereign Homeland defenses; dissuade and deter adversaries; and set conditions for Joint and Coalition success across the entire spectrum of conflict and crisis.

We guard the Nation—providing the Global Vigilance, Global Reach, and Global Power that underwrite the security and sovereignty of our Nation.

## STRATEGIC IMPERATIVE

The mission of the United States Air Force is to deliver sovereign options for the defense of the United States of America and its global interests—to fly and fight in Air, Space, and Cyberspace.

Today the United States stands at a strategic crossroads. This junction is characterized by a global economy accompanied by a diffusion of technology, new and increasingly complex economic and international relationships, competition for resources and influence, and the changing conduct of warfare. From the early days of the 20th Century, the United States has played a leading role in preserving and protecting international stability, particularly as the number of democratic nations grew. This leadership led in large part to the current world order and provided the backdrop against which countries like Japan, India, and China initiated their unprecedented economic growth. We cannot abdicate our position of political and military leadership without grave consequences.

### *Challenges*

Today's confluence of global trends already foreshadows significant challenges to our organization, systems, concepts, and doctrine. We are at an historic turning point demanding an equally comprehensive redefinition of American air power. The future strategic environment will be shaped by the interaction of globalization, economic disparities, and competition for resources; diffusion of technology and information networks whose very nature allows unprecedented ability to harm and, potentially, paralyze advanced nations; and systemic upheavals impacting state and non-state actors and, thereby, international institutions and the world order. The following are salient features of this increasingly complex, dynamic, lethal, and uncertain environment:

—Violent extremism and ethnic strife—a global, generational, ideological struggle;
—Proliferation of weapons of mass destruction and empowering technologies;
—Predatory and unpredictable regional actors;
—Increasing lethality and risk of intrusion by terrorist and criminal organizations;

—Systemic instability in key regions (political, economic, social, ideological);
—Unprecedented velocity of technological change and military adaptation;
—Availability of advanced weapons in a burgeoning global marketplace;
—Exponential growth in volume, exchange, and access to information;
—Surging globalization, interconnectivity, and competition for scarce resources; and
—Dislocating climate, environmental, and demographic trends.

The consequences of not being adequately prepared for a conflict should a military peer arise would be severe and potentially catastrophic. We must maintain our focus on deterring potential peer adversaries from using military threats to narrow our diplomatic options, or from embarking on militarily risky courses of action. The rapid development and proliferation of high-technology weapons, combined with innovative operational concepts, is likely to make these global and regional engagements particularly challenging, since power balances will be dynamic and the risks of miscalculation and misperception high. Therefore, maintaining deterrence will require a sophisticated, competitive strategy that assures we maintain required military capabilities for today and make sustainable, affordable investments for tomorrow.

Even if we continue to successfully dissuade and deter major competitors, their advanced equipment is proliferating worldwide. We are bound to confront these weapons systems wherever America engages to promote and defend its interests. We must also vigilantly monitor adversary breakthroughs and maintain leading edge research and capabilities in fields such as cybernetics, nanotechnology, biotechnology, electromagnetism, robotics, energy conversion technology, and advanced propulsion. We cannot assume the next military revolution will originate in the West. Indeed, the hub of innovation in science and engineering education has shifted eastward. Therefore, we must anticipate innovative combinations of traditional and new concepts, doctrines, weapons systems, and disruptive technologies.

Given this spectrum of threats, the United States must field an Air Force capable of assuring our allies, dissuading and deterring potential adversaries, and, if necessary, defeating those who choose to become our enemies.

*The Role of the United States Military*

It is always better to deter hostile intent or win without having to fight. Today, the United States military does this by shaping the international environment with the potent tools of assurance, dissuasion, and deterrence. The principal role of the United States military is to defend our Nation and our national interests. Rooted in overwhelming capabilities and plainly linked to the national will, two powerful tools we exercise in this role are our assurance to allies that they need not bow to violent threats and our deterrence of potential adversaries. Our armed Services accomplish this role by providing a solid foundation of military strength to complement the tools of peaceful diplomacy. None of these tools alone can sustain our position of international political and economic influence. However, we must be prepared to provide our leaders with critical elements of United States military power to use in proper combination and in an integrated manner to address potential threats to our Nation and our interests.

*Sovereign Options*

In response to current and emerging threats, the Air Force has implemented a strategy based on providing policy makers with sovereign options for our defense, covering the spectrum of choices that air, space, and cyberspace capabilities offer for solving problems. We use this strategy for sovereign options to guide how we organize, train, and equip our forces. In peacetime, these options include such expedients as: supporting the containment of aggressive states or usurping elements of their sovereignty as a means short of war to compel positive behavior; signaling opponents of our commitment by moving forces into contested regions; and providing humanitarian aid—to both our allies and potentially hostile populations—to assure them of friendly United States intentions. In war, Air Force capabilities provide decision makers with a range of options, from supporting Joint and Coalition actions in conjunction with allied land and sea forces to direct strikes against enemy centers of gravity to accomplish strategic and tactical objectives. These options provide the country with credible and scalable counters to the full range of potential enemy actions and support our goals of assurance, dissuasion, and deterrence. These sovereign options are enabled by the asymmetric advantage the United States possesses in air and space technology and the way our preeminence in air, space, and cyberspace increases the power of all United States and Coalition forces.

Through aggressive development of technology and operational concepts, the United States enjoys leadership in space, and in recent decades has achieved the

ability to gain air supremacy against enemy air forces and air defense systems. The history of warfare, however, shows such advantages to be fleeting and fragile. Air and space preeminence is the key to the ability to accurately strike targets within enemy states or enable friendly ground or maritime forces to rapidly dominate their respective domains. While United States air and space preeminence has transformed the way the United States fights, allowing Joint and Coalition forces unprecedented freedom of action in all domains, the Nation cannot rest on its laurels. Future preeminence is not guaranteed; instead, it must be planned, paid for, developed, and fielded.

More than the ability to win wars, sovereign options increase the Nation's strategic flexibility in determining when, how, and where to engage an enemy. War is not a matter of convenience. When war is thrust upon us, we must have the strategic depth to shape the conditions of conflict. From 1991 to 2003, the use of no-fly zones allowed the United States to contain the aggressive actions of Saddam Hussein. When his aggressive acts drew us into open conflict, the determined use of air power as part of a Joint force crushed Iraq's conventional armies. A similar fate met the forces of Al Qaeda in Afghanistan. When the Taliban were removed from power in 2001 by a combination of air power working with Special Forces and indigenous Northern Alliance troops, we disrupted Osama bin Laden's plan to operate his global terrorist network from the relative sanctuary of the Afghan frontier. In the insurgencies that followed these operations, air, space and cyberspace power continued to prevent insurgents from massing into guerrilla armies, thus diminishing their power and providing friendly forces time and territory to establish stability.

The Air Force's ability to be simultaneously dominant in air, space, and cyberspace, has formed the foundation from which we provide sovereign options to policy makers. Our ability to operate across these domains and defeat our adversaries in each allows the Air Force the ability to multiply the power of Joint and Coalition forces or to act alone to achieve national objectives. Our Air Force combines capabilities in the domains of air, space, and cyberspace to deliver Global Vigilance, Global Reach, and Global Power to the Joint force.

*Cross-Domain Dominance*

No future war will be won without air, space, and cyberspace superiority. Accordingly, the Air Force must be better postured to contend with both today's and tomorrow's challenges. To promote and defend America's interests through Global Vigilance, Global Reach, and Global Power, the Air Force must attain cross-domain dominance.

Airmen appreciate the interdependence of the air, space, and cyberspace domains—actions in one domain can lead to decisive effects in any and all domains. Cross-domain dominance is the ability to maintain freedom of action in and through the air, space, and cyberspace despite adversary actions. It permits rapid and simultaneous application of lethal and non-lethal capabilities in these three domains to attain strategic, operational, and tactical objectives in all warfighting domains: land, sea, air, space, and cyberspace.

Through cross-domain dominance, the Air Force contributes to Joint freedom of maneuver in all warfighting domains. This, in turn, allows the Joint Force Commander to achieve desired outcomes across the full range of military operations, from humanitarian relief to preventing war via dissuasion and deterrence to inflicting strategic paralysis on implacable opponents. Without the Air Force's ability to present this spectrum of capabilities to the Joint Team in peace, crisis, and war, United States national security would be at risk.

*Implementing the Strategy*

The Air Force currently provides Joint and Coalition forces with an air bridge to the rest of the world and dominance on the battlefield. This hard-won capability to dominate air and space will only persist in coming decades if carefully nurtured.

The technology race continues. Today, opponents are studying our operations in Iraq and Afghanistan and are rapidly developing counters to aging United States air and space superiority technology. These adaptive competitors are translating lessons from recent conflicts into new warfighting concepts, capabilities, and doctrines specifically designed to counter United States strengths and exploit vulnerabilities. They are advancing in all domains. For example:

—"Generation 4-plus" fighter aircraft that challenge America's existing "4th Generation" inventory—and, thus, air superiority—with overwhelming numbers and advanced weaponry; sophisticated integration of electronic attack and advanced avionics; emerging low-observable technologies; and progressive, realistic, networked training.

—Increasingly lethal integrated air defense systems (IADS) that threaten both our Airmen and aircraft, and could negate weapons used to suppress or destroy these systems.
—Proliferation of surface-to-surface missiles with growing range, precision, mobility, and maneuverability that are capable of delivering both conventional and non-conventional warheads.
—Proliferation of unmanned aerial systems (UAS) capable of conducting low observable, persistent, intrusive missions in both lethal and non-lethal modes.
—Resurgence of offensive counterspace capabilities, including anti-satellite (ASAT) weapons, jamming, and blinding.
—Increasing ability of even marginal actors to surveil the disposition of United States and allied assets through widely-accessible, commercially-available means.

In the coming years our advantage will significantly diminish if we do not keep pace by fielding new 5th Generation fighters, modern bombers, and modern satellites in sufficient numbers to counter the development of advanced anti-air and anti-space technologies and the inevitable export of those capabilities to potentially hostile states and non-state actors. We must provide our Airmen with the most exceptional tools for battle in order to sustain a durable and credible deterrent against our adversaries.

Equally worrisome is the rapidly shrinking aerospace industrial base. Historically, America's strength and ability to capitalize on advances in air and space technologies hinged largely on its vibrant and diverse aerospace industry. This advantage has deteriorated over the last decade.

Beyond advantages in technology and operational concepts, America's commitments abroad require an expeditionary Air Force that can engage forward in peacetime and fight forward in wartime. While long-range bombers and missiles are the ultimate guarantor of United States security and power, expeditionary presence reflects United States power and is the indispensable source of local and regional assurance, dissuasion, deterrence, and, ultimately, sovereign options. Engaging forward in times of peace and fighting forward in times of war are hallmarks of United States national security strategy. Therefore, the Air Force must have sufficient resources and capability to continue to maintain a sustainable, rotational base. We must retain sufficient manpower and force structure to project influence.

The mechanism to accomplish this is the Air and Space Expeditionary Force (AEF) that provides Joint Force Commanders with a trained and ready air, space, and cyberspace force to execute their plans. United States influence flows from permanent and expeditionary basing and serves to assure allies of United States commitment while deterring our adversaries from threatening United States national interests. The Air Force works with Combatant Commanders and partner air forces to secure basing and counter potential anti-access strategies. We continue to develop new ways of projecting power without exposing vulnerabilities, and we design systems that facilitate reach-back, thus maximizing forward capability while minimizing forward footprint.

The Air Force can provide Global Vigilance, Global Reach and Global Power only so long as it possesses robust capabilities in such areas as air dominance; global strike; space superiority; intelligence, surveillance, and reconnaissance (ISR); missile defense; special operations; air mobility, and cyberspace superiority. Today, electronic communications constitute and connect all Joint and Coalition capabilities. In an information age, this network allows us to find our opponents, process the information, route it to where it is needed, and guide our munitions to their targets. Cyberspace vastly increases our capabilities but also presents a potential vulnerability our adversaries could exploit. Our enemies also increasingly use and depend on cyberspace systems. Safeguarding our own capabilities while engaging and disrupting the use and purpose of our opponents' capabilities is thus increasingly critical to modern warfare.

If the Air Force is to fulfill its crucial role, we must develop and maintain technological leads in the areas of air-superiority, anti-access penetration, and long-range reconnaissance and strike capabilities to hold at risk targets around the world. We must also field sufficient strike and full-spectrum mobility assets to assure dominance for the Joint Team. We must continue treating space as an operational domain by creating architectures and systems that allow us to provide the appropriate situational awareness and communications capability, giving strategic and tactical advantage to leadership at all levels. We must design and develop a force structure to operate in cyberspace to our benefit while holding adversaries at risk. While doing so, we will continue our series of cross-Service initiatives to enhance interoperability and avoid unnecessary duplication of acquisition, manning and operations.

WIN TODAY'S FIGHT

We remain committed, first and foremost, to fighting and winning the long Global War on Terror (GWOT), sustaining our current operations, and providing strategic defense of our Nation. We also continue to adapt our ability to deter adversary activities, detect enemy locations, and defeat them through direct or indirect actions when required—anywhere and at any time.

America's Airmen are key to Joint success and have proven their capabilities applicable and adaptable across the entire spectrum of conflict. They are the most battle-tested force in our history. Today's GWOT missions are only the latest in a succession of over 17 years of continuous combat and expeditionary operations, beginning with our initial Operation DESERT SHIELD deployments in August 1990; continuing with years of persistent conflict in Southwest Asia, Somalia, the Balkans, and Haiti; and through ongoing operations in Iraq, Afghanistan, and around the world. The past 17 years have clearly demonstrated success at any point along the spectrum of conflict requires air, space, and cyberspace superiority.

*Maintain Global Vigilance, Global Reach, and Global Power for America*

We are the Nation's premier multi-dimensional maneuver force, with the agility, reach, speed, stealth, payload, firepower, precision, and persistence to achieve global effects. Dominance of air, space, and cyberspace provides the essential bedrock for effective Joint operations.

Today's Air Force provides the Joint Force Commander a range of capabilities that set conditions for success. Our Airmen currently fly an average of over 300 sorties daily as part of Operations IRAQI FREEDOM and ENDURING FREEDOM (OIF/OEF). These sorties include Intertheater and Intratheater Airlift; Aeromedical Evacuation (AE); Aerial Refueling; Command and Control (C2); Intelligence, Surveillance, and Reconnaissance (ISR); Close Air Support (CAS); and pre-planned Strike.

Our Airmen operate on a global scale every day; Air Force engagement in the Central Command (CENTCOM) area of responsibility (AOR) is only the "tip of the iceberg." The complete picture of Air Force engagement includes Airmen deployed to contingencies outside of the Continental United States (OCONUS), forward deployed in Europe and the Pacific, and employed from their home stations as they execute global missions.

Furthermore, the Air Force is the only Service flying Operation NOBLE EAGLE (ONE) missions, which have been continuous since September 2001. America's Airmen fly fighters, tankers, and Airborne Warning and Control aircraft during daily Air Sovereignty Alert operations. America's Airmen also command and control these aircraft, maintaining vigilance and protection of America's air corridors and maritime approaches in defense of our Homeland.

Since 2001 the Active Duty Air Force has reduced its end-strength by almost 6 percent, but our deployments have increased over 30 percent—primarily in support of GWOT. Approximately 26,000 Airmen are deployed to over 100 locations around the world to fight in the GWOT at any given moment—fighting our enemies in their own backyard so they cannot come to ours. In addition, approximately 208,000 Airmen—178,000 Regular Air Force Airmen plus 30,000 Guard and Reserve Airmen—fulfill additional Combatant Commander (CCDR) requirements, missions and tasks 24 hours a day, 7 days a week. In other words, approximately 41 percent of our Total Force Airmen—including 54 percent of the Regular force—are globally contributing to winning today's fight and are directly fulfilling CCDR requirements everyday.

Whether controlling satellites, flying unmanned aerial vehicles (UAVs), standing strategic missile alert, or analyzing intelligence information, Airmen directly engage America's adversaries and affect events worldwide every day.

*Intelligence, Surveillance, and Reconnaissance*

Intelligence, surveillance, and reconnaissance (ISR) is the foundation of Global Vigilance, Global Reach, and Global Power. It cuts across all domains and affects almost every mission area. Today, ISR efforts make up the majority of the operations required to achieve our security objectives. These operations range from finding the enemy, to deconstructing its network and intentions, to making it possible to deliver weapons or other effects on target, to subsequently assessing the results of those efforts.

Intelligence, Surveillance, and Reconnaissance is the linchpin of our Effects-Based Approach to Operations (EBAO). It is impossible to accurately predict the effect of operations on an enemy system without good intelligence; nor can one assess the outcome of delivered effects without detailed surveillance and reconnaissance. Intelligence requirements for an effects-based approach to operations and effects-based

assessment (EBA) are much more demanding than the old attrition-based model. The increased intelligence detail necessary for EBAO/EBA makes focused reconnaissance and persistent surveillance operations ever-more crucial.

The Air Force has demonstrated its commitment to the importance of ISR by establishing a 3-star Deputy Chief of Staff for ISR, the Air Force ISR Agency, and formed a global organization for the processing of ISR data from a variety of sources. These initiatives demonstrate the Air Force has shifted the way it manages ISR capabilities from a Cold-War platform perspective to a 21st Century holistic capability-based approach.

*Strike*

In addition to our ONE missions over the Homeland, America's Airmen fly daily OIF and OEF missions, keeping a watchful eye on America's adversaries and providing lethal combat capabilities that take the fight to our enemies. In 2007, America's Airmen conducted nearly 1,600 strikes in Iraq and Afghanistan. In Iraq alone, Air Force strikes increased by 171 percent over the previous year, while in Afghanistan strikes increased by 22 percent. These increases clearly demonstrate the applicability, flexibility, and prevalence of Air Force combat options in ongoing OIF and OEF counterinsurgency operations.

Engaging directly is only a small portion of what the Air Force provides. To meet current and future challenges, we must maintain a credible deterrent that convinces potential adversaries of our unwavering commitment to defend our Nation, its allies and friends. One prominent example is our ICBM force—the United States nuclear arsenal continues to serve as the ultimate backstop of our security, dissuading opponents and reassuring allies through extended deterrence. Besides continuing the recapitalization of our fighter force, we must also modernize our bomber and ICBM forces.

*Space*

Space superiority, like air superiority, has become a fundamental predicate to Joint warfighting. Indeed, America's space superiority has completely transformed the way America fights. America's Airmen currently operate 67 satellites and provide command and control infrastructure for over 140 satellites in total, providing the Nation persistent global communications; weather coverage; strategic early warning; global Positioning, Navigation and Timing (PNT); signals and ISR capabilities—all vital to Joint success.

Space superiority relies on assured access to space, and Air Force launch programs continue to provide this capability. In 2007, we extended our record to 56 straight launch successes, including deployment of two new Global Positioning System (GPS) satellites. Also in 2007, we successfully launched the first operational Evolved Expendable Launch Vehicle (EELV) heavy lift rocket. This rocket deployed the final satellite in the Defense Support Program (DSP) constellation of ballistic missile warning satellites.

*Airlift*

Airlift is an Air Force core competency, and our Airmen prove it everyday. Air Force airlifters—both Intertheater and Intratheater—have become absolutely indispensable to Joint Forces in Iraq and Afghanistan as well as to crisis response planners and responders in the wake of natural disasters both at home and abroad. The Air Force gives America an air bridge—a strategic asset providing operational reach—making possible the deployment and employment of Joint combat power and humanitarian relief.

Airmen provide the Nation's ground forces with the tactical, operational, strategic, and logistical reach to rapidly deploy, deliver, supply, re-supply, egress, and evacuate via air anywhere in the world. In Iraq, Air Force airlift delivers approximately 3,500 equivalent truckloads of cargo in an average month, taking more than 8,600 people off dangerous roads and providing the Army and Marine Corps the flexibility to re-assign those vehicles and associated support troops to alternate missions and safer routes.

*Aeromedical Evacuation*

Air Force Aeromedical Evacuation (AE) is a Total Force, combat-proven system contributing a unique, vital capability to the Joint fight. AE and enroute care are built on teamwork, synergy, and Joint execution, providing Soldiers, Sailors, Marines, Coast Guardsmen, and Airmen the highest casualty survival rates in the history of warfare. Casualties treated in our deployed and Joint theater hospitals have an incredible 97 percent survival rate.

Since late 2001, we have transported more than 48,500 patients from the CENTCOM AOR to higher levels of care. We continue to refine this remarkable capability and the enroute care system built upon our expeditionary medical system.

*Joint Force Land Component Tasks*

Of the approximately 26,000 Airmen currently deployed in the CENTCOM AOR, over 6,200 are performing tasks and missions normally assigned to the Land Component—also known as "In Lieu Of" (ILO) tasks. Airmen currently fill other Services' billets in some of their stressed skill areas and are taking on tasks outside Air Force core competencies. Since 2004 we have deployed approximately 24,000 Airmen in support of such ILO tasks, and we expect a steady increase in that total.

In addition to the 6,200 Airmen currently deployed supporting ILO taskings, over 1,000 Airmen are "in the pipeline" for ILO Task training at any given time. Within the Joint Team, Airmen provide the Joint Force Commander distinctive skills. While complementary, these skills are not interchangeable amongst the team, thus Airmen require ground-centric combat training to accomplish ILO taskings. This training increases personnel tempo (PERSTEMPO) for our Airmen, but, more importantly, ILO tasks and training consumes critical training time, resources, manpower, and in some cases reduces overall proficiency in Air Force core mission areas. In many cases, Air Force career fields already at critical manning levels are further affected by unit deployment rates of as high as 40 percent, primarily filling ILO taskings. Such high deployment rates from units cannot be absorbed without putting at risk the critical missions and capabilities the Air Force provides our Nation. This situation creates additional risk to the critical missions the Air Force performs and capabilities the Air Force provides our Nation.

*Strengthen Global Partnerships*

Fighting and winning the GWOT requires commitment, capability, and cooperation from our allies and partners around the world. We depend on them to secure their territory, support regional stability, provide base access and overflight rights, and contribute a host of air, space, and cyber power capabilities as interoperable Coalition partners.

So America's strategic partnerships are more important than ever. Our Air Force will strengthen and broaden international relationships, capitalizing on the global community of like-minded Airmen while attending to interoperability between allies and partners. Building these relationships not only expands, extends, and strengthens Global Vigilance, Global Reach, and Global Power, but also leverages the Air Force's value as an engine of progress and, thus, as a potent instrument of America's diplomacy in an increasingly interconnected world.

The Air Force strives to develop synergistic, interoperable air forces utilizing a capabilities-based approach. Foreign Military Sales and Direct Commercial Sales allow our partners to operate common systems with the Air Force while providing a vehicle to expand relationships with our international partners. Some recent examples of mutually beneficial agreements include Australian, Canadian, and British selection of C–17 Globemaster III airlifters; international participation in the F–35A Lightning II Joint Strike Fighter (JSF) program and the Advanced Extremely High Frequency (AEHF) satellite communications program; British Royal Air Force procurement of MQ–9 Reaper UAVs; and Australian participation in the Wideband Global SATCOM (WGS) system. Future opportunities for partnerships—with platforms such as UAVs, C–17s, C–130Js, and the new C–27—can open doors for greater interoperability, personnel exchanges, common doctrine, and training.

In addition to integrating international partners into the most robust combat training scenarios, we maintain our commitment to the pursuit of partnerships for greater global cooperation, security, and stability. We recently held the 3rd Global Air Chiefs Conference in Washington, DC, which gave over 90 international Air Chiefs the opportunity to learn, understand, and share concerns and issues with fellow Airmen from around the world. We are also making strides to improve language expertise and cultural understanding through deliberate development of Airmen in the International Affairs Specialist program, expanding Military Personnel Exchange Program, and cultivating skilled and knowledgeable attache.

The Air Force's approach to operations, interoperability and training exemplify our global, international, and expeditionary perspective—built on the shared traditions of airmanship that transcend geographic boundaries.

TAKE CARE OF OUR PEOPLE

Any organizational renaissance begins with people. We must prepare our Airmen for a future fraught with challenges, fostering their intellectual curiosity and ability to learn, anticipate, and adapt. Because our expeditionary Airmen must be prepared

to deploy and ready to fight, we are revitalizing the world's most advanced training system and expanding their educational opportunities. While we enrich our Airmen's culture, leadership, training, education, and heritage, we will also continue to care for their families and provide for their future.

Our Airmen are our most precious resource. They must be well-trained and ready for expeditionary warfighting responsibilities. Fiscal constraints dictate that we continue to carefully shape the force. Additionally, within the context of rising costs, we remain committed to providing the highest possible quality of life standards and charting out a career full of education and training for each Airman. We will continue our emphasis on recruiting and retaining the world's highest quality Airmen. Additional Air Force high priority efforts serve to reinforce a warrior ethos throughout our Service, provide proactive force health protection, and encourage Air Reserve Component (ARC) volunteerism.

Spanning six decades of Air Force history, particularly over the past 17 years, our Airmen have proven themselves as the global first responders in times of crisis—taking action anytime, anywhere. The foundations for this well-deserved reputation are the quality and frequency of the training and education we provide and our commitment to the highest possible safety and quality of life standards.

*Shape the Force*

Ultimately, we must produce a Total Force that is sized and shaped to consistently meet current and future requirements—balanced against the compelling need to maintain high quality of life standards—to meet the global challenges of today and tomorrow.

During the 1990s, while engaged in continuous combat, the Air Force suffered a seven year "procurement holiday." Today, fiscal constraints have tightened as energy and health care costs have continued to increase dramatically.

In late 2005, the Air Force reduced its end strength by 40,000 Active Duty, Guard, Reserve and civilian Full-time Equivalents (FTEs) in order to self-finance the vital re-capitalization and modernization of our aircraft, space, and missile inventories. End strength reduction by 40,000 FTEs over a 3-year period was our only viable alternative to preserve the required investment capital.

Our Force Shaping efforts have placed us on a path to meet our end strength targets. However, personnel changes of this magnitude come with a degree of uncertainty and difficulty for our Airmen and their families. We are making every effort to use voluntary measures to shape the force with the right skills mix, increase manning in stressed career fields, leverage new technologies, and refine our internal processes to reduce workload and reduce or eliminate unnecessary work through Air Force Smart Operations 21 (AFSO21).

We have reduced our Air Force end strength using a methodology that has preserved a strong expeditionary capability. Our AEF construct provides an enterprise view of Service risk that synchronizes our resources and assets to support our global requirements. However, reducing Air Force end strength further, coupled with ILO taskings for the foreseeable future, carries considerable risks of "burning out" our Airmen in several critical expeditionary career fields as well as limiting our future national options to meet global mission requirements in an increasingly volatile world.

*Ensure Highest Quality of Life Standards*

Our "People" priority demands we ensure the quality of life we offer our Airmen meets the highest possible standards. Because the nature of our Air Force mission demands a highly educated, trained, and experienced force, we recognize the direct linkages between quality of life issues and their impact on our recruiting, retention, and, ultimately, our mission capability.

*Housing and Military Construction*

Air Force investments in housing underscore our emphasis on developing and caring for Airmen. Through Military Construction (MILCON) and housing privatization, we are providing higher quality homes faster than ever. With the fiscal year 2009 funding, we will revitalize more than 2,100 homes through improvement or replacement. We are on track to meet our fiscal year 2009 goal of eliminating inadequate housing at overseas locations.

MILCON is an essential enabler of Air Force missions; however, due to fiscal constraints, we must reduce funding and accept greater risk in facilities and infrastructure in order to continue our efforts to recapitalize and modernize our aging aircraft and equipment. However, our new construction projects are state of the art, incorporating energy efficient features and sustainable designs. We have prioritized the most critical requirements to support the Air Force and DOD requirements. Our

MILCON plan supports these priorities by focusing on new mission beddowns, training, and depot transformation, as well as dormitory and child care center upgrades.

*Joint Basing*

The Air Force has a long and successful history of working toward common goals in a Joint environment without compromising Air Force principles and the well-being of our people. Joint Basing initiatives are no exception. To guarantee success, each Joint Base should be required to provide a suitable setting to all of its assigned personnel, their families, and other customers within the local communities our bases support.

To accomplish this, we advocate establishment of a common Joint Base quality of life standard. Our Airmen, Soldiers, Sailors, Marines, DOD Civilians and their families will benefit from efficient, consistent installation support services. Such standards will ensure the Air Force and our sister Services continue to provide all personnel with the level of installation support services they deserve. As we work with the Office of the Secretary of Defense and our sister Services, we will ensure all Joint Basing initiatives contribute to the DOD's ability to perform its mission. We will also safeguard against potential negative impacts to the Joint and Air Force approach to mission performance.

To do this, we will have to work through the transfer of TOA and real property without eroding the local installation commander's prerogatives relative to satisfying mission and training requirements, optimizing installation resources, tailoring installation services to local needs, and prioritizing MILCON funding. We will also have to work through the transfer without reducing the combat capability our bases generate, installation service support standards, or the quality of life for Service members, their families, and other customers of these services.

We look forward to establishing a BRAC-envisioned executive agency agreement involving local leaders and the local unit commander. Such an agency, combined with elimination of duplicate offices and administration of centrally agreed standards, would improve efficiency while safeguarding mission requirements and quality of life for families and Service members. We believe the natural, direct feedback and tension between a service provider and a paying customer is the best model to drive efficiency and cost savings.

The Air Force remains committed to ensuring that all bases, Joint or otherwise, maintain their capability to perform their missions and meet our quality of life standards. We want Joint Bases to be so efficient and effective that an assignment to a Joint base would be a highlight for every Service member.

*Recruit, Train, and Retain Highest Quality Airmen*

The Air Force is the "Retention Service"—we recruit, train, develop, and retain the best America has to offer. Our emphasis on retention stems from the high technical and operational expertise required of our personnel. The high morale, cohesiveness, and capability of the Air Force are due to our efforts to retain a highly experienced, educated, and skilled force.

The Air Force has never lowered its recruiting standards. We continue to recruit and choose the best America has to offer from our diverse population. Our recruiting and retention figures remain impressive, clearly indicating our success to date and the effectiveness of the Air Force's holistic approach to quality of life, recruiting, and retention. This success reaffirms our commitment to long-term family support efforts, education, and training.

While we recruit Airmen, we retain families. We believe our Airmen should never have to choose between serving their country and providing for their families. Quality of life and family support are critical elements of our overall effort to retain high quality Airmen. As part of our efforts to maintain high quality of life standards, we are concerned with the hardships facing our Air Force families resulting from the frequent moves our Airmen and other Service members make throughout their careers. We applaud ongoing Congressional and interstate efforts addressing such issues as transfer of educational credits for military members and dependents, professional certifications for military spouses, and economic support for military families coping with spousal income disadvantages.

Additionally, Air Force training initiatives continue to evolve, improving our ability to develop and retain the world's best air, space, and cyberspace warriors. We are concentrating our efforts to reprioritize Air Force professional education opportunities to reflect a balance between winning today's fight and preparing for tomorrow's challenges.

Tuition assistance continues to be a strong incentive that helps ensure we meet our recruiting and retention goals. We believe voluntary education, facilitated with tuition assistance, not only aids in recruiting and retention, but further reinforces

national strength and richness by producing more effective professional Airmen and more productive American citizens for the Nation, both during their enlistment and their eventual return to civilian life.

Within the last 2 years we have taken several initiatives to "intellectually and professionally recapitalize" our Airmen. We are developing leaders with the management acumen, cultural sophistication, international expertise, and language skills to successfully lead a diverse, globally engaged force. Air Education and Training Command and Air University are leading our efforts to reinvigorate the world's most advanced educational system for Airmen by expanding our full-spectrum educational opportunities.

Finally, we optimized and expanded our training regimes to take advantage of more modern methods and broader scope in our live exercises. RED FLAG exercises now offer two venues, Nevada and Alaska, with varied environments; take advantage of Distributed Mission Operations technologies; include Total Force Airmen from the Regular and Reserve Components; and offer the full range of integrated operations, offering realistic training for warriors from across the Services, Components, and our international partners.

PREPARE FOR TOMORROW'S CHALLENGES

In addition to taking care of our Airmen and training them for the full-spectrum challenges we expect this Century, it is also our responsibility to ensure our Airmen have the weapons and equipment necessary to provide for our Nation's defense.

The United States cannot take advantages in air, space, and cyberspace for granted. Today, we are already being challenged in every warfighting domain. The Air Force is actively formulating innovative operational concepts to anticipate, adapt to, and overcome future challenges. We are transforming our thinking from considering the space and cyber domains as mere enablers of air operations to a holistic approach that recognizes their interdependence and leverages their unique characteristics. We will continue to push this conceptual envelope and expand the boundaries of existing tactics, techniques, and procedures to fully exploit the synergies of cross-domain dominance.

But we cannot hone America's edge without modernizing the Air Force's air, space, and cyberspace capabilities. We are therefore pursuing the biggest, most complex, and most important recapitalization and modernization effort in Air Force history. These programs will gain and maintain militarily important advantages for our Nation for the coming decades.

*Top Acquisition Priorities*

The Air Force's top acquisition priorities begin to address our critical recapitalization and modernization needs—the new Tanker (KC–X); the new Combat Search and Rescue helicopter (CSAR–X); modern space systems to provide capabilities vital to our Joint warfighters; the F–35A Joint Strike Fighter; and a new Bomber we plan to field by 2018.

Additional high-priority acquisition programs include F–22 5th Generation fighter production; C–17 production; continued production of the C–130J and introduction of the C–27 intratheater airlifter; and expansion of the MQ–1 Predator, MQ–9 Reaper, and RQ–4 Global Hawk UAV inventories.

*New Tanker (KC–X)*

The KC–X is our highest procurement priority. It is critical to the entire Joint and Coalition military team's ability to project combat power around the world, and gives America and our allies' unparalleled rapid response to combat and humanitarian relief operations alike. KC–X tankers will provide increased aircraft availability, more adaptable technology, more flexible employment options, and greater overall capability than the current inventory of KC–135E and KC–135R tankers they will replace. It is imperative we begin a program of smart, steady reinvestment in a new tanker—coupled with measured, timely retirements of the oldest, least capable KC–135E tankers—to ensure future viability of this unique and vital United States national capability.

*New Combat Search and Rescue Helicopter (CSAR–X)*

The Air Force organizes, trains, and equips dedicated forces for the Combat Search and Rescue (CSAR) mission. The Air Force must recapitalize our CSAR forces to maintain this indispensable capability for the Nation and the Joint Team. Purchasing the entire complement of programmed CSAR–X aircraft will relieve the high-tempo operational strain placed on the current inventory of aging HH–60G Pave Hawk helicopters.

The CSAR mission is a moral and ethical imperative. Airmen are responsible for safely securing and returning our Airmen and members of the Joint and Coalition team. The CSAR–X helicopter will provide a more reliable, more responsive capability for rapid recovery of downed, injured, or isolated personnel in day or night, all weather and adverse conditions, as well as support non-combatant evacuation and disaster relief operations.

*Space Systems*

Air Force communications, ISR, and geo-positioning satellites are the bedrock of the Joint Team's ability to find, fix, target, assess, communicate, and navigate. While many of our satellites have outlived their designed endurance, they are generally less durable than other platforms and sensors. Over the next 10 years we must recapitalize all of these systems, replacing them with new ones that enhance our capabilities and provide mission continuity, maintaining the asymmetric advantages our space forces provide our Nation.

The WGS system, AEHF, and the Transformational Satellite Communications (TSAT) program will assure a more robust and reliable communications capability designed to counter emerging threats and meet expanding Joint communications requirements.

The GPS II–F and III programs will add a more robust PNT capability to America's established GPS constellation. GPS III will utilize a block approach to acquisition and will deliver enhanced civil and military PNT capabilities to worldwide users.

The Space Based Infrared System will enhance the Air Force's early warning missile defense, technical intelligence, and battlespace awareness capabilities through improved infrared sensing, missile warning, and data processing.

The Air Force will continue to develop space situation awareness (SSA) capabilities to help protect space assets from future threats. We are also pursuing more robust space protection measures to warn of attacks, provide redundant command and control, harden electronics, and defend against direct attacks. The Space Based Space Surveillance (SBSS) system will be the first orbital sensor with a primary mission of SSA. This system, along with other developments such as the Rapid Attack Identification Detection and Reporting System will improve our ability to characterize the space environment—the friends and foes operating in it, and the objects traversing it.

*F–35A Lightning II (Joint Strike Fighter)*

The F–35A Lightning II will be the mainstay of America's future fighter force, providing an affordable, multi-role complement to the F–22 Raptor. In addition to fielding advanced combat capabilities, the Lightning II will also strengthen integration of our Total Force and will enhance interoperability with global partners.

The F–35A Lightning II boasts 5th Generation, precision engagement, low-observable (stealth), and attack capabilities that will benefit not only the Air Force, but also the Navy, Marines, and our international partners involved in the program. The F–35A is the Conventional Take-off and Landing (CTOL) variant, and it will replace, recapitalize, and extend Air Force F–117, F–16, and A–10 combat capabilities. The F–35A also serves as the recapitalization program for our international partners' aging F–16s, F–18s, and other 4th Generation fighter aircraft.

Complete dominance of the air and freedom of maneuver for the entire Joint force demand the complementary capabilities of the F–22 and F–35A 5th Generation of fighters. Together, they promise the ability to sweep the skies, take down the enemy's air defenses, and provide persistent, lethal air cover of the battlefield. The leading edge capabilities of the F–35A, in development and low rate production now, will provide an affordable, Joint Service, international complement to the F–22.

*New Bomber*

Range and payload are the soul of an Air Force. These capabilities, along with precision, lethality, survivability, and responsiveness are fundamental to modern strategic military deterrence, and apply across the full range of military operations—from tactical to strategic, kinetic to non-kinetic. And yet our Nation has just 21 bombers currently capable of penetrating modern air defenses. Even these B–2 Spirit stealth bombers have limitations and will become relatively less capable and less survivable against advanced anti-access technologies being developed and fielded around the world. Furthermore, our current bomber inventory is becoming more costly to operate and maintain. Indeed, some suppliers for spare parts no longer exist.

The Air Force is therefore pursuing acquisition of a new Bomber by 2018 and in accordance with Quadrennial Defense Review goals for long range strike capability. This next generation bomber will feature stealth, payload, and improved avionics/

sensors suites, and will incorporate highly advanced technologies. It will also bring America's bomber forces up to the same high standard we are setting with our F–22 and F–35A 5th Generation fighters, and ensure our bomber force's ability to fulfill our Nation's and the Combatant Commanders' global requirements.

*Improve our Global Vigilance, Global Reach, and Global Power*

Because Global Vigilance, Global Reach, and Global Power constitute America's edge, we must continually hone our ability to provide them. Our acquisition programs aim to broaden Global Vigilance, extend Global Reach, and strengthen Global Power advantages for America.

*Broaden Global Vigilance*

The Air Force provides the global eyes and ears of the Joint Team and our Nation. Using a vast array of terrestrial, airborne, and spaceborne sensors, we monitor and characterize the earth's sea, air, space, land, and cyberspace domains around the clock and around the world. The information collected through surveillance and reconnaissance, and converted into intelligence by exploitation and analysis, is used to formulate strategy, policy, and military plans; to develop and conduct campaigns; guide acquisition of future capabilities; and to protect, prevent, and prevail against threats and aggression aimed at the United States and its interests. It is relied upon at levels ranging from the President and senior decision makers to commanders in air operations centers to ground units engaged with the enemy to pilots dropping precision-guided munitions.

The future vision of all the United States military Services is information-driven. Success will hinge on America's integrated air, space, and cyberspace advantages. Air Force assets like the E–8C Joint Surveillance Target Attack Radar System, E–3 Airborne Warning and Control System, RC–135 Rivet Joint, RQ–4 Global Hawk, MQ–1 Predator, and our constellations of satellites contribute vital ISR capabilities and networking services that are integral to every aspect of every Joint operation. Our recapitalization and modernization plan aims to dramatically increase the quantity and quality of ISR capabilities, products, and services available to the Joint Team and the Nation. Our recapitalization efforts are focused on extending the lifespans and capability sets of our workhorse platforms, such as the RC–135 Rivet Joint and several space-based assets. We are also working to find and leverage previously untapped ISR capabilities such as those on fighters carrying targeting pods. Finally, we have made a concerted effort to ensure the viability of Air Force space communications, PNT, early warning missions, and SSA capabilities to provide uninterrupted mission continuity for America and our allies.

*Extend Global Reach*

America's Airmen provide the long legs and lift for Joint warfighters' rapid global mobility as well as the long arms for global strike and high endurance for global persistence and presence. On a daily basis, Air Force intertheater and intratheater airlift and mobility forces support all DOD branches as well as other Government agency operations all over the world. Yet the increased demand for their capabilities and their decreased availability underscore the critical need for tanker recapitalization and investment to ensure the long-term viability of this vital national capability.

*Strengthen Global Power*

The United States Air Force provides the ability to achieve precise, tailored effects whenever, wherever, and however needed—kinetic and non-kinetic, lethal and nonlethal, at the speed of sound and soon at the speed of light. It is an integrated cross-domain capability that rests on our ability to dominate the air, space, and cyberspace domains.

The Global Power advantages the Air Force provides the Joint Team ensure freedom of maneuver, freedom from attack, and freedom to attack for the Joint Team. However, failure to invest in sufficient quantities of modern capabilities seriously jeopardizes these advantages and risks the lives of our Soldiers, Sailors, Airmen, and Marines.

*Retire Aging, Worn-Out Aircraft*

The Air Force has been in continuous combat since 1990—17 years and counting—taking a toll on our people and rapidly aging equipment. While we remain globally engaged, we recognize the imperative of investing in the future through recapitalization and modernization. Beyond fielding new aircraft, we must also retire significant portions of our oldest, most obsolete aircraft if we are to build a modern, 21st Century Air Force. Our aircraft inventories are the oldest in our history, and are more difficult and expensive to maintain than ever. They require a larger foot-

print when deployed, and are significantly less combat-capable in today's increasingly advanced and lethal environment. In the years ahead they will be less and less capable of responding to or surviving the threats and crises that may emerge.

Since 2005, we have attempted to divest significant numbers of old, worn out aircraft. However, legislative restrictions on aircraft retirements remain an obstacle to efficient divestiture of our oldest, least capable, and most costly to maintain aircraft. Lifting these restrictions will alleviate considerable pressure on our already constrained resources that continue to erode our overall capabilities.

*Preserve America's Aerospace Industrial Base*

America's public and private aerospace industrial base, workforce, and capabilities are vital to the Air Force and national defense. The aerospace industry produced the brainpower, innovations, technology, and vehicles that propelled the United States to global leadership in the 20th Century. The aerospace sector gave birth to the technologies and minds that have made the information age a reality. This key industrial sector continues to lead and produce the technologies and capabilities America needs to safeguard our future.

Yet this vital industry has deteriorated over the last decade. We have witnessed an industry consolidation and contraction—from more than ten domestic United States aircraft manufacturers in the early 1990s to only three prime domestic aircraft manufacturers today. Without funding, in the coming decade production lines will irreversibly close, skilled workforces will age or retire, and companies will shut their doors. The United States aerospace industry is rapidly approaching a point of no return. As Air Force assets wear out, the United States is losing the ability to build new ones. We must reverse this erosion through increased investment.

We must find ways to maintain and preserve our aerospace industrial capabilities. We must maintain national options for keeping production lines open. Complex 21st Century weapons systems cannot be produced without long lead development and procurement actions. Additionally, we must continue our investment in a modern, industrial sustainment base. Air Force depots and private sector maintenance centers have played vital roles in sustaining our capabilities and have become models of modern industrial transformation. We are fully committed to sustaining a healthy, modern depot level maintenance and repair capability.

Furthermore, we must recognize that these industry capabilities represent our national ability to research, innovate, develop, produce, and sustain the advanced technologies and systems we will continue to need in the future. This vital industrial sector represents a center of gravity and single point vulnerability for our national defense.

*Extend C–130J Production Line*

Acquisition programs set the stage to field future capabilities. So we must make prudent decisions to maintain current production of advanced systems in order to reach required force structure goals and provide a hedge against future uncertainty. We must maintain and extend the existing production lines for C–130J intratheater airlifters. This aircraft represent America's best technology and capability.

We strongly recommend taking action to ensure these vital production lines remain open. Maintaining current production lines will be critical to revitalizing our force structure, setting conditions for future success, and providing America with the option—should conditions dictate—to produce additional modern, advanced technology aircraft without having to start from square one.

*Strengthen Total Force Integration*

The Air Force is dedicated to ensuring our States and Nation get the most combat effective, most efficient force possible to accomplish our mission faster and with greater capacity, around the world and at home. We believe integrating our Total Force is the best way to do that.

America's Airmen set the DOD standard for Reserve Component integration. The Air Reserve Component (ARC)—comprised of the Air National Guard (ANG) and the Air Force Reserve Command (AFRC)—is an operational reserve and an essential element of the United States Air Force. We are developing concepts, strategies, force management policies and practices, and legal authorities to access sufficient ARC forces without the need for involuntary mobilization. Though the Air Force is already the model for melding its Guard, Reserve, and civilians with its Regular Air Force elements, we can and will push this synergy to new levels.

A distinguishing hallmark of the Air Force is the ease with which Total Force Airmen work seamlessly together at home and abroad. From the first Reserve Associate unit in 1968 to the full integration of Guard and Reserve units into the AEF in the 1990s, the Air Force has a well-established history of employing Airmen from all components in innovative and effective ways.

Total Force Integration (TFI) represents a long-term Air Force commitment to transformation. TFI maximizes the Air Force's overall Joint combat capability, forming a more cohesive force and capitalizing on the strengths inherent within Regular, Guard and Reserve elements. Including the ARC in emerging mission areas increases the Air Force's ability to retain critical skills should Airmen decide to transition from the Regular Air Force to the ARC. We will continue to review policies and practices—through our Continuum of Service initiative—to optimize sustainment support to the warfighting force and further integrate personnel management across the Total Force. TFI will be critical to meeting the challenges of competing resource demands, an aging aircraft inventory, and organizing, training, and equipping for emerging missions.

We are leveraging our Total Force to the greatest extent ever. We expect the Total Force to produce the vanguard elements we will need as we expand our leading role in cyberspace and explore new cyber technologies. Many of our most experienced cyber warriors, having attained the high level of expertise required to excel in this domain, are found in our Guard, Reserve, and Civilian ranks.

*Total Force Roadmap*

As an integral element of our procurement efforts, we have built a global Total Force Roadmap for acquiring and basing new aircraft and equipment. Just as our AEF construct seamlessly draws upon all of the Total Force components, the beddown of future Air Force aircraft and equipment integrates Regular, Guard and Reserve Airmen beginning with the first phases of production and basing through Full Operational Capability.

The Roadmap represents a more efficient and flexible force structure. Although the Air Force will have a smaller total aircraft inventory compared to our current inventory of aircraft, overall Air Force capabilities will increase with each next-generation weapons system. In numerous instances, the potential locations will capitalize on Total Force Integration efforts, creating innovative organizational arrangements among Regular, Guard, and Reserve components. This effort takes advantage of the inherent strengths of each component.

The Air Force Roadmap provides a planning construct for the future which, if adequately resourced, will result in the required force structure that will give our Nation the best capability for Global Vigilance, Global Reach, and Global Power across the globe; to reassure allies, to dissuade, deter, and defeat adversaries; and to protect the Homeland.

*Secure the Future*

To maximize the potential advantages of our programs in the future, the Air Force is engaging in multiple initiatives to better organize, train, and equip our forces. Whether harnessing the complementary capabilities of the F–22 and F–35A programs to provide Air Dominance for the Joint Team; strengthening our National Security Space Enterprise; leading efforts to acquire interoperable Unmanned Aerial Systems (UAS); developing Cyber Warriors; or pursuing alternative energy solutions with environmentally safe production processes, the Air Force continues to investigate and embrace opportunities to secure Global Vigilance, Global Reach, and Global Power for our Nation's future.

*Strengthen Joint Air Dominance*

America's Airmen are understandably proud of their contributions to the Joint fight. Airmen have prevented enemy aircraft from inflicting any United States ground force casualties for over 50 years, and our Nation must maintain the required capability advantages to continue this record in the future. With advancing technology and proliferating threats, the Nation also needs the right equipment for the Homeland Defense mission to protect civilians on American soil.

The F–22 Raptor and the F–35A Lightning II JSF are leading-edge, modern, 5th Generation fighters. They are not modernized versions of old designs. These aircraft reap the benefits of decades of advanced research, technology development, open architecture design, and operational experience. These fighters are furthermore designed to be complementary—the F–22 being superior in speed and maneuverability, and the F–35A being optimized for ground attack and multi-role capabilities. These fighters will provide the advanced warfighting capabilities, aircraft system synergies, and the flexibility and versatility required in future environments and engagements.

Currently in production and fully operational with Total Force units in Virginia and Alaska, and with units planned for New Mexico and Hawaii, the F–22 is the newest member of the Air, Space, and Cyber Expeditionary Force. Airmen are putting the Raptor through its paces—flying and deploying the world's first and only operational 5th Generation fighter. Its attributes of speed, stealth, maneuverability,

internal weapons carriage, advanced sensors, and adaptable, integrated avionics will meet our Nation's enduring national security requirements to gain and maintain Joint air dominance in anti-access environments; provide powerful sensing capabilities and battlespace situational awareness; and precisely engage a broad range of surface targets.

It is vital to our national interests that 5th Generation fighter production capability be preserved. This year the F–35A will continue development and begin its ramp-up to full rate production in 2014. Continuing production ensures the aerospace industry keeps its technical edge, maintains an able workforce to respond to uncertainties, and preserves critical skills and production suppliers. Uninterrupted production in sufficient numbers of 5th Generation fighters remains the lowest risk strategy and best future guarantee for homeland air sovereignty and Joint air dominance.

*Lead Joint Unmanned Aircraft System Operational Development*

The Air Force is the world leader for successful, innovative, and effective development, acquisition, and operation of Unmanned Aircraft (UA) and the UAS that incorporate UAs and the command and control (C2) networks and equipment to employ them. Future successful Joint UAS acquisitions and operations hinge upon execution of three critical elements, which align cohesively with Joint doctrine:

*Develop Joint UA CONOPS*.—UA operators serve the global Joint mission through interoperability and interdependence. Globally- and Jointly-integrated UAS operations and capabilities—from strategic to tactical—are necessary for Joint success. CONOPS development must focus on accomplishing the Joint mission as opposed to serving functional components.

*Standardize and Streamline UAS Acquisitions*.—We must develop an affordable Joint acquisition strategy for future UAS development, organization, and employment. Air Force acquirers and operators pioneered UAS development and application in Joint warfare, and have established best practices for organizing, training, standardizing, and equipping the world's most effective UAS operations squadrons.

*Ensure Airspace Control and Awareness*.—Presentation of UA forces and capabilities must meet Joint Commander requirements and objectives. "Organic ownership" of UAS capabilities is irrelevant in the context of the Joint fight and the Joint Forces Air Component Commander's authority and responsibility to control Joint airspace. Homeland operations are also becoming increasingly important. We are working with all the Services and the Department of Transportation to establish Federal Aviation Administration Certifications for UA operations within approved civil airspace.

*Lead the National Security Space Enterprise*

Our Nation depends on its space capabilities as an integral part of its military strength, industrial capability, and economic vitality. As DOD Executive Agency for Space, the Air Force will continue to ensure mission continuity in critical areas of communications, PNT, early warning, SSA, and ISR. We will also continue efforts to strengthen National Space integration and collaboration across DOD, with the intelligence community, our interagency partners and our international partners.

Of particular note are our efforts to strengthen America's space professionals and science and engineering workforce. These professionals will form the fundamental corps who will lead our space efforts to success in the future by integrating enterprise level architectures; designing, developing, acquiring, and fielding new systems; and operating in a dynamic and potentially contested environment.

Additionally, the Air Force is developing capabilities to quickly respond to the urgent needs of Combatant Commanders. Operationally Responsive Space (ORS) is a tiered capability consisting of spacecraft, launch vehicles, and terrestrial infrastructure employed in concert to deliver a range of space capabilities to responsively meet Combatant Commander requirements in times of war, conflict, or crisis.

Finally, the Air Force is committed to improving its space acquisitions, focusing on flexibility and affordability. Success in this endeavor depends on achievable requirements, appropriate resources, disciplined systems engineering, and effective program management. We focus all of these efforts through a disciplined block delivery approach tying together basic Science and Technology (S&T), technology development, systems development, and system production efforts so concepts first evaluated in S&T will enable a systematic transition from development to operations.

*Lead Cyberspace Operational Development*

Current and potential adversaries already operate in cyberspace, exploiting the low entry costs and minimal technological investment needed to inflict serious harm in and through cyberspace. State and non-state actors are already operating within cyberspace to gain asymmetric advantage.

In April 2007, Estonia was the victim of a barrage of cyber attacks which brought its technologically sophisticated government to a virtual standstill. Insurgents in Iraq, Afghanistan, and elsewhere exploit electronics and the electromagnetic spectrum to kill and maim through improvised explosive devices (IEDs) and propagate their message of hate to the world. Thus, the ability to inflict damage and cause strategic dislocation no longer requires significant capital investment, superior motivation and training, or technological prowess.

We seek to deny our adversaries sanctuary in cyberspace while assuring our access to and freedom to operate in this domain. Our Nation's ability to achieve effects in air, in space, on land, and at sea depends on control of and freedom of maneuver in the cyber domain.

As part of a larger effort to address this need, the Air Force stood up a Provisional Air Force Cyberspace Command (AFCYBER) on 18 September 2007. Our current plan is to activate the AFCYBER MAJCOM on 1 October 2008. The newly designated AFCYBER will consolidate and integrate Air Force cyber capabilities to prepare them to function across the spectrum of conflict. These capabilities will include, but are not limited to: electronic warfare; network warfare; global command and control (C2) integration, and ISR enhancement.

We will continue to develop and implement plans for maturing cyber operations as an Air Force core competency. Our objective is to provide flexible options to national decision-makers to deter, deny, disrupt, deceive, dissuade, and defeat adversaries through destructive and non-destructive, lethal and non-lethal means.

*Assure Sustainable Energy*

We are pursuing an aggressive energy strategy and are committed to meeting and surpassing the energy goals mandated by the Energy Policy Act of 2005 (EPAct 05) and other national policies. We continue to pursue a variety of programs aimed at reducing our use of fossil fuels and controlling cost growth. Our vision emphasizes a culture in which all Airmen make energy conscious decisions. We aim to implement our vision with solutions that include alternate sources of domestic energy as well as an aggressive drive for greater efficiency in our facilities, vehicles, and aircraft.

Following Presidential direction to reduce dependence on foreign oil, the Air Force is aggressively pursuing a broad range of energy alternatives. As the DOD's leading consumer of jet fuel, we are currently engaged in evaluating alternative fuels and engine technologies leading to greater fuel efficiency. We have certified the B–52 to fly on a synthetic fuel blend, and are on track to certify the C–17 and B–1 in 2008, the F–22 in 2009, and the remainder of all of our aircraft expected to be certified by early 2011. In fact, on December 17, 2007—the 104th anniversary of the Wright Brothers' first flight at Kitty Hawk, NC—a McChord AFB, Washington-based C–17 flew the first transcontinental flight on synthetic fuel (a 50/50 blend). The Air Force goal is to acquire 50 percent of its CONUS aviation fuel via a synthetic fuel blend utilizing domestic sources. Our intent is to require synthetic fuel purchases be sourced from environmentally-friendly suppliers with manufacturing facilities that engage in carbon dioxide capture and effective reuse. In addition, the Air Force is testing renewable fuel resources that will lower $CO_2$ emissions significantly compared to petroleum. Other Air Force technology efforts continue to explore high-efficiency aerodynamic concepts, advanced gas turbines, and variable cycle engines providing higher performance and greater fuel efficiency.

The Air Force is the renewable energy leader, and we seek to expand our portfolio through innovative public-private partnerships and evaluations of a wide range of energy proposals at several bases. Last year, the Air Force received the Presidential Award for Leadership in Federal Energy Management. The Air Force also continued to lead the Federal Government in green power purchases, with 37 bases meeting some portion of their base-wide electrical requirements from commercial sources of wind, solar, geothermal, or biomass. We reached full operating capacity—14.5 megawatts—of the largest solar photovoltaic array in the Americas at Nellis AFB, Nevada. At Edwards AFB, California, Kirtland AFB, New Mexico, and Luke AFB, Arizona, we are exploring additional commercial-scale opportunities for solar power. On under-utilized land at Malstrom AFB, Montana, we are exploring the potential for a privately financed and operated coal-to-liquid plant. Finally, as a result of Congressional interest, we have begun considering the potential for small-scale nuclear power production on Air Force property. As energy leaders, the Air Force is engaging with allied and Coalition air force partners to share best practices, identify common issues and concerns, and ensure future, sustainable energy interoperability.

*Maintain Science and Technology Leadership*

True to our heritage over the past century of powered flight, the Air Force continues to maintain the most complex, diverse, and ambitious S&T portfolio of all the Services. History clearly demonstrates the broad benefits to America of our S&T efforts, in terms of military power, industrial capability, economic growth, educational richness, cultural wealth, and national prestige. Examples of these efforts include aerospace technology and propulsion, materials science, advanced computing and communications, atmospheric science, remote sensing, medicine, precision timing, weather forecasting, and satellite navigation. What has been good for the Air Force has been great for America. We are committed to building upon this heritage.

The Air Force S&T program develops, demonstrates, and tests technologies and advanced warfighting capabilities against the spectrum of 21st Century threats. As we continue to adapt to a volatile and uncertain world, today's focused investment in our S&T program will produce the future warfighting capabilities needed to ensure America's continued technological preeminence and military flexibility. Major Air Force S&T efforts include hypersonics, composites, propulsion, nanotechnology, small satellite technology, directed energy, and cybertechnology

Additionally, Air Force S&T organizations work closely with the other Services, the Defense Advanced Research Projects Agency, Intelligence Community, and other Federal agencies, such as the National Aeronautics and Space Administration, as well as partner nations. Through these partnerships we leverage efforts, share information, and advance state-of-the-art technologies.

The Air Force S&T Program provides the necessary leadership and foundation for future Joint warfighting capabilities, focusing on dominance of the air, space, and cyberspace warfighting domains. Continued Air Force S&T leadership will be critical to maintaining the asymmetric military advantages and broad national benefits our Joint Team and the Nation have come to expect and enjoy.

AMERICA'S AIRMEN

United States security and prosperity are best assured when all the instruments of national power are orchestrated to work with other states to promote a stable and prosperous international system. The Air Force directly contributes to United States security by providing a unique array of sovereign options for decision makers. These options maximize our ability to assure friends and to dissuade and deter threats, large and small, across the spectrum of conflict. When opponents cannot be deterred, these options magnify the combat capability of Joint and Coalition forces and provide a variety of alternatives for our political leaders to choose from in pursuit of national objectives. We provide the Nation with its most lethal and proven force for defeating enemies across the broad range of threats we face.

By exploiting the synergies of air, space, and cyberspace, the Air Force provides our Nation with the capability to dominate across domains and expand the options available for our sister Services to dominate their respective domains. Implementing our strategy requires fielding a force of highly trained Airmen with a commanding edge in technology and a force structure with sufficient capacity to provide the assurance of United States presence. So long as Airmen maintain a global presence and hold significant advantages over potential opponents, we will continue to provide our Nation with the means to lead the fight for global stability and prosperity.

Our emphasis on assurance, dissuasion, and deterrence reflects our conviction that it is far better to convince potential adversaries to refrain from the use of military force than to have to defeat them in battle. Our success will be measured by conflicts averted as well as conflicts fought and won. But we must never forget that our ability to assure and deter ultimately flows directly from our unambiguous ability to overwhelm swiftly and decisively any adversary who elects to test us.

We are today honing America's edge. Our Airmen have sworn an oath to serve their country, and they are meeting and exceeding their wartime commitments. We remain focused on our Air Force priorities of winning today's fight, caring for our people, and preparing for tomorrow's challenges. We are assessing threats in an uncertain world, balancing our requirements within fiscal constraints, and managing risks as we endeavor to strengthen the asymmetric advantages our Nation and the Joint Team currently enjoy.

We will have neither the buffer of time nor the barrier of oceans in future conflicts. The Air Force's Regular component is smaller in February 2008 than the United States Army Air Forces was in December 1941. The character, tempo, and velocity of modern warfare already severely test our ability to adapt. Therefore, redefining the Air Force for the 21st Century is an urgent national security requirement—not a luxury we can defer.

America looks to Airmen to provide dominance that spans the air, space, and cyberspace warfighting domains. Our Airmen are fighting today's fight, while standing watch across the frontiers of technology and the future. They need your support today to defend the Nation from tomorrow's threats. Full funding and support for America's Airmen will ensure America's continued freedom of action; increase global awareness; reassure America's allies and strengthen our partnerships; reinforce our sovereign homeland defenses; and set conditions for Joint and Coalition success across the entire spectrum of human conflict and crisis.

We imperil our security, our people, and our way of life if we fail to maintain and sharpen America's Edge—the Air Force-provided Global Vigilance, Global Reach and Global Power advantages which underwrite the defense and sovereignty of our Nation.

Senator INOUYE. General Moseley.

**STATEMENT OF GENERAL T. MICHAEL MOSELEY, CHIEF OF STAFF, UNITED STATES AIR FORCE**

General MOSELEY. Mr. Chairman, Senator Stevens, distinguished subcommittee members and staff. Sir, if you would allow me to take my time for a verbal statement and introduce six great Americans who wear Air Force uniforms to put a face on your United States Air Force.

But first, sir, to this subcommittee, thank you for the opportunity for Secretary Wynne and I to discuss the posture of the United States Air Force and about our vision for the future and strategy to achieve it.

SIX AMERICAN AIRMEN

We brought these six airmen with us today, again, as a face on your United States Air Force and a mix of what this United States Air Force does every day. Sir, I would like to begin with Lieutenant Colonel Brian Turner, a University of Virginia graduate. He is a Virginia Air National Guardsman, classic Air National Guardsman who flies F–22As at Langley Air Force Base, Virginia, in our relationship with the Active and the Guard in the 1st Fighter Wing. He is part of the first Raptor Classic Association. He is a symbol of that ironclad commitment that we have to Total Force integration and to maximizing the strengths of the Guard, Reserve, and Active components. He is part of the 149th Fighter Squadron. He is the assistant director of operations, and he has logged over 3,600 hours in the F–16A, B, C, and D and the F–22A. He has flown over 300 combat hours in Operations Desert Storm, Allied Force, and Iraqi Freedom. One of his roles at Langley is flying the F–22A in Operation Noble Eagle mission tasking which is over Washington, DC, New York, and the east coast to defend the air space of the United States.

Next is Captain Kari Fleming. She is in the 15th Airlift Squadron. She is a C–17 pilot at Charleston Air Force Base, South Carolina. She is a 2003 graduate of the United States Air Force Academy, and Charleston is her first assignment. Still, she has amassed 1,200 total flying hours, including 900 in the C–17, 124 combat missions, 278 combat hours since 2005 in both Operation Enduring Freedom and Operation Iraqi Freedom, missions that include air drop, operational air drops, aeromedical evacuation, and resupply in sustainment of forward bases, as well as main operating bases. She has just returned from a deployment to the United States central command area of responsibility (AOR), and she was telling me

the other day that she has landed the strategic airlifter six times in the dirt on either dirt airfields or unprepared surfaces. Mr. Chairman, who would have thought a few years ago that we would be taking a strategic airlifting asset and landing it in the dirt? She has done it six times and makes it look easy.

Next is Captain Scott Nichols. He's an HH–60 combat search and rescue pilot of the 55th Rescue Squadron at Davis-Monthan Air Force Base, in Arizona. Like Kari, Scott is a United States Air Force Academy graduate and he is also a distinguished graduate from the Air Force Weapons School. Since May 2002, he has been deployed five times, three times to Kandahar in Afghanistan and two times to Balad Air Base in Iraq for Operation Iraqi Freedom and Operation Enduring Freedom. He has logged 2,000 flying hours, including 158 combat hours and 53 combat support hours. During his combat missions, he has recovered special operations aircraft and special operations people. He has recovered the remains of fallen comrades and he has been credited with saving multiple lives. He is a "Jolly Green" combat search and rescue guy.

Sir, as an aside, as a fighter pilot, it is an article of faith that the Jolly Green Giants will come and get you, and this is the face of our combat search and rescue and what we hold so dear inside the United States Air Force as a core competency.

Next is Technical Sergeant Jim Jochum. He's an aerial gunner in the Special Operations AC–130 in Hurlburt Field, Florida, the 4th Special Operations Squadron. He joined the Air Force in August 1989 and spent 5 years as an aircraft maintainer before he joined Special Operations. Since November 1995, he has logged over 4,300 flying hours, 2,500 combat hours on 367 combat sorties in the AC–130, in fact, more than anyone else in Air Force Special Operations Command. Since October 2001, he has accrued 892 days deployed, over 3 years. He wears an air medal with 16 oak leaf clusters. Mr. Chairman, this is the face of Air Force Special Operations.

Next is Technical Sergeant Michelle Rochelle. She is a lead operator in this joint team in cyberspace. She is under the tactical control of U.S. Strategic Command's Joint Functional Component Command for Network Warfare. She executes combatant commander-tasked computer network attack missions and National Security Agency-tasked computer network exploitation missions. Thus, she has direct involvement in the global war on terrorism in supplying strategic intelligence to America's political and military leaders. She represents the vanguard of the forces we are organizing, training, and equipping to operate in cyberspace in this domain for the Nation's combatant commanders. She is a reminder that we believe the cyber domain is critical and the nexus of all warfighting domains for the future.

Last is Technical Sergeant Michael Shropshire, currently the acting Operations Superintendent of the 12th Combat Training Squadron at Fort Irwin, California. This is our interface with the United States Army's National Training Center and our Air Warfare Center at Nellis Air Force Base, Nevada. He enlisted in July 1992 as a battlefield airman, and he has spent his entire career associated with the United States Army. Multiple deployments from Operation Joint Endeavor, Bosnia to Operation Iraqi Freedom and

Operation Enduring Freedom. He has a silver star and a bronze star. The silver star was awarded for individual heroic actions while surrounded, cut off under a hail of enemy gunfire, in the largest sandstorm in four decades in the Middle East. While engaged, he coordinated close air support with the delivery of 12 joint direct attack munitions, or JDAMs, on 10 Iraqi T–72 tanks while constantly switching from his radio headset to his weapon, in fact, killing three enemy soldiers at close range while engaged with his Army brothers. He wears a bronze star for exceptional performance as a tactical air control party member during the 3rd Infantry Division's push on Baghdad.

So, Mr. Chairman, distinguished subcommittee members and staff, I am proud to introduce these airmen to you today because they are manifestations of 670,000 Total Force airmen, from the Air National Guard, the Air Force Reserve, from our air-breathing aviators, and from cyberspace. Everything that we hold dear is manifested in these six airmen.

Thank you again for this subcommittee's strong, consistent support for our country's men and women in uniform, soldiers, sailors, airmen, marines, and Coast Guardsmen. Mr. Chairman, thank you for the opportunity to testify. We look forward to your questions.

Senator INOUYE. Thank you very much, General, and to the men and women who were just introduced, we are humbled by your dedication, your skill, and your courage, and we are extremely grateful for the service you have rendered to the people of the United States. Thank you very much.

Senator STEVENS. Thank you very much, Mr. Chairman.

Secretary, General, what the chairman did not say was "jealous," particularly the F–22.

I do think your statement really shows the impact of the Total Force. We all remember the days when the National Guard was flying World War II weary planes when everyone else was getting the F–14s or other planes that were modern, and you have now transitioned to the Total Force. And I am delighted to see that the premier plane of the world is shared by the National Guard, and I am sure that they know how lucky they are to have it. Isn't that right, General?

Let me go to the C–17. We are pleased to have a C–17 pilot here with us today. But there is no funding in this bill for the C–17 this year. It is the third year in a row there has been no funding. We have added money in last years, and it is going to be very difficult to do this year. And I am not being critical. I just want you to help us understand the situation.

You have indicated that you do not plan to re-engine the 60 C–5A aircraft that are in your inventory. You will re-engine 49 C–5Bs and two C–5Cs. But we have, I think, an overwhelming need for more C–17s.

Now, this subcommittee remembers the C–17 too well because on three occasions, three other committees of Congress literally voted to terminate the C–17, and we insisted that it keep going. We have sort of had a paternalistic feeling for the C–17, and I wonder why are we in the position that we are in. And we discussed this between us, Mr. Secretary and General, the other day, but I think it ought to be on the record.

What are we going to do with regard to the C–17? And in particular, the future combat system vehicles will not fit in the C–130. What is their future in view of the limitation on the C–17s?

Mr. WYNNE. Thank you very much, Senator, for the question. What I would like to do is follow through on what I think are the budget implications, and I would ask the Chief of Staff of the Air Force to talk about the movement of the operational goalposts that we have encountered.

C–5 AIRCRAFT

But first, I will tell you, when we assembled the budget, there was a lot of uncertainty around the C–5 program. They were going through a Nunn-McCurdy breach. The stipulation was that we were still subject to the laws, that we cannot retire the C–5s. So we had no way to push beyond the 300 aircraft that we were subjected to. So from a perspective of the Department, the program was essentially run out.

We felt that the impact to the industrial base would be too great, but we did not get a hearing on that regard. We simply were told, look, of all of the things that you want, this does not come to the top of the list.

Over the time—and I will let the chief go through the operational impact—this airplane has been an incredible workhorse. This airplane is doing magnificent work, and so as a result of the Nunn-McCurdy finding, we would upgrade only the B aircraft to the 52 C–5M, and we would not do anything other than bring the C–5A up to international standards with the Avionics Modernization Program (AMP). We added to the unfunded requirements list, which yourself and the chairman both referred to, a quantity of C–17s to indicate that times were changing. And the circumstances now merited a relook at this system. And we felt that on the unfunded requirements list, you all should know that your Air Force is worried that we need to make sure that we have this available to us in the future.

Chief.

Senator STEVENS. Well, before you start, if we do not put up some money for C–17s, will that shut down the line?

C–17S

Mr. WYNNE. I will have to take that for the record because we have been really working hard to get some international customers to extend that line, but as of yet, many of them are still on hold-out status. What they want to do is they want to have the United States show enough empathy or stick-to-itiveness that they will come on board and they will be supported for the next 20 years. We are trying to be convincing to them that they can do that. I believe that was 14 units that we have so far, and we are getting indications there are around six more out there. If they all come together, it could hold off the closure of the line a little bit.

Senator STEVENS. Thank you.

[The information follows:]

C–17s

*Production Line Status*.—With no additional Air Force procurement above 190 aircraft, the Boeing C–17 production line will begin to shutdown in 2008. The last contracted foreign customer aircraft delivery is scheduled for June 2008 and the final production line C–17 (Air Force's 190 aircraft) delivers in August 2009. The C–17 aircraft have a 34 month build time. Boeing is currently at risk protecting long lead items for 10 aircraft. Without commitment for more procurement, Boeing may halt production on protected aircraft.

*Foreign Sales Status*.—Australia was on contract for four C–17s. The final Australian aircraft was delivered in January 2008. Canada is on contract for four aircraft; their fourth delivery is scheduled for April 2008. The United Kingdom is on contract for a fifth and sixth aircraft. The sixth United Kingdom C–17 delivery is scheduled for June 2008. There are no other orders for C–17s; however, United Kingdom, NATO Strategic Airlift Capability, and Qatar (2 aircraft each) are potential remaining foreign customers.

Senator STEVENS. General.

General MOSELEY. Senator Stevens, thanks for that question.

First off, we support the President's budget request. Sir, as you know from watching this, this is an affordability issue, and as we fit the priorities that we have tried to work inside the Department inside of that budget, some things just cannot be bought. That doesn't change the operational side of it, but it is an affordability issue, and in supporting the President's budget request, we put those additional aircraft in the unfunded requirements list as an open discussion item that if we had another dollar, where would we spend it.

Sir, on the operational side, I will tell you since we have done the mobility capability study in 2005, we have effectively had some of the goalposts moved on us. We have had the Army and the Marines grow by close to 100,000. We have had the Africa Command (AFRICOM) in the business of being stood up, which will be a direct mobility command requiring mobility assets no different than the Pacific Command because of the size.

We are told that the Army's future combat systems vehicle likely will not fit in a C–130, which means we will have to fly it in C–17s to be able to support the Army deployed.

And, sir, most mine resistant ambush protected vehicles (MRAP's), of course, will not fit in C–130s. Only the MRAP version RG31, category 1 can be transported in a C–130. This MRAP is used by special forces and is currently being produced by the Army and Marine Corps. We are having to fly those in a variety of assets, C–17 as well as C–5.

And then, of course, C–5 reliability piece that the Secretary mentioned on what we are going to be able to afford to modify the C–5s takes us to a lower reliability number on the C–5s.

And then, of course, we are utilizing the C–17s at a much higher rate. I am told that we take about 3,500 or so convoys off the road every month, and we fly close to 9,000 to 10,000 folks off the roads every month in C–17s and C–130s to avoid improvised explosive devices (IED's), to avoid insurgent snipers, et cetera.

So, sir, I think the operational goalpost has moved a bit, but this is still an affordability issue with us, and it is hard to fit all of that into the top line we have got.

Senator STEVENS. Well, I do not know. I was critical of the move from Germany, moving the Air Force down to Aviano. That cost $6 billion. I would have rather seen that put into assets we need for

the continuing warfighters. But it does seem to me that we are going to have to find some money to keep that line open.

Will you keep us informed about the foreign purchases, Mr. Secretary?

Mr. WYNNE. Yes, sir, we certainly will.

ELMENDORF HOSPITAL

Senator STEVENS. Let me ask sort of a question related to our own State. The Elmendorf Hospital is now responsible not only for care of the Air Force units that are coming back from the war zones, but they are also now taking on the duty of taking care of people coming back that have been stationed in Fort Richardson. This has resulted in a shortage of medical specialists to meet the needs of the hospital.

Now, we talked a little bit yesterday about this jointness situation, and Elmendorf and Richardson are really one piece of real estate, and they share that area. I am worried, however, about the Air Force having the money to take care of the Army's soldiers and to give them the care they need. Are you aware of that situation up there, Mr. Secretary?

Mr. WYNNE. Well, sir, first, I want to compliment the people at the Elmendorf Hospital because they have really tried to get Alaskan people to return to the Alaskan area, thinking that it was much easier on the families for them to be taken care of there at Elmendorf than it would be to have the families travel anywhere else. So, first of all, I stand somewhat in awe of the miracles that they can pull off and do.

Second, I am worried about the retention and the recruitment of medical specialists really throughout the services. I think we need to pay some more attention there. I think as this goes on, we will have some stresses and we have tried to address those stresses.

But my first response is I think it was a great idea to put some stress on the hospital to get those Alaska Natives, the people who are assigned up to Alaska, back so their families do not have to be dislocated.

Senator STEVENS. Well, we applaud the decision because, obviously, if they were here at Walter Reed or out at the naval hospital, they are going to be 3,000 to 4,000 miles away from their family and no way to adjust, particularly those who are in a wounded situation.

We applaud the integration of the Fort Richardson care with the Elmendorf Hospital, and I think it is cost effective to do that for the military.

The problem is that it does not seem that the Army is putting in the additional amounts of effort, and you are limited on what you have got. I really think this is a project that has a lot of merit because the Elmendorf Hospital is supposedly the Air Force hospital of the Pacific. Fort Richardson does not have that standing, and it does not have a hospital. I would hope that we find some way to maybe add a wing or something to Elmendorf Hospital so the Army people will feel that they are part of it. We talked about that yesterday too. They welcome the assistance of the Air Force, but they are not putting in much money to help. I think that they

definitely need more assistance there. Ms. Ashworth and I visited those people several times now.

Mr. Chairman, instead of having those people come in and get evaluated here and stay here for 2 or 3 weeks or months, whatever it might be, they are taken home and their people can have access to them. But we need the adjunct facilities that will represent the same type of care and analysis that they would get here, if this is going to work.

I hope you will really pay some attention to that, Mr. Secretary, because I think it is a critical need right now. We have the largest number of individuals per capita in the military today that have served overseas. We are a small population, obviously, but it is a statistic that I think merits an understanding of the need of these people who are coming home that need critical care.

Mr. WYNNE. Sir, care of our wounded warriors is a primary goal of the Secretary of Defense and of myself. What I can do is perhaps have the Elmendorf folks do a patient load forecast that gives you some basis for a look at whether the assets are sufficient.

Senator STEVENS. Senator Inouye points out they have that same situation at Tripler, but there it is the Navy working with the Air Force. I think that this combination of the Army and the Air Force right now is not working that well.

I do want to submit for the record a question about the combat search and rescue helicopter and ask each of you to answer that question. It seems to me that the delay there is something we ought to know about, and what is causing it. I appreciate your concern.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you.

Senator Murray.

Senator MURRAY. Thank you very much, Mr. Chairman.

TANKER REPLACEMENT CONTRACT AWARD

Secretary Wynne, I have many questions regarding the decision on the aerial refueling tanker, but before I get to that, I must raise a related item with you that I am concerned about.

The week of the announcement of Airbus winning the tanker competition, there was a paper released by Loren Thompson of the Lexington Institute extolling the benefits of the Airbus platform and indicating somehow that the Boeing plane was a lesser plane. That was right after the decision was made. It was prior to Boeing being debriefed and prior to Congress' getting debriefing.

How do you defend the information leaks on this decision from the Air Force?

Mr. WYNNE. I cannot defend it. I have inquired and conducted an inquiry. I would say that I thought it was a travesty for anybody to talk to anybody before we talked to the winning and losing candidates.

Senator MURRAY. Well, what it looked like from our end was that the Air Force was engaging in an ad campaign to fill the papers with misinformation that no one could refute because no one had been debriefed.

Mr. WYNNE. I actually apologized to the Boeing folks about this. It was sort of an unfair, certainly preemptive press article.

Senator MURRAY. Do you believe a violation occurred?

Mr. WYNNE. Ma'am, I do not know that.

Senator MURRAY. I know you stated something similar to that yesterday before the House. It leads me to ask how many other violations have occurred, who else was talked to, what information was given out, who had it, and are there any other leaks?

Mr. WYNNE. I would have to say that we try very hard to hold a very tight hold. I would say that Loren Thompson seems to have sources that are not willing to come forward and say that they were the ones.

Senator MURRAY. So there are sources within the Air Force that were talking to——

Mr. WYNNE. I have no idea.

Senator MURRAY. Clearly, I mean, obviously, there had to be.

Mr. WYNNE. I have no idea where he got his information from.

Senator MURRAY. So how are you going to find out?

Mr. WYNNE. I have no means or mechanisms to force a subpoena on anybody.

Senator MURRAY. Well, that is very troubling because not only am I worried about what appears to be a big ad campaign before anybody could defend anything or have another story that lasted for 1½ weeks, but if someone is talking to Loren Thompson, the question has to be asked who else are they talking to. Were they talking to either of the companies? What was occurring throughout this process? It leaves a big question out there.

No response?

Mr. WYNNE. No, ma'am. I have told everybody that it is improper, and you can only expect that upholding the integrity of the process is foremost in everybody's mind.

Senator MURRAY. Well, I think it leaves a question for all of us on the integrity.

I have to say I am very perplexed by the outcome of this process. After all, the competition was for a replacement of a medium-sized KC–135 tanker, but the Air Force selected an aircraft larger than the KC–10. I mean, what it looks like from my end is that you put out an RFP for a pickup truck to carry three-quarters of a ton, and what you selected, at the end of the day, was an 18-wheeler. It does not get great gas mileage, cannot park where we have parking garages today, and it is a completely different concept. So the decision is surprising, I think, to everyone.

But let me ask you, now that you have selected a much larger aircraft, what will be the associated cost for our military construction budget? Can these Airbus planes fit in the hangars that we have today?

Mr. WYNNE. Ma'am, I have done very little work in where it goes. I will tell you that it is all part of the evaluation that is currently under protest. I will tell you that in the request for proposal (RFP) there was no indication of size, and I will tell you that in the analysis of alternatives for replacing the KC–135, the 330, the 340, the 767, the 777, and the 787 were all cited as potential candidates. Every one of these suppliers knew the competitors' offerings.

Senator MURRAY. Well, Mr. Chairman, in terms of Milcon, I think we have to look at longer runways and larger aircraft hang-

ars. What is the cost of that? And I hope that we will be able to do that.

Mr. Secretary, I have had a lot of conversations about this. I have listened to all the press conferences. I have got to tell you I am left with more questions than answers. It has become very clear that there were many factors that the Air Force did not consider. These include: The pending WTO case that the United States now has against the EU regarding the illegal subsidies that are provided for the development of the Airbus commercial aircraft, the total cost to our Government for military construction, the impact of a subsidized R&D on the cost for aircraft, potential national security implications of outsourcing the backbone of our air superiority to a foreign country.

You know, I have listened to all the Air Force officials like Sue Payton and yourself, and I keep hearing the same phrase again and again. You said it in your opening remarks. "We followed the law and we went by the book." Well, the Air Force seems to be acknowledging, it seems to me, that there are factors of concern that were outside what was required by the law to be considered, like national security. And that leads me to a very important question.

Do you feel the procurement process, as it currently exists, takes into account all of the factors that should be considered when fielding critical defense platforms?

Mr. WYNNE. I will say that the acquisition laws have been layered and layered and layered over the years. They are extraordinarily complex. It goes to alliances. It goes to coalitions. It goes to many aspects of procurement. As you know, the Presidential helicopter is, in fact, an international offering. The combat search and rescue helicopter (CSAR) has international offerings. The C–27 is an international offering. It goes to how much of the industrial base of America is dedicated. You might not know, but you should know that the MRAP's are currently being airlifted by Russian Antonov airplanes from Charleston Air Force Base, South Carolina, because we believe that is the most efficient way to do it.

I think if there is a consideration, it has to go very deep into how much is America willing to invest in its industrial base.

Senator MURRAY. Well, is the current process out of line from your viewpoint with what is necessary to give a complete and accurate picture to meet our defense needs?

Mr. WYNNE. No, ma'am. I think we have gone through this over the last several years, and the laws are very clear in who they allow to be a competitor.

Senator MURRAY. The law is very clear, but I am asking you if you think the current procurement process reflects the needs of our defense.

Mr. WYNNE. I think right now I worry about the industrial base of the future. I think we started to decay our industrial base in 1990, and I think our market does not support a large industrial base right now.

Senator MURRAY. Does the current process put American companies at a disadvantage when competing with subsidized companies?

Mr. WYNNE. I do not know that. I cannot measure that.

Senator MURRAY. Well, Mr. Secretary, this concern is not just about utilizing American ingenuity to meet the needs of the

warfighter. I think we have to consider what an R&D investment in a foreign company could lead to. Airbus and EADS have already given us plenty of reasons to worry about how hard they are going to work to protect American security interests. In 2005, EADS was caught trying to sell military helicopters to Iran. In 2006, EADS tried to sell transport and patrol planes to Venezuela which is a circumvention of U.S. law. They do not have to follow our laws, and that really is a concern for me as a United States Senator.

Do you have similar concerns?

Mr. WYNNE. Ma'am, I will tell you from the standpoint of an ex-official in the acquisition process, I follow the laws of the United States of America to the best of my ability.

Senator MURRAY. I have heard you say that many times, and I think, Mr. Chairman, that is what gives me pause, that the Air Force is following the letter of the law. I think we as policymakers have to think whether, to quote a famous author, "the law is ass." And I think we have to think about whether or not our laws are protecting our national security interests, our economic interests, and our military infrastructure.

I have several other questions, but I will wait for the next round.

General MOSELEY. Senator, might I add a parallel thought to my Secretary? Ma'am, I would also say this is about fielding capability. This is about being able to field systems on time and being able to field systems to replace close to a 50-year-old airplane that has served us very, very well. To be able to look at guardsmen, reservists, or active duty crews, pilots, copilots, boomers, or crew chiefs that maintain old airplanes and tell them that we will wait while we have the technology and the capability to field a new system is something that is not a good feeling for a chief of staff. So this is about fielding capability to be able to fight this country's wars and win.

Senator MURRAY. General, I have fought for a long time to get these refueling tankers built. I represent men and women in my State who fly these. I know they are very old. But I also think we as policymakers have to make sure that we are making the right policy for future decades about our national security and our economic interests for the future and not make a mistake in doing that. I want to get those planes up there. I want my men and women flying the best, but I do not want my national security interest to be at stake as well.

Senator INOUYE. Senator Dorgan.

B–52 AIRCRAFT

Senator DORGAN. Mr. Chairman, thank you very much.

Let me just put in a good word for old airplanes, if I might. The B–52 has been around for decades. It is expected to last, by your account, by the Defense Department's account, two to three more decades. Compare it and the cost to fly it as a bomb truck to the B–1 or the B–2 bomber, it is one-third of the cost to fly it of the B–2, for example, and much less costly than the B–1. Yet, the Air Force's submission to us is to say we want to continue to put more of them in Davis-Monthan. We want to go down to 56 bombers, B–52s.

We are funding the F–22 because we are told by the military that the F–22 will go in front of everything and knock down all the air defenses, and they will do it before anybody ever sees them. At that point, with no air defenses, the question is which bomb truck do you move in there? Why not the least-cost bomb truck if we are short of money? So that raises this question of the B–52.

NEXT GENERATION BOMBER

I am in support of the next generation bomber. The earliest—earliest—possible date would be 2018, but I think all of us understand that is probably not the date that we have the next generation bomber. That is what we hope to have. But between now and then, what do we do?

The Air Force has consistently said to this subcommittee we want you to go from 94 B–52s down to 56. There are 18 of the B–52s that are now attrition reserve B–52s, and they are not at Davis-Monthan because we are waiting for a bomber study that this subcommittee has asked you to do to make sure that we are not headed toward a bomber gap if we stick all of these B–52s at Davis-Monthan.

So having that as a background, having said at least one kind word about old airplanes here, let me ask you, General, what is going to happen with the Air Force and its determinations about B–52s? I think the bomber study was supposed to have been done last fall. I think it is now expected to be out in the next month or two. Can you brief us on that?

General MOSELEY. Sir, my data says the bomber study is undergoing a security review. The Institute for Defense Analyses accomplished this independent study as directed by the Congress. The Air Force only provided assistance by offering factual data and facilitated access to subject matter experts.

Sir, I will tell you 2018 is a timeline that is doable on the new bomber. We have got the plans and programs in place to make that happen, and if we can stick to that, if we can let the industrial base develop and integrate—because in this capability which, of course, we cannot talk much about in this forum, we are asking to integrate existing systems, not necessarily invent new systems. So 2018 is a doable date.

You know from watching bombers for as long as you have, the B–1, the B–2, and the B–52 are wonderful airplanes, but at some point, we have got to have a survivable, penetrating, persistent platform that we can go into any airspace and be able to persist for the combatant commanders. So I am holding to 2018. That is my story.

Sir, on the B–52s, we have had a couple of things that have happened along the way as we submitted the fiscal year 2009 President's budget request. We are now looking, as we discussed before, on taking a squadron of the B–52s and tasking them in the nuclear role, unique away from conventional missions, and we would rotate that tasking like we do with any of the other squadrons in our air expeditionary force (AEF) rotation model.

General Corley, Commander of Air Combat Command, has not come to full detail on this, but I envision taking one of the squadrons for a 6-month or a 1-year effective tasking, either at Minot Air

Force Base, North Dakota, or at Barksdale Air Force Base, Louisiana, and making them exclusively nuclear, taking the other two squadrons and rolling them into the conventional side of this because we still need the ability to go to the western Pacific or into the Middle East.

So, Senator Dorgan, that takes us above 44 combat coded B–52s. Sir, I do not have the total aircraft inventory (TAI) numbers yet because General Corley and I have not been able to sit down and flesh out that rotation.

Senator DORGAN. General, thank you. These bombers are fully paid for. They are, again, one-third the cost to fly on an hourly basis than the B–2. So I think that is good news in the sense that the Air Force has been asking to go to 56, which would leave you at 44 combat coded. I understand what you have just said.

I think all of us will await the bomber study because we want to have good capability. When I said I want to say a good word about old planes, that does not mean—we need new tankers and we need a next generation bomber. I understand that, and this subcommittee I think will work on it.

I want to mention two other quick items. Number one, with the increase in end strength for the Army and the Marine Corps, that raises the question, it seems to me, of whether the Air Force has the capability for airlift, close air support, fire support for the increases in the Army and the Marine Corps. Have you looked at that? What is the situation there?

AIR FORCE END STRENGTH

General MOSELEY. Senator Dorgan, we have, and that is our assessment of the 330,000 end strength. Of course this is like the B–52 question. This is an affordability issue, and while we support the President's budget request, we are working hard inside those fiscal limits to be able to fit all of this together. So more to follow on the B–52 side. It is how we put that together and rotate those units at Minot Air Force Base and Barksdale Air Force Base.

On the people side, when you look at our plus-up of unmanned aerial vehicle (UAV) wings, when you look at our plus-up of UAV squadrons and wings inside the Air National Guard, when you look at our battlefield airmen wing that we have stood up, the Army and Marine Corps growth and, of course, the attendant Air Force assignments inside the United States Army, the brigade combat teams, as that grows, our combat search and rescue growth to 141 aircraft, our continued in lieu of tasking, which we have about 6,200 folks deployed under that, and about 20,000 or so total in the pipeline working either going to training or coming back, and then you look at the options on a provisional cyberspace command to be able to look at that as a force provider for U.S. Strategic Command, sir, that takes us to 86 wings to meet the national military strategy, the combatant commanders demands, our rotation and sustainment model of our 10 AEF's and our abilities to provide the capabilities and the capacity forward. That takes us to the 86 wings and it takes us to that number of about 330,000.

UNMANNED AERIAL VEHICLE ACQUISITION

Senator DORGAN. Is your UAV acquisition on track? We have a Grand Forks submission for the UAV. Is the acquisition for Predators and Global Hawks on track?

General MOSELEY. Sir, with the existing funding, it is. We have asked in the unfunded requirements list not only for the money for the B–52s, we have asked for a consideration for the growth in our end strength, and there is also growth in there for additional UAV purchases.

Senator DORGAN. Mr. Chairman, I want to just make one other comment that I want to talk to you about that is not in this hearing. I have been taking a look at what has been happening with privatization in the military, more in the Army, for example, than in the Air Force, but the Air Force is moving, I think, rather aggressively now. The hundreds and hundreds—well, billions of dollars of new housing stock, for example, at air bases. My understanding is that there is a proposition to privatize and that we will take new housing stock that has been built on air bases and we will give them, free of charge, to a private contractor who will sign a contract and agree to maintain them for 50 years. As I began, my first thought was, well, that cannot possibly be the case. I mean, that is preposterous.

But as I began looking into what has been happening on the Army side and what the proposals are on the Air Force side, I want to have a longer conversation than we would be able to have here about this issue of privatization of housing on military bases whereby we have new stock that has cost us a lot of money and we will turn that over, free of charge, to a company who will sign a contract for 50 years. A whole lot of companies are not in business after 20 or 30 or 40 years, and we are going to give them the free housing stock.

I will not ask you to answer that, but it is something I have become interested in trying to understand to determine does this really meet any kind of common sense test in my hometown cafe. So, Mr. Secretary, if you and I and General Moseley can at some point meet and I can better understand what——

Mr. WYNNE. I think we need to bring you the entirety of the business plan and we would just have to explain it, and you can certainly take a judgment from that.

General MOSELEY. Senator Dorgan, one last reminder. Those 86 wings are Total Force wings. That is a mix of Air National Guard, Air Force Reserve, and Active Duty because you know from watching us, we do not do anything that we do not do as a Total Force.

Senator DORGAN. Let me just finally say, before my colleagues are called on, it is inspiring for you to bring some of your airmen along. And to think of landing a C–17 on a dirt track someplace in the world—we have got young men and women who do extraordinary things all around the world. You inspire this committee by bringing them to us. Thank you very much.

Senator INOUYE. Thank you.

Senator Domenici.

Senator DOMENICI. Mr. Chairman, thank you.

General Moseley, it is great to see you. I am very sorry in your new job and in my new role here I do not see you as often as I used to. But I can see you and hear about things that are taking place in the Air Force, and I am very proud of your regime and hope that things are going as well as you had hoped and planned for.

I do want to make an observation with reference to infrastructure for manufacturing or the manufacturing capability in America and just to give you the benefit of my own observation, which leads me to conclude that it must be very difficult for you people who serve us to try to get large manufacturing contracts issued in a timely manner, then live up to expectations, because the United States is not what we were, contrary to what our people think and what a good face you put on. We have substantially lost our manufacturing capability, and we are not doing very well at getting it back. In fact, it is getting worse.

And I will tell you one thing that is contributing immensely to it, General. We got by with it before, but $100 a barrel oil is ripping America right to the bone. We are getting poorer with every passing week as we pay $100 a barrel for oil. It is destroying America in ways we do not know right now, but it is happening. We are truly getting poorer as a Nation every day of the week, every week of the month, and every month of the year.

How could we not when we were dependent for so many years? Well, it is one thing to be dependent at $20 and it is another thing to be dependent at $100.

Now, having said that, I am not going to talk about the macro problems. I will let the other Senators who have just done that do so. I am going to talk about New Mexico a little bit with you because we have some exciting things happening there.

Holloman Air Force Base is scheduled to become home to two F–22A Raptor Squadrons. Right? I appreciate the Air Force budget request for Milcon for Holloman associated with the new squadrons. If funds are appropriated by Congress, when will that construction be completed?

General MOSELEY. Sir, I believe that is about 2011, but if you will allow me to take that for the record, I will get that information to you.

Senator DOMENICI. I would appreciate it if you would give that to us.

[The information follows:]

F–22 MILITARY CONSTRUCTION AT HOLLOMON AFB, NM

Construction completion dates for the five fiscal year 2009 F–22 military construction projects for Holloman AFB, NM are shown below:

[Dollars in millions]

| Project Title | Programmed Amount | Estimated Completion Date |
|---|---|---|
| F–22 Add/Alter Flight Simulator Facility | $3.2 | March 2010 |
| F–22 Add/Alter Aircraft Maintenance Unit | 1.1 | October 2009 |
| F–22 Add/Alter Jet Engine Maintenance Shop | 2.2 | January 2010 |
| F–22 Alter Hangar Bay for Lo/Composite Repair Facility | 14.5 | September 2010 |
| F–22 Aerospace Ground Equipment Facility | 4.6 | March 2010 |

F–22 MILITARY CONSTRUCTION AT HOLLOMAN AIR FORCE BASE, NEW MEXICO

Senator DOMENICI. Are the F–22s still slated to begin arriving at Holloman the first quarter of 2009?

General MOSELEY. Sir, I believe so. We have not changed any of the delivery dates. But also, let me take that for the record to get you an exact time.

Senator DOMENICI. Would you do that?

[The information follows:]

F–22 DELIVERY SCHEDULE TO HOLLOMAN AFB, NM

The first F–22A should actually arrive at Holloman Air Force Base, New Mexico in the third quarter of fiscal year 2008. Maintenance training begins at Holloman in June 2008. Current plans show additional aircraft begin arriving in December 2008 at a rate of approximately two per month. The final contract delivery date of the 40th F–22A for Holloman is the second quarter of fiscal year 2011.

Senator DOMENICI. Will you tell us a little bit about the plan to utilize the Air Force Reserve at Holloman as part of this new mission?

TOTAL FORCE INTEGRATION

General MOSELEY. Sir, we believe that of all of our new systems, when we field a new tanker, the C–17, the F–22, the F–35, everything that we do we do as a Total Force. The Virginia guardsman sitting behind me here is a lieutenant colonel who flies the F–22 at Langley Air Force Base in the 149th Squadron, which is a Virginia Guard squadron.

Also, the Air Force Reserve will fly the airplane at Elmendorf Air Force Base in Alaska and at Holloman Air Force Base in New Mexico, and the Air National Guard will have the lead on the squadrons in Hawaii at Hickam Air Force Base. And as we flesh those wings out, we will have better capability in the Total Force with a lot more access to a lot more talent and skill. So, sir, of the four operating locations that we have now, we have two Air National Guard and two Air Force Reserve embedded alongside the Active.

We have been in some discussions with the Air National Guard also on some other options for beddown of the airplane. Those are exciting, but we are still facing affordability challenges and affordability issues which gets us to the numbers of airplanes and the capacity. Sir, we continue to work that.

F–22A

Senator DOMENICI. Well, I understand the Air Force needs more F–22s. Would you tell us about that either for the record or now?

General MOSELEY. I will speak for me and then let my boss parallel. But we support the President's budget request, and the numbers that we have now are 183. And those are affordability issues, and the affordability piece of this is to continue to try to balance our allowance inside the Department.

Mr. WYNNE. Sir, we were very pleased that the Secretary of Defense and the President determined that they could allow the next administration to make the judgment call and that they had said by letter to the Congress that they were intending to put four additional airplanes in the fiscal year 2009 supplemental request. We

worry and have personal views on that, but we support the President's budget request as submitted.

Senator DOMENICI. My last question has to do with something that I think is dear to your heart, and that is Cannon Air Force Base because that is the home of the new Air Force Special Operations Wing. That is something brand new and you are dedicated to making it work. We are dedicated to help you, if we can, make it work.

From an Air Force perspective, how is this new mission proceeding so far?

AIR FORCE SPECIAL OPERATIONS—CANNON AIR FORCE BASE, NEW MEXICO

General MOSELEY. Sir, this is very exciting for us. We have a base now with an attendant range which is Melrose, with an attendant association with the White Sands Missile Range, an attendant association with the New Mexico Air National Guard on a variety of levels, an attendant relationship with the 49th Wing at Holloman Air Force Base and in the restricted airspace, with an attendant with the Army at Fort Bliss, Texas. So from Melrose Range through the restricted areas, all the way to the White Sands Missile Range and Fort Bliss through Holloman Air Force Base to Cannon Air Force Base, we now have some opportunities to do some very, very creative training. We have the open airspace, the training ranges, and the gunnery and bombing ranges that we need out of Holloman and Cannon Air Force Base. But I think equally important, it gives us an incredible capability to marry Guard, Reserve, Active, as well as partnerships with the Army.

And so, sir, we have been very, very pleased that we have had a chance to work with the community and get those ranges certified so we can fire our 105 millimeter and all the guns that we have on the AC–130s and perhaps even the new potential on an AC–27 with a 30 millimeter gun that we will be able to use there. So, sir, this has got some real exciting opportunities ahead of us.

CONSOLIDATED COMMUNICATION FACILITY—CANNON AIR FORCE BASE

Senator DOMENICI. General, I know I have passed over my time by a bit, but the Air Force needs a consolidated communications facility at Cannon. We know it is needed. Can you tell us when does the Air Force intend to budget for it?

General MOSELEY. Sir, we have talked to our communications folks about that, and if you will let me take that for the record, I will get you a funding line and an operational capability date.

[The information follows:]

CONSOLIDATED COMMUNICATIONS FACILITY AT CANNON AFB, NM

The Air Force plans to program/budget for this communications facility in fiscal year 2010. Given no delays due to award protests, modifications, or weather, the Air Force estimates the initial operating capability for the facility will be in the spring of 2013.

Mr. WYNNE. Sir, if I can add. We are very excited about the integration effort, and that is the area where the simulation facility and the communications facility is targeted to make the most out of all of these assets that the Chief of Staff has enumerated.

Senator DOMENICI. Mr. Secretary, I want to tell you that this base becoming a completely different kind of Air Force base is exciting, and I think it is exciting that you got it started. It got started under your leadership. It is something the Air Force will be looking at and lauding for quite some time in my opinion. Thank you.

General MOSELEY. Senator, it also lets us wrap up that unit at Albuquerque, New Mexico, which is such a historically capable unit. As you know, we are looking at the follow-on capabilities, the follow-on opportunities for that unit, but when you think about Albuquerque, you think about Kirtland, Cannon, and Holloman Air Force Bases, and the White Sands Missile Range, and Fort Bliss, Texas. There are some wonderful opportunities out there because of the communities, but also because of the ranges and the size and expanse of the ranges, which is exactly why we put the F–22 at Holloman Air Force Base and we are looking at the Special Operations wing at Cannon Air Force Base.

Senator DOMENICI. Thank you very much.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you.

Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman.

A few observations and then a couple of questions to you, General and Secretary Wynne.

TANKER REPLACEMENT CONTRACT AWARD

Regarding the tanker situation, in competition there are always winners and losers. Some States win, some States lose. I understand that well. In this case, if this goes through, as I hope it will, Mobile, Alabama will become an industrial base for the assembly of these tankers and probably other things. Today we only have, as I understand, Toulouse, France and the Seattle, Washington area that are capable of doing this. We will have more capability.

But I also believe that if the Air Force and Members of Congress wanted the tanker program to be a job creation program for a particular company, they would have scrapped competition. We all benefit from competition. The Air Force benefits from competition. Instead, the intent, as I understand it, General Moseley, was to provide our men and women, the warfighters, with the best air refueling aircraft in the world at the best value for the American taxpayer. Is that correct?

General MOSELEY. That is correct, sir.

Senator SHELBY. It is also important to note, according to the Congressional Research Service, Congress has never—never—intervened to overturn the outcome of a competitive source selection.

Now, you alluded to it, Mr. Secretary. We do have a regular order here. The Air Force made a selection after looking at the criteria. I understand that Northrop-Grumman-EADS plane was judged superior in four out of five of the main measurements and tied, I think, for one. But there is a due process here. I understand that Boeing, as they have a right to, has protested. That goes to the Government Accountability Office. They have 100 days, I understand, to evaluate all aspects of this bidding process, and they can—and correct me if I am wrong—ratify the process that went

on, the selection process, amend it, or reject it and recompete. General Moseley, do you want to talk about that?

General MOSELEY. Sir, that is my understanding.

Senator SHELBY. It is due process. Is it not, Mr. Secretary?

Mr. WYNNE. Yes, sir. Boeing has exercised that right.

Senator SHELBY. And we will await that. That is something that we have set up for the Government Accountability Office, an arm of Congress, to look at this objectively. Is that correct?

Mr. WYNNE. Yes, sir, and we have asked the tanker program office to work closely with the GAO and answer every question that they are asked.

Senator SHELBY. Is that right, General Moseley?

General MOSELEY. That is my understanding, sir.

Senator SHELBY. Thank you.

Thank you, Mr. Chairman.

Senator INOUYE. Senator Bond.

Senator BOND. Thank you very much, Mr. Chairman.

Thank you, Secretary Wynne and General Moseley, for appearing before the subcommittee today.

AIR FORCE MODERNIZATION STRATEGY

As I discussed with you last year and the year before, I remain extremely troubled and concerned about Air Force management, its current modernization strategy, and its unwillingness to consider alternative courses of action to meet current and future threats. The current Air Force strategy fails to address sufficiently the impact on the industrial base, particularly that of the fighter industrial base in St. Louis, which on its current path will be out of fighter production business in 2013. And through sole-sourcing of the F–35 Joint Strike Fighter, a stupendously bad decision I warned against before it was made, it has diminished competition, resulting in significant delays and resulted in tremendous cost growth because there was no competition.

Just today, the GAO has released a report indicating that the F–35 costs are going to hit $1 trillion—trillion with a T. And they say the costs went up $23 billion last year alone. GAO found that the program has been dogged by delays, manufacturing inefficiencies, and price increases. That comes as no surprise when there is no competition. The GAO said costs have gone up by $23 million and the auditors said they expect development and procurement costs "to increase substantially and schedule pressures to worsen based on performance data."

Now, I am also told that there will most likely be a Nunn-McCurdy breach on the F–35, but somehow the Defense Acquisition Board is claiming scheduling delays which delays the announcement of what I believe is inevitably a Nunn-McCurdy breach and possibly delays our taking action in this subcommittee to deal with the problems of a Nunn-McCurdy breach.

Now, the F–22, the F–35, and the C–5 RERP program all have tremendous cost growth and/or delays to various degrees as well. Yet, the Boeing St. Louis industry team has consistently delivered to its Navy and Air Force customers platforms that pound for pound and dollar for dollar are the best in this fiscal environment and are the most effective at defeating the current threats.

Air Force costs for major programs are depleting the highly skilled and difficult-to-replace workforce necessary to build the next generation of manned and unmanned aircraft. These high costs result in the inability of the Air Force to equip fully the future force which usually results in much fewer flying missions for the Air National Guard as well. With the cost overruns and the lid on the purchase of F–22s, we all know there will never be enough F–22s to supply the Air Guard with those planes and continuing to purchase those unduly expensive planes will make it impossible to fill the gaps with other aircraft that are needed.

We saw this coming in the BRAC 2005 process, again, flawed process, regrettably. I think major mistakes were made.

And recently, of course, as my colleague from Washington has pointed out, the Air Force made the decision to award a large portion of a $40 billion contract to a Government-subsidized European company, and it now looks like the Air Force's entire analysis may be half-baked. The Air Force has a lot of explaining to do about the waste of taxpayer dollars on excessive base construction at Air Guard bases to accommodate the European model, and I do not believe that was ever taken into account. We cannot find anybody in the Air Guard who was asked about how much construction, how much Milcon costs would go into making their facilities large enough, strong enough to handle the European model. And there was a total lack, as far as I have been able to find out, of coordination with the Air National Guard during consideration of these costs.

Not only did the Air Force make the decision to award that contract to a Government-subsidized European company, but the more we hear about it, it sounds like the entire selection process has raised serious questions and will, undoubtedly, add many hundreds of millions of dollars to Milcon.

Flawed Air Force policy is going to put the jobs of hard-working American men and women at risk, as well as further diminishing—and it is important—further diminishing the long-term U.S. competitive capacity, workforce skills, and supplying the aircraft we need to meet the ongoing missions. In the current fight against terrorism, we need capable, proven platforms to accomplish those missions. I think everybody here knows we need more C–17s to push cargo into the theater, to conduct all the tasks that you outlined. And we have to rely on Russian-made Antonov AN–124 transport aircraft to transport MRAP's overseas? To me that is inexcusable and a little bit embarrassing. And the C–5 RERP program is confronting significant costs in scheduled programs.

Now, if you take a look at what is available and what the needs are, I continue to believe that we need F–15 Strike Eagles with significant payload and range to put bombs on targets in places like Afghanistan and Iraq. F–22s may defeat high-tech enemy fighters, but they cannot deliver ordnance on caves and bunkers in those countries. We need modernized F–15s, F/A–18s, and F–16s with AESA radars and integrated electronics. These are the ideal platforms for putting bombs on the target, defeating the enemy. Additional, more modernized F–15s and F–16s are needed for the air sovereignty alert mission, paramount to defending U.S. airspace.

Continuing to put all the emphasis on buying F–22s is not going to get the job done for our homeland security.

Now, on the other side, the Navy's acquisition strategy has recognized that an expected shortfall in modernization dollars may require an adjustment in the mix of aircraft necessary to equip the future force. They have adopted a plan B. Why has the Air Force not? I know the figure of 383 F–22s is based on your required force model, and we all know that that is what the Air Force's plan A is. However, plan A is unrealistic. We do not need F–22s to hunt terrorists or perform air defense missions over the homeland, and it is unsustainable in the current fiscal environment. Where are we going to come up with $20 billion a year to recapitalize the Air Force?

The Air Force has been told this by civilian leadership repeatedly, from Secretary Gates to civilian leaders in DOD and the Congress, and yet, it does not appear, at least to me, that you have a plan B. The Air Force, like the Navy, needs to come up with a plan B that addresses the reduced number of F–22s.

And after today's report, the reduction in F–35s due to continued cost growth and delays in fielding, such a plan B, I would suggest to you, for TACAIR looks like something like a mixture of F–22s and modernized legacy platforms like the F–15 and the F–16. Failure to do so is going to leave a huge gap in our force structure, creating unacceptable risk, and I would regret to tell my friends in the Air Guard that they are likely to be history unless you start buying airplanes that we can afford and they will be able to fly.

There are significant challenges before the Air Force that I look forward to working with you on to address. I share your commitment to ensuring our Air Force continues to maintain air dominance, but I hope you will be more receptive to discussing realistic alternatives.

I will submit my questions for the record. We have had these question and answer sessions in the past, but my statement today reflects my grave concern that we have not gotten from plan A, which is not going to happen, to plan B, which could happen.

I thank you, Mr. Chairman.

Senator INOUYE. Thank you very much.

Working toward common goals in a joint environment without compromising service-specific principles, culture, and tradition makes good sense. However, I question whether it is realistic, and I would like to get your thoughts on how you think this can be successful. Or do you see potholes on the way?

Mr. WYNNE. Well, sir, I would say it this way, that there are always economies to be done by doing things together where you can have a service provider in a region. Much like Senator Stevens talked about on the hospital, if you would get to the right size at Elmendorf Hospital, you can service the patient load up there. That does not mean that you should not have a ready clinic on Fort Richardson, for example.

But I think at the local level, I would like to see the local commanders come to an agreement. I think they have the best perspective and the best view as to where the savings could accrue in a joint service environment, and I believe there is a need for that.

And I think the services should remain in the organize, train, and equip functions.

And we should not lose sight of the local level because I believe that is where our morale is. Many times that is where our culture exists. It does not really exist here in Washington, DC, although we are surrounded by culture. It really exists at the local level in the field, whether it is Shaw Air Force Base, Charleston Air Force Base, or McGuire Air Force Base. All of that is where the Air Force culture is, and I know my colleagues in the other services feel precisely the same way. The Navy reveres Pearl Harbor. We revere Hickam Air Force Base.

Senator INOUYE. Does the joint basing agreement permit this type of localized control?

JOINT BASING

Mr. WYNNE. At the present time, I think the decisions look to me like they are going to be made very centrally. We have a decision that has been rendered that takes away some of the control that the service secretaries might have in the process. It is done with the thought that economics should rule over culture.

I would say that at present I worry about the impact as we proceed down that road, and I particularly have concerns where the Air Force has made investments and now we will be forced to essentially petition through another service. I worry that it might be confusing to the subcommittee as to why is it that the Air Force hangars are being pursued by the Army or the Navy. Why is it that the Army barracks or ranges are being pursued by the Air Force? I am not concerned today because today the mission is overwhelming. I am concerned about 3, 4, or 5 years from now.

Senator INOUYE. Am I to gather from your response that we should set this joint basing agreement aside for at least 1 year to give the service chiefs and service Secretaries time to reflect upon it?

Mr. WYNNE. Well, as a believer of the BRAC, as you remember from the Government side, I had a vision for joint basing that would be concluded by 2011 on an agreement basis. I do not think a year delay would affect us. However, I understand everybody has got a good sense of trying to get on with it. I would in the year, rather than put it on a hold basis, ask to generate local agreements to see what could be done and what is appropriate to be done because I do think that there are some savings out there, and I know doing it properly, there is some money to be saved.

Senator INOUYE. General Moseley.

General MOSELEY. Sir, I think it is well understood in the services that we organize, train, and equip by service, by domain. The United States Army is the finest army in the world and it operates to dominate the land domain. The same with the Navy for the maritime domain. We have Special Operations, and for the Air Force, we live to dominate air and space, as we are all looking together at a cyberspace domain. We recruit, we train, and we develop, and we promote, and we command as services. We fight jointly but we operate and organize training and equip functions under the title 10 of the U.S. Code.

My competencies are not land or maritime, nor is my service. If the Joint Chiefs were all standing here together, we would say that we bring together the things that matter for a combatant commander. I have listened to and learned from an Army Chief and a Chief of Naval Operations and a Marine Corps Commandant relative to their domains. And so anything that begins to fuzz those lines or anything that begins to inhibit the ability to organize, train, and equip, sir, I think we have to take a look at.

And I believe joint basing is a good idea. I believe looking at the services capability—and I do not mean services as Army, Navy, Air Force, Marine Corps, but base operating support and services to look at synergies to be able to save money, save resources is a wonderful idea and we should pursue that. But as we begin to look at things that impact command authority or execution of the command, then I think we have to be very careful.

Senator INOUYE. I personally think you have made your case and we are going to work toward that.

May I ask another question? What is the latest status of the combat search and rescue helicopter?

COMBAT SEARCH AND RESCUE HELICOPTER

Mr. WYNNE. It has, as you know, also been subject to a GAO review on a couple of occasions. We hope to get resolution by August or September of this year. Once it gets into a process like this, we are asking for resolicitations. Those have been in. Now we are in the process of reevaluating the outcome.

General MOSELEY. Mr. Chairman, I would like to add an operational piece to this also. This is about being able to go pick people up in combat. The United States Air Force does this for the entire joint team. It is a core competency for us, and I believe it is a moral imperative to be able to go pick up a downed person or a party. That is what we do for combatant commanders in the Pacific and combatant commanders in Europe and in Southern Command and also in Central Command. And this captain sitting behind me has dedicated his life to be able to do that.

So the notion of being able to get on with this and field the capability and give it to our squadrons so we can get into a much more capable, survivable, penetrating platform is my desire. And that is why the two of us have made that the number two acquisition priority in the United States Air Force.

Senator INOUYE. I concur with you, sir. I have had some experience. It took me 9 hours to be evacuated from my point of combat to the field hospital, and with this new combat search and rescue helicopter, you might be able to do it in 15 minutes. That is the difference between life and death. You have my vote.

Mr. WYNNE. Yes, sir.

Senator INOUYE. Senator Murray.

Senator MURRAY. Thank you, Mr. Chairman. I appreciate the time.

Mr. Secretary, despite the leaks that have apparently occurred that allowed a spin to be created out there for some amount of time, I do want, for the record, to ask you, because I know you have said this already. Both planes were good planes in the competition.

Mr. WYNNE. We would have been proud to fly in either one.

Senator MURRAY. Thank you, Mr. Secretary.

For the record, on behalf of myself—and I know that the Senator from Alabama has good reason to be excited about the potential for some jobs in his State. We have worked hard together on many, many issues—I would say that I think competition is great, and I encourage competition.

But I think we all ought to give great pause to the fact that this is not a level playing field when one of the companies is heavily subsidized and, therefore, can offer a contract at much less cost, to the detriment of a United States company. So I think that is a question that really should give us all pause, and I know that I will be pursuing that in other places as well.

Mr. Secretary, I wanted to ask you. I know you cannot answer any questions about the contract itself. I understand the process that we are in and I understand the proprietary information. So let me go away from that and ask you a philosophical question that I wonder if you have pondered: Is the United States Air Force ready for another country's air force to have the same capabilities that we do?

Mr. WYNNE. Well, it very much depends upon the character of the device or airplane that it is. I would say the Air Force would prefer to be the dominant air force in the world in probably all of its aspects.

That having been said, the way that the competition is rendered, I think that we husband now a lot of the inner technologies that allow us to be the most lethal air force in the world, and we have——

Senator MURRAY. But does it concern you?

Mr. WYNNE [continuing]. Front-loaded some of the logistics.

Senator MURRAY. You mentioned earlier that you are worried about our military complex. Does that concern you?

Mr. WYNNE. I am very much concerned about the industrial base in air, the industrial base in space, and we have an emerging industrial base in cyberspace, and I hope they stay with us.

Senator MURRAY. Well, let me talk about national security for a minute. I think we all know that the Air Force is the finest in the world, exemplified by the amazing men and women behind you. And I congratulate and thank each one of them. The all-volunteer force has been flying nonstop in defense of our Nation. They have done an incredible job. I am extremely proud of the two Air Force bases in my home State and the men and women who serve there.

But what really perplexes me is that when we procure new assets for the Air Force, the leadership does not take into account the wider view to include the preservation of our domestic aerospace industry when it outsources contracts. My understanding is that the Navy, in fact, does, Mr. Chairman, have rules regarding domestic production of our assets. Why does the Air Force not have the same requirements?

Mr. WYNNE. Ma'am, I would say it this way, that the shipbuilding industry is a powerful force in our economy and in our marketplace, and we would actually like a similar caucus to appear as with the aerospace industrial base to focus on the aerospace industrial base. And I am not really just talking about the prime

level, but at the third tier and the fourth tier, people that are essentially ignored when we come even to questions like long lead and we do not realize that the landing gear manufacturer down in the fourth tier or the supplier to the landing gear manufacturer cannot make a market with a very low or ignored long-lead funding.

So I would tell you that where I am it is very hard to essentially structure a competition after the competition has concluded. It would have been much better to structure the competition in advance.

Senator MURRAY. Well, we are where we are, and the reality of what we have not done in the past is now in our face, and I think it is something we seriously need to look at. I think you would share that concern.

Mr. WYNNE. I think the way that our industrial base is shrinking, especially in the aerospace and space industry, is something that the Congress should take a look at.

Senator MURRAY. I am hearing from a lot of my constituents and people across the country who—obviously, the economic times when our economy is headed toward a recession, if not there, the fact that we are spending $40 billion, maybe more, for jobs that will be mostly overseas is, I think, particularly distressing to a lot of Americans.

But let me leave that aside for a minute and focus really on the national security implications of a contract like this. If this contract is carried out and goes to Airbus, France, Germany, others, Russia, what happens in the future if one of those governments disagrees with us on foreign policy? What if they decide they want to slow down our military capability for whatever reason? What is the Air Force's plan if Airbus pushes back deliveries?

Mr. WYNNE. Well, right now we have an agreement among allies. You are reaching into policy areas where I really have no knowledge. I can only tell you that the agreements and the suppliers that we have on that particular airplane have been loyal to American policy for decades and decades and decades. So I really cannot go out there and now declare somehow that because they have been judged winners and they intend to provide 25,000 jobs here in America, that somehow they are, downstream, going to be bad.

Senator MURRAY. Though we cannot predict the future, what if they decide they are not going to do replacement parts because of some policy that we have that they disagree with; whether it is our policy in the Middle East or elsewhere?

Mr. WYNNE. I really hesitate to go anywhere near that.

Senator MURRAY. And these were not questions that you mulled about in going through in awarding this contract at all?

Mr. WYNNE. No, ma'am. They were not aspects of the law that we followed.

Senator MURRAY. And I keep hearing you go back to that darned law.

Okay. Well, let me ask you about another issue because from what I have been reading in the press, the main shareholders of EADS, France and Germany, have been working to usurp the authority to deny investment in Airbus by other foreign entities and countries. And that effort has been stymied by the EU, therefore

adding the possibility that holdings by Russia and the UAE could be increased from their current levels. It also adds the possibility that other foreign governments could become part owners of Airbus.

Was this instability of EADS considered at all, and if so, was it factored into the aggregate risk associated with the KC–45A bid?

Mr. WYNNE. I do not believe that was a consideration. It is not a consideration in any competition that we are in.

Senator MURRAY. So when we talk about risk and we are looking at those kinds of risks, you do not take into account that entire——

Mr. WYNNE. We assess the financial capability of the company as a part of a manufacturing look. This is a very stable financial company, a lot of sales around the world, competing, going to compete for, I believe, 25,000 airplanes over the course of the next 20 years. They looked very stable to us.

Senator MURRAY. Well, Mr. Chairman, I know I have taken considerable amount of time here. It seems to me that this hearing for me has raised as many questions, if not more, than I came in with. I obviously have serious concerns about our national security. I think every Member of Congress should. I have serious concern about awarding a contract to a company with which we are in a trade dispute, a serious trade dispute, at the WTO over illegal subsidies. I have serious concerns about economic impact in the infrastructure. I hope that we can meet again in the near future to talk about this competition not only to focus on some of the questions I have raised here, but on the contracting process as well.

And I will submit some questions for the record.

But I think these are serious issues that we as policymakers at this incredibly important moment, when we are going to decide something that will impact us for not just a few months or a few years, but really for decades to come. We have to think about that as we move forward, and I urge this subcommittee to look into those concerns. Thank you, Mr. Chairman.

Senator INOUYE. Thank you.

Senator Shelby.

Senator SHELBY. Mr. Chairman, I will be brief.

General Moseley, Mr. Secretary, do you believe that the Air Force did the right thing in making the award, and do you believe that they selected the best plane for your mission? General Moseley.

General MOSELEY. Sir, I believe with the rule set that we have and the competition and the offerings we had, we got us a good airplane, and I am willing to fly it.

Senator SHELBY. Mr. Secretary.

Mr. WYNNE. Sir, we went through a very rigorous examination. We had a lot of interchange with the clients. I recognize that Boeing has asserted their right to protest, but we did, at the time, believe we bought the right airplane for the right price.

Senator SHELBY. Thank you.

Senator INOUYE. I have tried my best to stay out of this controversy, but in order to clarify certain things, we have been told that the Northrop-Grumman contract involves a foreign country or foreign countries providing certain supplies of parts. Does Boeing have any foreign involvement, or is it all American-made?

Mr. WYNNE. I believe that Boeing does have some international suppliers.

Senator INOUYE. May I ask from what countries?

Mr. WYNNE. Sir, I would have to get you that for the record, but it would not surprise me to think they were similar.

General MOSELEY. Sir, please let us take that for the record. We will have to do some research on specifically what countries produce what subassembly and what parts. Sir, I do not know that right now.

Senator INOUYE. But you are certain that both companies have foreign involvement.

General MOSELEY. Yes, sir. That is my understanding.

[The information follows:]

The details of the 767 tanker Boeing proposed are proprietary and source selection sensitive. Since a protest has been filed with the Government Accountability Office, we cannot include such information in this written response. However, we can provide it verbally in a closed briefing, if requested.

According to the February 26, 2008 Assessment of FAA's Risk-based System for Overseeing Aircraft Manufacturers' Suppliers by the Department of Transportation (Report Number AV–2008–026), parts of the commercial 767 airframe are built in Japan and Italy.

## ADDITIONAL COMMITTEE QUESTIONS

Senator INOUYE. Mr. Secretary, General, I will be submitting several questions for your consideration, and I hope you will respond to them. And I wish to thank you for your testimony this morning and your service to our Nation.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

## QUESTIONS SUBMITTED TO HON. MICHAEL W. WYNNE

## QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

### END STRENGTH

*Question.* Secretary Wynne, the Air Force has reevaluated its planned personnel drawdown. Instead of drawing down to 316,000 airmen by the end of fiscal year 2009, you would like to grow to 335,000 airmen by fiscal year 2015. This revised plan will cost $385 million in fiscal year 2009 and is not included in the budget request. If these additional personnel are vital to carrying out the Air Force's mission, why are they not included in the President's request?

Answer. Due to fiscal constraints, the Air Force will reduce our active duty end-strength to 316,600 in fiscal year 2009. This level clearly falls short of our required force of 330,000 active duty end-strength for fiscal year 2009, which increases to 335,000 by fiscal year 2015 due to force structure growth in CSAR–X, Predator and Global Hawk, KC–X, Distributed Common Ground Systems, and Battlefield Airmen.

The Air Force's required force—"what's needed per the 2006 Quadrennial Defense Review"—is 86 modern combat wings with 330,000 Active Duty Airmen in fiscal year 2009 growing to 335,000 by fiscal year 2015. However, without additional resources, the Air Force has to balance risk within its portfolio.

With fiscal year 2007 Program Budget Decision 720, the Air Force planned to reduce 40,000 Active Duty, Guard, Reserve, and civilian full-time equivalents in order to submit a balanced budget and self-finance the critical recapitalization and modernization needed to preserve America's air, space, and cyber superiority. An end strength of 316,600 seeks to balance the risk of deferring recapitalization and modernization with the risk of maintaining an end strength below our required force.

### C–5 RELIABILITY/RERP

*Question.* Secretary Wynne, the reported mission capable rate for the C–5 aircraft in fiscal year 2007 was about 52 percent. We understand that the primary factors

for the low rate are inadequate maintenance and lack of investment in spare parts. Rather than investing an additional $6 billion to re-engine the aircraft, why not put additional funding into maintenance and spare parts?

Answer. As opposed to the marginal utility offered with increases in sustainment funding, C–5 RERP will provide a significant increase in C–5 fleet availability by replacing the propulsion system and over 70 unreliable systems and components, eliminating the need for additional peacetime manpower requirements in the reserve components, which is the primary cause of the aircraft's currently low MC rate. Moreover, the new engines will improve aircraft performance, allowing the modified aircraft to carry more weight longer distances while burning less fuel. RERP for the C–5B is a smart investment from the standpoint of both reliability and performance.

(Additional funding for aircraft spares only provides a marginal improvement in C–5 mission capable (MC) rates. Aircraft spares have historically been funded to 100 percent of the MC rate standard (75 percent for Active Duty and 50 percent for Reserve Components) so additional sustainment funds may add little or no benefit to MC rate improvement. There are different MC rate standards for the reserve components because they serve as our strategic reserve for airlift capacity. In time of war, their manpower and sustainment footing is the same as the active duty and they have the same wartime MC rate standard.)

UNFUNDED LIST

*Question.* Secretary Wynne, a recent Congressional Research Service report states that between fiscal year 1998 and fiscal year 2009, the budget of the Department of Defense has grown by forty-four percent. The Air Force budget has obviously been a part of the total growth over those years. Despite the exponential growth of the budget, the Air Force has submitted an Unfunded Requirements List totaling over $18 billion. What is the message that the Air Force is trying to convey to this Subcommittee with a list of 150 items that are current requirements but not included in the budget request?

Answer. Global trends over the last decade have presented significant challenges to our organization, systems, concepts and doctrine. Would-be adversaries are developing asymmetric approaches to attack vital levers of U.S. power and ascendant powers are posturing to contest U.S. superiority with "Generation 4-plus" fighter aircraft, increasingly lethal air defense systems, proliferation of surface-to-surface missiles and a resurgence of counter space capabilities. Demands for Intelligence, Surveillance, and Reconnaissance (ISR) and space capabilities, that simply did not exist a decade ago, as well as a renewed emphasis on modernization and emerging cyberspace threats to meet existing and expected challenges have placed significant stress on our baseline budgets.

The Air Force fully supports the fiscal year 2009 President's budget request and is appreciative of the increased funding over the last decade. These funds have given us the resources to win today's fight, take care of our people, and slowly modernize for tomorrow's challenges. While the fiscal year 2009 budget provides a moderate increase over the fiscal year 2008 budget and enables us to meet today's global commitments, additional funding is necessary to ensure Air, Space and Cyberspace dominance for the 21st Century. The fiscal year 2009 Unfunded Requirements List (URL) identifies our most critical needs should additional funding be made available. The majority of the URL is tied to the weapon systems, personnel, and support necessary to equip our Required Force of 86 modernized combat wings.

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QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

KIRTLAND AFB BRAC

*Question.* Among other things, Kirtland Air Force Base is home to the Nuclear Weapons Center, 58th Special Operations Wing, and two Air Force research laboratories. Where is the Air Force at in transitioning AFRL's Space Weather work to Kirkland, as required by the 2005 BRAC?

Answer. The Air Force intends to transition AFRL's Space Weather work from Hanscom AFB, MA to Kirtland AFB, NM in time to meet the BRAC mandated deadline of September 15, 2011. The estimated $42.7 million military construction project to support the transition has an estimated contract award date of May 30, 2008.

JOINT NEW MEXICO EFFORTS

*Question.* New Mexico offers a number of assets of critical importance to the Department of Defense, and I'm pleased the Department is taking advantage of those assets by locating F–22 at Holloman, Special Operations Forces at Cannon, research and space work at Kirkland, and a variety of test and evaluation work at White Sands Missile Range (WSMR). Additionally, Fort Bliss often does work in New Mexico, either on its own land or on WSMR land.

What are you doing to coordinate joint training and testing initiatives among these groups? Will you work with the Secretary of the Army to ensure that the Army's and the Air Force's work in New Mexico and Texas are coordinated and cooperative whenever possible?

Answer. U.S. Joint Forces Command's Joint National Training Capability (JNTC) provides the overarching policy and guidance for coordinating joint training. Joint training activity involving the New Mexico facilities and Fort Bliss, TX will include Fort Bliss Patriot batteries and Special Operations forces participating in JNTC accredited and certified exercises.

The Air Force and Army continuously seek opportunities to improve joint operations and activity. The Air Force is working closely with the Army to expand the use of the White Sands Missile Range and Holloman AFB, NM airspace for F–22 training. Joint Air Force-Army activities are addressed at the highest levels including the recent 2008 Army-Air Force warfighter talks conducted by both Services' Chiefs of Staff. The Air Force and the Army are both capitalizing on local joint training and exercise opportunities for joint intelligence, surveillance, and reconnaissance assets, conventional Army forces, and Air Force close air support units.

The Distributed Mission Operations Center (DMOC) at Kirtland AFB, NM remains the hub for connecting the Air Force and other Service participants, in a live-virtual-constructive arena. The DMOC Army Air and Missile Defense units have been habitual training partners and serve as both Red and Blue air defense in these exercises.

There is an initiative to develop a coordinated range scheduling and utilization system to help improve range space utilization on Holloman AFB, NM and White Sands Missile Range. The Air Forces ranges, Edwards and Eglin Air Force Bases, along with White Sands Missile Range are participating in the Common Range Integrated Instrumentation System managed out of Eglin AFB, FL—a Central Test and Evaluation Investment Program (CTEIP) initiative. Another CTEIP initiative that may involve test and training in the future is the Unmanned Aerial Vehicle System Operations Validation Program being managed at Holloman AFB, NM. Another CTEIP space initiative is the Space Threat Assessment test bed at Kirtland AFB, NM managed by the Space Development and Test Wing.

NEW MEXICO ANG

*Question.* The 150th Fighter Wing at Kirtland Air Force Base has a proud heritage as part of the Air National Guard. The 150th used to fly Block 40 F–16s, but gave them to the Active Duty forces to assist in meeting mission priorities. Now the 150th flies Block 30 F–16s, which will soon be retired.

What is the Air Force doing to develop a new mission for the Air National Guard at Kirtland Air Force Base? Has the Air Force considered giving Block 40 or 50 F–16s to the 150th to enable them to continue providing their outstanding service to New Mexico and the United States?

Answer. As the Air Force, Air National Guard and Air Force Reserve Command continue to plan for programmed retirements of the legacy fighter fleet of A–10, F–15, and F–16 aircraft, we are analyzing ways to expand our Total Force capability in the fiscal year 2010 budget by considering building more classic and active associate units at Regular Air Force and Reserve Component locations, respectively. As we work through this Total Force Integration analysis, we will review all Air National Guard (ANG) and Air Force Reserve Command unit locations, to include the 150th Fighter Wing at Kirtland AFB, NM to support a potential future active association or to participate in a classic association. In the Chief's Roadmap released on January 16, 2008, Kirtland AFB, NM is a potential beddown location for the F–35 and CSAR–X. All future beddown locations will be impacted by Total Force Integration efforts and Environmental Analysis/Impact Study results. Currently there are no Block 40 aircraft available to transition the New Mexico ANG. However, the Air Force in coordination with the National Guard Bureau, is constantly reviewing aircraft allocations and adjusting aircraft beddown locations as the missions of the Air Reserve Component and the Regular Air Force evolve. The 150th Fighter Wing assigned aircraft will continue to be an important part of a comprehensive force structure optimized for national defense.

## QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER S. BOND

### COST OVERRUN

*Question.* What is the amount of the current cost overrun for the F–22 program? What is the amount of the current cost overrun for the F–35 program and are reports that the program will result in a Nunn-McCurdy cost breach accurate? What is the amount of the current cost overrun for the C–5 modernization program? How many Nunn-McCurdy cost breaches has the Air Force experienced in the past 10 years? With a concern that these questions may be related, I am interested in knowing if the Air Force has an industrial base strategy and policy—and if so to explain to members of the committee the policy's goals and successes if any?

Answer. There is currently no cost overrun on F–22 since the last Selected Acquisition Report (SAR) baseline. This baseline adjustment in 2007 was only in military construction due to cost growth for bed-down of new F–22 squadrons. The F–35 is experiencing normal cost and schedule pressures but is not at risk for a Nunn-McCurdy breach in fiscal year 2009. The December 2006 SAR reflects approximately 38 percent unit cost growth since Milestone B. Contrary to the GAO report, the preliminary data for the December 2007 SAR shows no growth in Nunn-McCurdy measures from SAR 06 to SAR 07. The F–35 prime contractor is currently updating their estimated cost at completion. Preliminary estimates reflect increased costs between $1.2 and $1.5 billion over the remaining development contract. The Department has kicked off a joint independent government cost assessment which is supported by a team of Air Force, Navy, and OSD cost experts to support the 2010 President's budget request, which will be reflected in the December 2008 SAR. With respect to the cost overrun for the C–5 Reliability Enhancement and Re-engining Program (RERP), it is $4.4 billion. The overrun is based upon a comparison of the approved February 2005 Acquisition Program Baseline and the January 2008 independent cost estimate accomplished by OSD in support of the RERP Nunn-McCurdy certification process.

The Air Force has experienced a total of 25 Nunn-McCurdy unit cost breaches in the past 10 years (1998-Present). A significant portion is attributable to the additional criteria established in the fiscal year 2006 National Defense Authorization Act (NDAA). The following breakout is provided for clarification: There were 15 breaches prior to the fiscal year 2006 NDAA, four breaches due to the fiscal year 2006 NDAA Section 802 directing initial implementation of the Original Baseline Estimate, and six breaches since implementation of fiscal year 2006 NDAA (breaches against both Original and Current Baseline Estimate).

Air Force leadership recognizes a healthy industrial base as an essential element of successful acquisition. As such, the Service has developed a comprehensive policy contained in Air Force Policy Directive 63–6, Industrial Base Planning. The goals of this policy are consistent with the Department of Defense's desired attributes for an industrial base; namely, one that is reliable, cost-effective, and sufficient. The Air Force is laying the groundwork for an industrial base strategy to support this policy and recently stood-up an Air Force Industrial Base Council as a forum to identify and address emerging industrial base issues.

Examples of Air Force industrial base successes include efforts to provide a domestic source for specialized batteries and to improve industrial capability to produce large-scale composite structures. Under the authority provided by Title III of the Defense Production Act, the Air Force began a three-year, $8.7 million effort with Enser Corporation for thermal battery production in 2005. In 2006, a combined Air Force, Office of the Secretary of Defense, National Reconnaissance Office, Missile Defense Agency, and National Aeronautics and Space Administration four-year, $84 million program was initiated under Title III to ensure domestic supply and production of space-qualified Lithium Ion batteries. Finally, in 2007, the Air Force initiated a three-year, $15 million effort to increase the production rate of large-scale composite structures by making improvements in manufacturing equipment and processes. A new Integrated Automated Advanced Fiber Placement Machine replaces the current time-consuming operation with the capability to automatically and precisely control placement of the fiber required to produce complex, large-scale composite structures, such as aircraft wingtips, control surfaces, inlet ducts, and engine nacelles, resulting in increased production rates and cost efficiencies.

### F–22 PLAN B

*Question.* Your boss Secretary Gates, DOD civilian leadership, and elected civilian leaders in the Congress, have all stated that 183 is the number of F–22s. The Navy's acquisition has recognized that an expected shortfall in modernization dollars may require an adjustment in the mix of aircraft necessary to equip the future

force. I know the 383 is based on your "Required Force" model and we know what your Plan A is. However, Plan A is unrealistic and unsustainable in the current fiscal environment and to meet the current threat. You have been told this by civilian leadership repeatedly and yet, you don't appear to have a Plan B? What Plan B are you seeking to ensure AF fills the delta of 200 tactical fighter aircraft in the likely event that only 183 F–22's are procured and we see less than the projected number of F–35 aircraft because of continued cost growth and delays in fielding?

Answer. The Air Force is committed to the strategic imperative of providing Global Vigilance, Global Reach, and Global Power through cross-domain dominance to underwrite the security and sovereignty of the nation. The Air Force plans to implement this imperative by developing the QDR-directed 86 combat wing capability. Key to providing the air dominance element is a healthy recapitalization and modernization plan for replacing aging, less capable legacy platforms, but affordability of necessary capability is a major challenge to successfully achieve the Air Force's recapitalization objectives. The Air Force is encouraged by President Bush's and Secretary Gates' position to defer a decision on the F–22A line shut-down and ultimate numbers to the next administration. From a strategic perspective, the Air Force plans to increase the operational capability of some legacy air superiority platforms (e.g., F–15 Golden Eagles) while examining other future force structure alternatives to provide additional air dominance capacity.

FOUR-CORNER BASING PLAN F–22

*Question.* How many aircraft must the Air Force procure in order to establish a four-corner basing plan for F–22 aircraft and establish a roadmap that provides for the substantive involvement of the Air National Guard in the air supremacy and homeland defense missions?

Answer. 460 F–22s are needed to fully bed down F–22s at active duty and at the "Four Corner" Air National Guard locations. This provides all Air National Guard combat-coded bases with 24 primary aircraft authorizations. In this proposed plan, F–22s deliver to Four Corner Air National Guard bases in calendar year 2014.

RETIREMENT OF C–5

*Question.* What is the current Air Force position on the retirement of C–5 aircraft? If USAF is provided the authority to retire older C–5 aircraft will the Air Force POM for more than the (15) C–17 aircraft in the current UFR list? Does the Air Force UFR take into account the Army's requirement to transport the future family of Army ground vehicles in C–17 transports and the projected growth in Army and USMC ground forces?

Answer. We are conducting internal analyses to determine the future of the C–5As, including the number and mix of aircraft necessary to meet future requirements. Within current budgetary constraints we are unable to program for additional C–17s. A fiscal year 2008 procurement provided by a Global War on Terror Supplemental, as well as the 15 C–17s on the fiscal year 2009 Unfunded Requirements List, offer the ability to keep the C–17 production line open while we continue to evaluate emerging airlift requirements. Those requirements include the 92,000 person increase in ground forces, future combat system (FCS) and Mine Resistant Anti-Personnel (MRAP) transport and U.S. Africa Command stand-up.

KC–X AND MILITARY CONSTRUCTION

*Question.* I recently received reports that the Air National Guard, which manages 41 percent of the air tanker assets at 20 facilities across the nation (three of which will be closed due to BRAC) was not consulted on the KC–X tanker solicitation. Additionally, concerns have been conveyed to my office that there are significant MILCON costs associated with the Airbus-KC45 because of the size differential between the Airbus-KC45, Boeing-767 and the KC135 tanker variants. Reports indicate that the MILCON costs associated with the Airbus-KC45 will be significantly higher than the costs associated with the Boeing-767, a factor that in the longer term may prohibit the future participation of the Air National Guard in the tanker mission.

(1) Can the Air Force explain why it would not consult with its strategic partner in the Air Force tanker mission on what is clearly the most important tanker decision the service will make in the next 50 years? (2) What are the projected MILCON costs associated with the Airbus-KC45 basing plan to include new hangar facilities, support equipment, ramp and runway upgrades if required and how will weight and size restrictions of the Airbus-KC45 impact operational effectiveness in comparison to the Boeing-767? (3) How did projected MILCON costs for the Airbus-KC45 and Boeing-767 factor into the final decision?

Answer. (1) The Air Force did consult with the Air National Guard regarding the KC–X program. A member of the National Guard Bureau participated in the development of the requirements and supported the KC–X source selection as a subject matter expert.

(2) MILCON costs include new buildings, modifications to existing buildings, new hangars, ramp expansions, and relocation of fuel hydrants. Specific costs for the KC–45 are source selection sensitive, and since a protest has been filed with the GAO, they cannot be included in this written response.

Aircraft characteristics such as size and weight were accounted for in the Integrated Fleet Aerial Refueling Assessment, one of the five evaluation factors. The comparison of this assessment for the two aircraft is source selection sensitive; we can provide this information verbally in a closed briefing, if requested.

(3) One of the five source selection evaluation factors was Most Probable Life Cycle Cost (MPLCC). MILCON is one component of the MPLCC. It was not weighted or considered separately.

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## QUESTIONS SUBMITTED TO GENERAL T. MICHAEL MOSELEY

### QUESTION SUBMITTED BY SENATOR DANIEL K. INOUYE

#### CYBER DOMAIN

*Question.* General Moseley, the Air Force appears to be staking out new territory with the recognition of cyber warfare as a separate domain and the stand-up of the new Air Force Cyber Command in October of last year. Your recent White Paper on the 21st Century Air Force asserted that cyberspace superiority is essential for success and is the enabler for air, land and sea warfare. Could you elaborate on what you mean by cyberspace superiority and what steps are needed to attain it?

Answer. We define Cyberspace Superiority as the degree of dominance in cyberspace of one force over another that permits the conduct of operations by the former and its related land, air, sea, space, and special operations forces at a given time and place without prohibitive interference by the opposing force. [taken from Draft AFDD 2–X: Cyberspace Operations (version pending)]

To achieve cyberspace superiority, the Air Force must take these steps:

—Develop an organized, trained, and equipped force capable of integrating, synchronizing, and executing cyber operations across the full spectrum of conflict.

—Field diverse capabilities to hold our adversaries at risk in and through cyberspace across the globe.

—Foster strong ties with other Services, government agencies, industry, and academic institutions to share intelligence, strategy, technology, and intellectual capital.

—Develop a globally networked command and control capability able to coordinate extensive and simultaneous regional and trans-regional effects, and able to operate in and through a contested cyberspace environment while maintaining data integrity and able to recognize loss of integrity.

—Develop and sustain the supporting technical, intelligence, and command infrastructures needed to plan, conduct, and assess cyber operations.

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### QUESTION SUBMITTED BY SENATOR CHRISTOPHER S. BOND

#### FOREIGN MILITARY SALES F–22

*Question.* General Moseley, are you aware of congressional concerns and the law prohibiting foreign military sales of the F–22? If so, can you explain your position in support of opening up discussions on FMS for the F–22? This again, is counter to civilian leadership and current law.

Answer. I am aware of Congressional concerns about foreign military sales of the F–22, and understand the Obey Amendment. I would welcome the opportunity to discuss export of the F–22 should Congress and the Secretary of Defense wish to do so in the future. Just as we require airpower capabilities to defeat adversaries, our allies have similar requirements for appropriate airpower capabilities.

## SUBCOMMITTEE RECESS

Senator INOUYE. This subcommittee will reconvene on Wednesday, April 2, at 10:30 a.m., and at that time we will be in closed

session to receive testimony on the space programs. Until then, we will be in recess.

[Whereupon, at 12:09 p.m., Wednesday, March 12, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2009

**WEDNESDAY, APRIL 16, 2008**

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.*

The subcommittee met at 9:41 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Feinstein, Mikulski, Murray, and Stevens.

## DEPARTMENT OF DEFENSE

### MEDICAL HEALTH PROGRAMS

**STATEMENT OF LIEUTENANT GENERAL ERIC B. SCHOOMAKER, SURGEON GENERAL, UNITED STATES ARMY AND COMMANDER, UNITED STATES ARMY MEDICAL COMMAND**

OPENING STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. I'd like to welcome all of the witnesses as we review the DOD medical services and programs. There will be two panels. First we'll hear from the Service Surgeon General, General Eric Schoomaker, Admiral Adam Robinson, Jr., and Lieutenant General James G. Roudebush.

Then we'll hear from our Chiefs of the Nurse Corps, General Gale Pollock, Admiral Christine Bruzek-Kohler, and Major General Melissa Rank.

While many of our witnesses are now experts at these hearings, I'd like to welcome the General, and Admiral Robinson to our subcommittee for the first time. I look forward to working with all of you to ensure the future of our military medical programs and personnel.

Over the past few years, decisions by leaders of the Department forced the military healthcare system to take actions which are of grave concern to many of us in this subcommittee.

For example, in 2006, DOD instituted the efficiency wedge, cutting essential funding from our military treatment facilities. These funding decreases were taken from the budget before the service could even identify potential savings, raising numerous concerns over the proper way to budget for our military health system, especially during a war.

To help alleviate this shortfall, Congress provided relief to the services in fiscal year 2007 and 2008, and directed that the Depart-

ment of Defense reverse this trend in future years. And we are encouraged to hear that the Department of Defense is making a concerted effort to restore these funding shortfalls in the next fiscal year.

A military to civilian conversion was another alarming directive established by DOD. As we saw in the so-called "efficiency wedge," adjustments were forced upon the services without the necessary research into short-term and long-term feasibility and affordability. Since DOD had no plans to reverse this course, Congress directed it to halt implementation.

I'm aware of the difficulties this presents to the service medical accounts, and the service military personnel accounts, and so I look forward to working with all of you to address these issues during our deliberations on the fiscal year 2009 DOD appropriations bill.

For the third year in a row, the Department is requesting the authority to increase fees for retired military in order to decrease the exponential growth in military healthcare costs. While I recognize the Department's dilemma, the approach must not cause undue financial burden on our military retirees.

To compound the problem, DOD's fiscal year 2009 budget request assumes that $1.2 billion requests—comes out in savings associated with this authority, which will likely be rejected, once again, by this Congress.

These are some of the challenges, I think, we will face in the coming year. We continue to hold this valuable hearing with service Surgeons General and the Chiefs of the Nurse Corps as an opportunity to raise and address these and many other issues.

And so I look forward to your statements and note that your full statements, all of them, will be made part of the record, and it is now my pleasure to call upon the senior member of this subcommittee, my vice chairman, Senator Stevens.

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much, Mr. Chairman, again, my apologies for being late.

I welcome General Schoomaker and Admiral Robinson, and of course, I'm happy to see General Roudebush here again. I would ask that my statement along with a statement from Senator Cochran be placed in the record, in view of the fact that I've already delayed this hearing.

Senator INOUYE. Without objection, so ordered.

[The statements follow:]

PREPARED STATEMENT OF SENATOR TED STEVENS

Thank you, Mr. Chairman.

I also want to welcome the Surgeons General and the Chiefs of the Nurse Corps today, who are here to testify on the current state of the military medical health system and the medical readiness of our armed forces.

General Schoomaker and Admiral Robinson, I welcome both of you in your first appearance before this subcommittee. We look forward to working with you in the future on the tough medical issues that face our military and their families.

General Roudebush, it is nice to see you here again.

This past year has shown great progress in addressing the health needs of our soldiers, sailors, marines and airmen, whether it be mental and psychological counseling after deployments, or more enhanced prosthetics that gets our servicemembers back into the fight. I experienced a prime example of how joint our

medical health care system can be, when the Air Force stepped up at Elmendorf Hospital and provided quality care for the returning Army brigade at Fort Richardson this past November. To my knowledge, it is the only Air Force hospital taking care of an Army brigade.

It is amazing how the medical corps of each service are always willing to step up and deliver the highest quality of care to those who are constantly putting their lives on the line, no matter what uniform they wear.

There will be many more challenges that will face the future of military healthcare, and I look forward to working with all of you in the future to ensure that we continue to make progress. Thank you for your testimony.

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PREPARED STATEMENT OF SENATOR THAD COCHRAN

Mr. Chairman, I am pleased to join the members of the committee in welcoming our witnesses this morning.

I think it is important to note that while each of the service secretaries and chiefs testified before this committee on separate occasions over the last few weeks, the medical leadership of all the services join us today as a group, representing the truly joint effort that they have undertaken to care for our military members, veterans, family members. The efforts of the men and women you represent, from the battlefield, to the hospitals and clinics, have been nothing short of heroic.

I look forward to discussing medical care for our forces and to hearing how this year's request ensures the necessary resources are provided so our servicemembers and their families receive the best care possible.

Senator INOUYE. And now may I call upon one who is looked upon by the medical Services as the angel, Senator Mikulski.

Senator STEVENS. Angel?

STATEMENT OF SENATOR BARBARA A. MIKULSKI

Senator MIKULSKI. I don't know—even Senator Stevens was taken aback.

Thank you very much, Mr. Chairman. I just want to welcome both the Surgeons General, as well as the head of the military Nurse Corps here.

I want our military to know that many of our colleagues are over on the White House lawn welcoming the Pope. They're in search of a miracle, and I'm here in search of one, too.

But, we look forward to your testimony today, to talk about the momentum and achievements that we've made to move beyond the initial Walter Reed scandal, to look at the shortages of healthcare providers in the military, because the ops tempo is placing great stress on physicians, nurses and other allied healthcare, and also the clear relationship between the military and the Veterans Administration (VA)—essentially the implementation of the Dole-Shalala report, and how we're moving forward on that.

The rest of my comments will be reserved for, actually, in my questions, and I'll just submit the rest of my statement into the record.

Thank you very much, Mr. Chairman.

Senator INOUYE. I thank you.

[The statement follows:]

PREPARED STATEMENT OF SENATOR BARBARA A. MIKULSKI

Our military health care system must be reformed to focus on people. It is not enough to have the right number of doctors, if there are not enough nurses and not enough case managers or other allied professionals to support both the wounded warrior and the military health care workers that care for the wounded warrior.

Technology won't solve these problems. Meaningful health care reform must address the underlying organizational problem to ensure we have a system that

serves. We must recruit and retain first-rate health care professionals. We must break down the stovepipes between the DOD military health system and the VA long-term care system to ensure our wounded warriors a fast and effective transition between systems.

Over 30,000 troops have been wounded in Iraq and Afghanistan. Our troops shouldn't be wounded twice. We know that acute care for our injured troops has been astounding. We have historic rates of survival and we owe a debt of gratitude to our military medical professionals. While we have saved their lives, we are failing to give them their life back. I have visited Walter Reed and met with outpatients. I'm so proud of their service and sacrifice for our Nation, and so embarrassed by the treatment they have received.

I'm grateful to the Dole-Shalala commission for their excellent report. Their report should be the baseline for reforming our military health system. To ensure our military health system serves our wounded warriors and their families, supports their recovery and return, and simplifies the delivery of care and disabilities.

We need our Surgeons General and the heads of our Military Nurse Corps to fight hard to achieve this reform. To fight hard to break down stove pipes between DOD and the VA, to recruit and retain first-rate doctors, nurses, case managers, and other allied health professionals that support them, to ensure a fast and effective path from DOD to VA systems, and to think out of the box on solutions to address the nursing shortage.

Our soldiers have earned the best care and benefits we can provide. They should not have to fight another war to get the care they need.

Senator INOUYE. And now our first witness, Lieutenant General Eric B. Schoomaker, Surgeon General of the United States Army.

General.

General SCHOOMAKER. Thank you, sir. Chairman Inouye, Senator Stevens, Senator Mikulski, and other distinguished members of the subcommittee, thank you for providing me this opportunity to discuss Army medicine, and the Defense Health Program. I truly appreciate the opportunity to talk to you today about the important work that's being performed by the dedicated men and women, both military and civilian, of the United States Army Medical Department, who personify the AMEDD value of selfless service.

Sir, as you mentioned in your opening comments, this is about taking care of people, this is about taking care of soldiers and their families and members of the uniformed services as a whole, and so let me start by talking about how we, in the AMEDD, are working to promote best practices in care, and addressing some of the concerns about rising costs.

In the Army Medical Department, we promote clinical best practices by aligning our business practices with incentives for clinicians for our administrators and commanders. We simply don't fund commanders with what they received last year with an added factor for inflation which rarely, in past years, has covered the true medical inflation, anyway.

We also don't pay, simply, for productivity, we are not just about building widgets of care—we focus on quality and best value for the efforts of our caregivers. At the end of the day, that's what our patients and that's what my own family really wants, they want to remain healthy, and they want to be better for their encounters with our healthcare system. And we address that through the emerging science of evidence-based medicine, and focusing on clinical outcomes. We want to be assured that we're just not building widgets of healthcare, that don't relate, ultimately, to improvement in the health and well-being of our people, and ultimately I think this is what they deserve.

We've used a system in Army medicine of outcomes-based incentives for almost 4 years now. It was implemented across the entire medical command last year after the initial trial of several years in the Southeast Regional Medical Command where I was privileged to command. I believe very strongly in this approach, it promotes our focus on adding value to people's lives through our efforts in health promotion and healthcare delivery, and frankly what this has resulted in the Army, in the last 3 to 4 years, has been a measurable improvement in the health of our population, and the delivery of more healthcare services, every year, since 2003.

As Army medicine and the military health system move forward, I have three principal areas of concern that will require attention over the course of the next year, and probably the next decade.

These concerns relate to, first of all, our people. I think as you've so aptly pointed out, sir, the people are the centerpiece of the Army, and they're the centerpiece of Army medicine.

Second, we're focused upon—I'm focused upon the care that we deliver, and our distributed system of clinics and hospitals, what we call "the direct care system," the uniformed healthcare system.

And finally, I'm concerned about our aging facility infrastructure.

Let me begin with our people—the professionalism, the commitment and the selfless service of the men and women in Army medicine really, deeply impresses me, whether they're on the active side in the Reserve component, or civilians. And frankly, throughout this 5 or 6 years of conflict, without the Reserve components, we could not have survived. I've been in hospitals, and in commands in which as many as one-half or two-thirds of our hospitals have been staffed by Reserve component, mobilized nurses and physicians, administrators who are back-filling their deployed counterparts.

Nothing is more important to our success than a dedicated—our dedicated workforce. I've charted our Deputy Surgeons General, Major General Gale Pollock, whom you'll hear from in a few minutes. Also, dual-hatted as our Chief of the Army Nurse Corps, and our new Deputy Surgeon General I brought with me today, David Rubenstein, Major General David Rubenstein, to develop a comprehensive human capital strategy for the Army Medical Department that's going to carry us through the next decade, and make us truly the employer of choice for healthcare professionals.

An effective human capital strategy is going to be a primary focus of mine for the duration of my command. Recruiting and retaining quality professionals cannot be solved by a one-size-fits-all mentality. Rather, we need to address our workforce with as much flexibility and innovation, and tailored solutions as possible, specific to corps, specific to individuals, specific to career development.

Your expansion of our direct hire authority for healthcare professionals in last year's appropriations bill was a clear indicator to me of your willingness to support innovative solutions in solving our workforce challenges. And as our human capital strategy matures, I will stay closely connected to you and your staff to identify and clarify any emerging needs or requirements.

Second, I'd like to emphasize the importance of the direct care system, in our ability to maintain an all-volunteer force. One of the

major lessons that has been reinforced throughout the global war on terror (GWOT) over the last several years, is that the direct care system is the foundation for caring for wounded, ill, and injured soldiers, sailors, airmen, marine, Coast Guardsman.

All of our successes on the battlefield, through the evacuation system, and in our military medical facilities, derives from this direct care system that we have. This is where we educate, where we train, where we develop the critical skills that we use to protect the warfighter and save lives. Frankly, the success of combatants on the battlefield to survive wounds is a direct relationship—direct reflection—of what skills are being taught and maintained in our direct care system, every day.

As a foundation of military medicine, the direct care system needs to be fully funded, and fully prepared to react and respond to national needs, particularly in this era of persistent conflict. The Senate—and this subcommittee in particular—has been very supportive of our direct care system, and I thank you for recognizing the importance of our mission, and providing the funding that we need.

Last year, in addition to funding the direct care system in the base budget, you provided additional supplemental funding for operations and maintenance, for procurement, for research and development and I thank you for providing these additional funds. Please continue this strong support of Army facilities and our system of care, and for the entire joint medical direct care system.

My last concern is that we maintain a medical facility infrastructure that provides consistent, world-class healing environments. We need environments that improve clinical outcomes, patient and staff safety, that recruit and retain staff, and I think those of you who are familiar with some of our newer facilities know that instantly, it sends the message to staff and patients alike, that we as a nation, are invested in their care and in their development.

The quality of our facilities, whether it's medical treatment, research and development, or support functions, is a tangible demonstration of our commitment to our most valuable assets—our military family, and our military health systems staff.

In closing, I want to assure the Senate that the Army Medical Department's highest priority is caring for our wounded ill and injured warriors and their families—I'm proud of Army—of the Army Medical Department's efforts for the past 232 years, and especially over the last 12 months. I'm convinced that, in coordination with the Department of Defense, the Department of Veterans Affairs, we've turned the corner on events over the last year.

I greatly value the support of this subcommittee, and I look forward to working with you closely over the next year. Thank you for holding this hearing today, and thank you for your continued support of the Army Medical Department and warriors that we are most honored to serve.

Thank you, sir.

Senator INOUYE. I thank you very much, General.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL ERIC B. SCHOOMAKER

Chairman Inouye, Senator Stevens, and distinguished members of the subcommittee, thank you for providing me this opportunity to discuss Army medicine and the Defense Health Program. I have testified before congressional committees three times this year about the Army Medical Action Plan and the Army's care and support for our wounded, ill, and injured warriors. It is the most important thing we do and we are committed to getting it right and providing a level of care and support to our warriors and families that is equal to the quality of their service. However, it is not the only thing we do in Army medicine. In fact, the care we provide for our wounded, ill, and injured warriors currently amounts to about 9 percent of the outpatient health care managed by Army medicine. I appreciate this opportunity to talk with you today about some of the other very important work being performed by the dedicated men and women—military and civilian—of the U.S. Army Medical Department (AMEDD) who personify the AMEDD value "selfless service."

As The Surgeon General and Commander of the U.S. Army Medical Command (MEDCOM), I oversee a $9.7 billion international healthcare organization staffed by 58,000 dedicated soldiers, civilians, and contractors. We are experts in medical research and development, medical logistics, training and doctrine, health promotion and preventive medicine, dental care, and veterinary care in addition to delivering an industry-leading health care benefit to 3.5 million beneficiaries around the world.

The MEDCOM has three enduring missions codified on our new Balanced Scorecard:

—Promote, sustain, and enhance soldier health;
—Train, develop, and equip a medical force that supports full spectrum operations; and
—Deliver leading-edge health services to our warriors and military family to optimize outcomes.

In January of this year I traveled to Iraq with a congressional delegation to see first-hand the incredible performance of Army soldiers and medics. I was reminded again of the parallels between how the joint force fights and how the joint medical force protects health and delivers healing. I have had many opportunities over the last year to meet wounded, ill and injured soldiers, sailors, airmen and marines returning from deployments across the globe. On one occasion, I spoke at length with a young Air Force Non-Commissioned Officer—an Air Force Tactical Air Controller in support of ground operations in Afghanistan who had been injured in an IED explosion. His use of Effects Based Operations to deliver precision lethal force on the battlefield and in the battle space was parallels the use of precision diagnostics and therapeutics by the joint medical force to protect health and to deliver healing. We strive to provide the right care by the right medic—preventive medicine technician, dentist, veterinarian, community health nurse, combat medic, physician, operating room or critical care nurse, etc.—at the right place and right time across the continuum of care.

Effects Based Operations are conducted by joint forces in the following manner:

—Through the fusion of intelligence, surveillance, and reconnaissance;
—Through the coordinated efforts of Civil Military, Psychological, and Special Operations capabilities to include the combined efforts of Coalition & host-nation forces;
—Through precision fires from appropriate weapon systems with coordinated mortar, artillery, and aerial fires in an effort to reduce collateral damage to noncombatants and the surrounding environment;
—By going beyond the military dimension—it also involves nation building through humanitarian assistance operations which are worked in close coordination with Non-Governmental Organizations (NGOs) and Other Government Agencies (OGAs). I should note here that Army, Navy and Air Force medicine play an increasing role in this aspect of the U.S. military's Effects Based Operations through our contributions to humanitarian assistance and nation-building.

The Army Medical Department and the joint military force do the exact same thing as the warfighters but for a different effect—our effect is focused on the human being and the individual's health. The parallel to our warfighting colleagues is apparent and the consequences of success in this venture are equally important and critical for the Nation's defense.

The Joint Theater Trauma System (JTTS) coordinated by the Institute for Surgical Research of the U.S. Army Medical Research and Materiel Command (USAMRMC) at Fort Sam Houston, Texas, provides a systematic approach to coordinate trauma care to minimize morbidity and mortality for theater injuries. JTTS in-

tegrates processes to record trauma data at all levels of care, which are then analyzed to improve processes, conduct research and development related to trauma care, and to track and analyze data to determine the long-term effects of the treatment that we provide.

The Trauma Medical Director and Trauma Nurse Coordinators from each service are intimately involved in this process and I can't stress enough how critical it is that we have an accurate and comprehensive Electronic Health Record accessible at every point of care—this is our fusion of intelligence from the battlefield all the way to home station.

We also help shape the outcomes before the soldiers ever deploy through our Health Promotion and Preventive Medicine efforts. We continue to improve on our outcomes by leveraging science and lessons learned through Research & Development and then turning that information into actionable items such as the Rapid Fielding Initiative for protective and medical equipment, improved combat casualty care training, and comprehensive and far-reaching soldier and leader training.

We make use of all of our capabilities, much as the warfighter does. We use the Joint Medical Force—our Combat Support Hospitals & Expeditionary Medical Support, our Critical Care Air Transport teams, Landstuhl Regional Medical Center, and a timely, safe medical evacuation process to get them to each point of care. We fully integrate trauma care and rehabilitation with far forward surgical capability, the use of the JTTS, establishing specialty trauma facilities and rehabilitation centers of excellence, and treating our patients with a holistic approach that we refer to as the Comprehensive Care Plan.

It is important to understand that the fusion of information about the mechanisms of injury, the successes or vulnerabilities of protective efforts, the results of the wounds and clinical outcome can be integrated with operational and intelligence data to build better protection systems for our warriors—from vehicle platform modifications to better personal protective equipment such as body armor. We call this program Joint Trauma Analysis and Prevention of Injury in Combat (JTAPIC) and it is comprised of multiple elements of data flow and analysis. The JTAPIC Program is a partnership among the intelligence, operational, materiel, and medical communities with a common goal to collect, integrate, and analyze injury and operational data in order to improve our understanding of our vulnerabilities to threats and to enable the development of improved tactics, techniques, and procedures and materiel solutions that will prevent or mitigate blast-related injuries. One way this is accomplished is through an established, near-real time process for collecting and analyzing blast-related combat incident data across the many diverse communities and providing feedback to the Combatant Commanders. Another example of JTAPIC's success is the process established in conjunction with Project Manager Soldier Equipment for collecting and analyzing damaged personal protective equipment (PPE), such as body armor and combat helmets. JTAPIC partners, to include the JTTS, the Armed Forces Medical Examiner, the Naval Health Research Center, and the National Ground Intelligence Center, conduct a thorough analysis of all injuries and evaluate the operational situation associated with the individual damaged PPE. This analysis is then provided to the PPE developers who conduct a complete analysis of the PPE. This coordination and analysis has led to enhancements to the Enhanced Small Arms Protective Inserts, Enhanced Side Ballistic Inserts and the Improved Outer Tactical Vests to better protect our soldiers.

These efforts have resulted in unprecedented survival rates from increasingly severe injuries sustained in battle. Despite the rising Injury Severity Scores, which exceed any experienced by our civilian trauma colleagues in U.S. trauma centers, the percentage of soldiers that survive traumatic injuries in battle has continued to increase. Again, this is due to the fusion of knowledge across the spectrum of care that results in better equipment, especially personal protective equipment like body armor; better battlefield tactics, techniques, and procedures; changes in doctrine that reflect these new practices; and enhanced training for not only our combat medics but the first responder—typically non-medical personnel who are at the scene of the injury.

One of our most recent examples involves the collection of data on wounding—survivable and lethal. Careful analysis of the information yielded recommendations for improvements to personal protective equipment for soldiers. This is a combined effort of the JTTS and their partners coordinated by the Institute of Surgical Research. Another combined effort being managed by USAMRMC is the DOD Blast Injury Research Program directed by Congress in the 2006 National Defense Authorization Act. The Program takes full advantage of the body of knowledge and expertise that resides both within and outside of the DOD to coordinate medical research that will lead to improvements in the prevention, mitigation or treatment of blast related injuries. The term "blast injury" includes the entire spectrum of inju-

ries that can result from exposure to an explosive device. Most of these injuries, such as penetrating and blunt impact injuries, are not unique to blast. Others, such as blast lung injury are unique to blast exposure.

The chitosan field dressing, the Improved First Aid Kit, the Combat Application Tourniquet, and the Warrior Aid and Litter Kit are a sampling of some of the advances made in recent years through the combined work of providers, researchers, materiel developers, and others. These protective devices, treatment devices, and improvements in tactics, techniques and procedures for initial triage and treatment through tactical evacuation, damage control, resuscitation, and resuscitative surgery, strategic evacuation are all illustrative of the results of this application of "Effects Based Operations" to a medical environment. These advances directly benefit our soldiers engaged in ground combat operations.

The concept of Effects Based Operations extends to our work in healthcare in our garrison treatment facilities as well. There are many substantial benefits from focusing on the clinical outcome of the many processes involved in delivering care and in harnessing the power of information using the Electronic Health Record. In the AMEDD, we promote these clinical best practices by aligning our business practices with incentives for our clinicians, administrators and commanders. We don't simply fund our commanders with what they received last year with an added factor for inflation. This would not cover the real escalation in costs and would lead to bankruptcy. We also don't just pay for productivity. Although this remains a key element in maximizing the resources of a hospital or clinic to care for the community and its patients, quality is never sacrificed. Like the Army and the joint warfighting force, we aren't just interested in throwing a lot of ordnance down-range. We—like the Army—want to know how many targets were struck and toward what positive effect. At the end of the day, that is what our patients and what my own family wants: they want to remain healthy and they want to be better for their encounters with us, which is best addressed through an Evidence Based Medicine approach. Ultimately, this is what they deserve.

We have used a system of outcomes-based incentives for almost 4 years now—it was implemented across the entire MEDCOM last year after an initial trial for several years in the Southeast Regional Medical Command. I believe strongly in this approach. It promotes our focus on adding value to peoples' lives through our efforts as a health promotion and healthcare delivery community. Last year alone we internally realigned $112 million to our high performing health care facilities. Our efforts have resulted in the Army being the only service to increase access to healthcare by delivering more services every year since 2003.

A robust, sustainable healthcare benefit remains a critical issue for maintaining an all volunteer Army in an era of persistent conflict. Increased health care demand combined with the current rate of medical cost growth is increasing pressure on the defense budget and internal efficiencies are insufficient to stem the rising costs. Healthcare entitlements should be reviewed to ensure the future of our high quality medical system and to sustain it for years to come.

I've talked a lot about joint medicine and our collaborative efforts on the battlefield, and I strongly believe it represents future success for our fixed facilities as well. In the National Capital Region (NCR), Walter Reed Army Medical Center will close and merge with the National Naval Medical Center to form the Walter Reed National Military Medical Center. The DOD stood up the Joint Task Force Capital Medicine to oversee the merging of these two facilities and the provision of synchronized medical care across the NCR. The process starts this fiscal year and is on track to end in mid-fiscal year 2011. Transition plans include construction and shifting of services with the goal of retaining current level of tertiary care throughout.

San Antonio is the next location that will likely see a lot of joint movement with establishing the Defense Medical Education Training Center and combining the capabilities of the Air Force's Wilford Hall Medical Center and the Brooke Army Medical Center into a jointly-staffed Army Medical Center. I see potential for great value in these consolidations as long as we work collaboratively and cooperatively in the best interests of all beneficiaries. We have proven that joint medicine can work on the battlefield, and at jointly-staffed Landstuhl Regional Medical Center. I have no doubt that Army medicine will continue to lead DOD medicine as we reinvent ourselves to define and pursue the distinction of being world-class through joint and collaborative ventures with our sister services.

As Army medicine and the Military Health System (MHS) move forward together, I have three major concerns that will require the attention of the Surgeons General, the MHS leadership, and our line leadership. The continued assistance of the Congress will also be helpful. These concerns relate to the role of the direct care system,

the aging infrastructure of our medical facilities, and the importance of recruiting and retaining quality health care professionals.

One of the major lessons reinforced over the last year is that the direct care system is the foundation for caring for our wounded, ill, and injured service members. All of our successes on the battlefield, through the evacuation system, and in our military medical facilities spring forth from the direct care system. This is where we educate, train, and develop the critical skills that we use to protect the warfighter and save lives. As the foundation of military medicine, the direct care system needs to be fully funded and fully prepared to react and respond to national needs, particularly in this era of persistent conflict. As proud as we are of our TRICARE partners and our improved relationship with the Department of Veterans Affairs, we must recognize that the direct care system is integral to every aspect of our mission—promoting, sustaining, and enhancing soldier health; training, developing, and equipping a medical force that supports full spectrum operations; and delivering leading edge health services to optimize outcomes. Congress—and this Committee in particular—has been very supportive of the direct care system. Thank you for recognizing the importance of our mission and providing the funding that we need. Last year, in addition to funding the direct care system in the base budget, you provided additional supplemental funding for operations and maintenance, procurement, and research and development—thank you for providing these additional funds. We are ensuring this money is used as you intended to enhance the care we provide soldiers and their families. Please continue your strong support of the direct care system.

The Army requires a medical facility infrastructure that provides consistent, world-class healing environments that improve clinical outcomes, patient and staff safety, staff recruitment and retention, and operational efficiencies. The quality of our facilities—whether medical treatment, research and development, or support functions—is a tangible demonstration of our commitment to our most valuable assets—our military family and our MHS staff. Not only are these facilities the bedrock of our direct care mission, they are also the source of our Generating Force that we deploy to perform our operational mission. The fiscal year 2009 Defense Medical MILCON request addresses critical investments in DOD biomedical research capabilities, specifically at the U.S. Army Medical Research Institutes of Infectious Disease and Chemical Defense, and other urgent health care construction requirements for an Army at war. To support mission success, our current operating environment needs appropriate platforms that support continued delivery of the best health care, both preventive and acute care, to our warfighters, their families and to all other authorized beneficiaries. I respectfully request the continued support of DOD medical construction requirements that will deliver treatment and research facilities that are the pride of the department.

My third concern is the challenge of recruiting and retaining quality health care professionals during this time of persistent conflict with multiple deployments. The two areas of greatest concern to me in the Active Component are the recruitment of medical and dental students into our Health Professions Scholarship Program (HPSP) and the shortage of nurses. The HPSP is the major source of our future force of physicians and dentists. For the last 3 years we have been unable to meet our targets despite focused efforts. The recent authorization of a $20,000 accession bonus for HPSP students will provide another incentive to attract individuals and hopefully meet our targets. In the face of a national nursing shortage, the Army Nurse Corps is short over 200 nurses. We have increased the nurse accession bonus to the statutory maximum of $30,000 for a 4-year service obligation. The Army Reserve and National Guard have also encountered difficulty meeting mission for the direct recruitment of physicians, dentists, and nurses. We have increased the statutory cap of the Reserve Component (RC) Health Professions Special Pay to $25,000 per year and have increased the monthly stipend paid to our participants in the Specialized Training Assistance Program to $1,605 per month and will raise it again in July 2008 to $1,905 per month. As you know, financial compensation is only one factor in recruiting and retaining employees. We are looking at a variety of ways to make a career in Army medicine more attractive. A 90-day mobilization policy has been in effect for RC physicians, dentists and nurse anesthetists since 2003; this policy has had a positive impact on the recruiting and retention of RC healthcare professionals. In October 2007, U.S. Army Recruiting Command activated a medical recruiting brigade to focus exclusively on recruiting health care professionals. It is still too early to assess the effectiveness of that new organization, but I am confident that we will see some progress over the next year.

The men and women of Army medicine—whether Active Component, Reserve Component, or civilian—impress me every day with their professionalism, their commitment, and their selfless service. Nothing is more important to our success then

our dedicated workforce. I have established Major General Gale Pollock as my Deputy Surgeon General for Force Management so that she can focus her incredible talent and energy on a Human Capital Strategy for the AMEDD that will make us an "employer of choice" for healthcare professionals interested in serving their country as either soldiers or civil servants. Your expansion of Direct Hire Authority for health care professionals in last year's appropriations bill was a clear indicator to me of your willingness to support innovative solutions to our workforce challenges. As this strategy matures, I will stay closely connected to you and your staff to identify and clarify any emerging needs or requirements.

In closing, I want to assure the Congress that the Army Medical Department's highest priority is caring for our wounded, ill, and injured warriors and their families. I am proud of the Army Medical Department's efforts over the last 12 months and am convinced that in coordination with the DOD, the Department of Veterans Affairs, and the Congress, we have "turned the corner" toward establishing an integrated, overlapping system of treatment, support, and leadership that is significantly enhancing the care of our warriors and their families. I greatly value the support of this Committee and look forward to working with you closely over the next year. Thank you for holding this hearing and thank you for your continued support of the Army Medical Department and the warriors that we are most honored to serve.

Senator INOUYE. May I now recognize Admiral Robinson?

**STATEMENT OF VICE ADMIRAL ADAM M. ROBINSON, JR., SURGEON GENERAL, DEPARTMENT OF THE NAVY**

Admiral ROBINSON. Good morning, and thank you.

Chairman Inouye, Senator Stevens, Senator Mikulski, distinguished members of the subcommittee, it is a pleasure to be before you, to share with you my vision for Navy medicine in the upcoming fiscal year.

You have been very supportive of our mission in the past, and I want to express my gratitude, on behalf of all who work for Navy medicine, and those we serve.

Navy medicine is at a particularly critical time in history as the military health system has come under increased scrutiny. Resource constraints are real, along with the increasing pressure to operate more efficiently, while compromising neither mission, nor healthcare quality. The budget for the Defense Health Program contains fiscal limits that continue to be a challenge. The demands for wounded warrior care continue to steadily increase due to military operations in Iraq and Afghanistan.

At the same time, Navy medicine must meet the requirement of a peacetime mission of family and retiree healthcare, as well as provide humanitarian assistance and disaster relief, as needed around the globe.

Our mission is Force Health Protection, and we are capable of supporting the full range of operations, from combat support for our warriors throughout the world to humanitarian assistance. As a result, it is vitally important that we maintain a ready force, and we achieve that by recruiting, training and retaining outstanding healthcare personnel and providing excellence in clinical care, graduate health education, and biomedical research, the core foundations of Navy medicine.

We must remain fully committed to readiness in two dimensions—the medical readiness of our sailors and marines, and the readiness of our Navy medicine team to provide health service support across the full range of military ops.

Navy medicine physicians, nurses, dentists, healthcare professional officers and hospital corpsmen, have steamed to assist wher-

ever they have been needed for healthcare. As a result, it has been said that Navy medicine is the heart of the U.S. Navy, as humanitarian assistance and disaster relief missions create a synergy—an opportunity for all elements of national power: diplomatic, informational, military, economic, joint, inter-agency and cooperation with non-governmental organizations.

As you know, advances in battlefield medicine have improved survivability rates, and these advances—leveraged together with Navy medicine's patient and family-centered care philosophy, provide us with the opportunities to effectively care for these returning heroes and their families.

In Navy medicine, we empower our staff to do whatever is necessary to deliver the highest quality, comprehensive, and compassionate healthcare.

For Navy medicine, the progress a patient makes from initial care to rehabilitation, and in support of the lifelong medical requirements drive the patient's care across the continuum. We learned early on that families displaced from their normal environment, and dealing with a multitude of stressors, are not as effective in supporting the patient, and his or her recovery. Our focus is to get the family back to a state of normalcy, as soon as possible, which means returning the patient and their family home to continue the healing process.

In Navy medicine, we have a comprehensive, multi-disciplinary care team which interfaces with all partners involved in the continuum of care. These partners include Navy and Marine Corps line counterparts, who work with us to decentralize care from a monolithic structure with one person in charge, to a disbursed network throughout our communities nationwide.

Moving patients closer to home requires a great deal of planning, interaction, and coordination with providers, caseworkers, and other related healthcare professionals to ensure care is a seamless continuum.

Families are considered a vital part of the care team, and we integrate their needs into the planning process. They are provided with emotional support by encouraging the sharing of experiences with other families—that's family-to-family support—and through access to mental health services.

Currently, Navy medicine is also paying particular attention to de-stigmatizing psychological health services. Beginning in 2006, Navy medicine established deployment health clinics to serve as non-stigmatizing portals of entry in high fleet, and Marine Corps concentration areas, and to augment primary care services offered at the military treatment facilities, or in garrison.

Staffed by primary care providers, and mental health teams, the centers are designed to provide care for marines and sailors who self-identify mental health concerns on the post-deployment health assessment and re-assessment. The center provides treatment for other service members, as well, we now have 17 such clinics, up from 14 last year.

Since the late 1990s, Navy medicine has been embedding mental health professionals with operational components of the Navy and the Marine Corps. Mental health assets aboard ship can help the

crew deal with the stresses associated with living in isolated and unique environments.

For the marines, we have developed OSCAR teams, operational stress control and readiness, which embed mental health professionals as organic assets in operational units. Making these mental health assets organic to the ship and the Marine Corps unit minimizes stigma, improves access to mental healthcare, and provides an opportunity to prevent combat stress situations from deteriorating into disabling conditions.

We continue to make significant strides toward meeting the needs of military personnel, their families and caregivers, with psychological health needs, and traumatic brain injury-related diagnoses. We are committed in these efforts to improve the detection of mild to moderate traumatic brain injury (TBI), especially those forms of traumatic brain injury in personnel who are exposed to blast, but do not suffer other demonstrable physical injuries.

Our goal is to continuously improve our psychological health services throughout the Navy and the Marine Corps. This effort requires seamless programmatic coordination across existing line functions, in programs such as the Marine Corps' Wounded Warrior Regiment, and Navy's Safe Harbor, while working numerous fiscal contracting and hiring issues. Your patience and persistence are deeply appreciated, as we work to achieve solutions to long-term care needs.

We have not met our recruitment and retention goals for medical and dental corps officers for the last 3 years. This situation is particularly stressful in war-time medical specialties. Currently, we have deployed 90 percent of our general surgeons, and 70 percent of our active duty psychiatrists in our inventory. From the Reserve component, 85 percent of the anesthesiologists, and 50 percent of our oral surgeons have deployed.

While we are very grateful for your efforts in support of expanded and increased accession and retention bonus—and these have made a difference—these incentives will take approximately 2 to 5 years to be reflected in our pipelines.

Additionally, the stress on the force due to multiple deployments and individual augmentations has had a significant impact on morale across the healthcare communities. Personnel shortages are underscored by Navy Medical Department scholarships going unused, and the retention rate of professionals beyond their initial tour falling well below goal.

By using experienced Navy medicine personnel to assist recruiters in identifying prospective recruits, we're developing relevant opportunities and enticements to improve retention. We are demonstrating to our people how they are valued as individuals, and how they can achieve a uniquely satisfying career in the Navy, and in Navy medicine.

Navy medicine's research efforts are dedicated to enhancing the health, safety, and performance of the Navy-Marine Corps team. It is this research that has led to the development of the state-of-the-art armor, equipment and products that have improved our survivability rates, to the highest levels compared to all previous conflicts.

In addition, our research facilities are a critical component, ready to respond to worldwide biological warfare attacks, and are making significant strides in tracking injury patterns in warfighters through the joint trauma registry. We are breaking new ground in the identification of pattern of injury resulting from exposure to blast.

Navy medicine's medical research and development laboratories are playing an instrumental role in the worldwide monitoring of new, emerging infectious diseases, and the three Navy overseas laboratories have been critical in determining the efficacy of all anti-malarial drugs used by the Department of Defense to prevent and treat disease.

PREPARED STATEMENT

Chairman Inouye, Senator Stevens, Senator Mikulski, thank you, again, for your support, and for providing me this opportunity to share with you Navy medicine's mission, what we are doing, and our plans for the upcoming year. It has been my pleasure to testify before you today, and I look forward to answering your questions.

Senator INOUYE. All right, thank you very much, Admiral.

Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF VICE ADMIRAL ADAM M. ROBINSON

Chairman Inouye, Ranking Member Stevens, distinguished members of the Committee, I am here to share with you my vision for Navy medicine in the upcoming fiscal year. You have been very supportive of our mission in the past, and I want to express my gratitude on behalf of all who work for Navy medicine—uniformed, civilian, contractor, volunteer personnel—who are committed to meeting and exceeding the health care needs of our beneficiaries.

Navy medicine is at a particularly critical time in history as the Military Health System has come under increased scrutiny. Resource constraints are real, along with the increasing pressure to operate more efficiently while compromising neither mission nor health care quality. The budget for the Defense Health Program contains fiscal limits that continue to be a challenge. The demands for wounded warrior care continue to steadily increase due to military operations in Iraq and Afghanistan. Furthermore, Navy medicine must meet the requirement to maintain a peacetime mission of family and retiree health care, as well as provide Humanitarian Assistance/Disaster Relief as needed around the globe.

The current rate of medical cost growth is adding increased demands on the defense budget and internal efficiencies are insufficient to stem the rising healthcare costs. Benefit adjustments should be considered to ensure the future of our high quality medical system and to sustain it for years to come.

FORCE HEALTH PROTECTION AND READINESS

Our mission is Force Health Protection. Navy medicine is capable of supporting the full range of operations from combat support for our warriors throughout the world to humanitarian assistance. As a result, is it vitally important that we maintain a fully ready force, and we achieve that by recruiting and retaining outstanding healthcare personnel and providing excellence in clinical care, graduate health education, and biomedical research, the core foundation of Navy medicine.

Navy medicine must ensure that our forces are ready to go when called upon. We must remain fully committed to readiness in two dimensions: the medical readiness of our sailors and marines, and the readiness of our Navy medicine team to provide health service support across the full range of military operations. We place great emphasis on preventing injury and illness whenever possible. We are all constantly looking at improvements to mitigate whatever adversary, ailment, illness, or malady affects our warrior and/or their family members. We provide care worldwide, making Navy medicine capable of meeting our military's challenges, which are critical to the success of our warfighters.

The Navy and Marine Corps team is working to improve a real-time, standardized process to report individual medical readiness. Navy medicine collaborates with the line to increase awareness of individual and command responsibilities for medical readiness—for it is as much an command responsibility as it is that of the individual.

HUMANITARIAN ASSISTANCE/DISASTER RELIEF MISSIONS (HA/DR)

Since 2004, the Navy Medical Department has served on the forefront of HA/DR missions which are part of the Navy's Core Elements of Maritime Power. Navy medicine physicians, nurses, dentists, ancillary healthcare professional officers, and hospital corpsmen have steamed to assist wherever there has been a need for health care. As a result, it has been said that Navy medicine is the heart of the U.S. Navy.

HA/DR Missions create a synergy and opportunity for all elements of national power—diplomatic, informational, military, economic, joint, interagency, and cooperation with non-governmental organizations (NGOs). Most recently the USNS COMFORT (TAH–20) sent a strong message of U.S. compassion, support and commitment to the Caribbean and Central and South America during last summer's mission. Military personnel, as well as officers from the U.S. Public Health Service, trained and provided HA to the people of the partner nations and helped enhance security, stability and cooperative partnerships with the countries visited. NGOs participated in this deployment and brought value, expertise and additional capacity to the mission. According to President Tony Saca of El Salvador, "This type of diplomacy really touched the heart and soul of the country and the region and is the most effective way to counter the false perception of what Cuban medical teams are doing in the region."

Last fall during the San Diego fires, the Navy engaged as an integral member of the community and provided assistance in several ways, including providing medical care to civilian evacuees. The Naval Medical Center in San Diego (NMCSD) accepted patients due to civilian hospital evacuations. In addition, NMCSD replenished medical supplies for community members who evacuated their homes without necessary medications. In addition, medical personnel from Naval Hospital Twenty-Nine Palms and aboard ships in the area were helping civilian evacuees at evacuation centers across the county.

It is important to note, that if not planned for appropriately this emerging part of our mission will prove difficult to sustain in future years. We must balance the requirements of sustaining the Global War on Terror with HA/DR requirements.

PATIENT AND FAMILY CENTERED CARE AND WOUNDED, ILL AND INJURED SERVICEMEMBERS

Navy medicine's concept of care is always patient and family centered, and we will never lose our perspective in caring for our beneficiaries. Everyone is a unique human being in need of individualized, compassionate and professionally superior care. As you have heard, advances in battlefield medicine have improved survivability rates so the majority of the wounded we are caring for today will reach our CONUS facilities. This was not the case in past conflicts. These advances, leveraged together with Navy medicine's patient and family centered care, provide us with the opportunities to effectively care for these returning heroes and their families. In Navy medicine we empower our staff to do whatever necessary to deliver the highest quality, comprehensive health care.

The Military Healthcare System is one of the most valued benefits our great Nation provides to service members and their families. Each service is committed to providing our wounded, ill and injured with the highest quality, state-of-the art medical care, from the war zone to the home front. The experience of this health care, as perceived by the patient and their family, is a key factor in determining health care quality and safety.

For Navy medicine the progress a patient makes from initial care to rehabilitation, and in the support of life-long medical requirements is the driver of where a patient is clinically located in the continuum of care and how that patient is cared for. Where a particular patient is in the continuum of care is driven by the medical care needed instead of the administrative and personnel issues or demands. Medical and administrative processes are tailored to meet the needs of the individual patient and their family—whatever they may be. For the overwhelming majority of our patients, their priority is to locate their care as close to their homes as possible. We learned early on that families displaced from their normal environment and dealing with a multitude of stressors, are not as effective in supporting the patient and his or her recovery. Our focus is to get the family back to "normal" as soon as possible,

which means returning the patient and their family home to continue the healing process.

In Navy medicine we have established a dedicated trauma service as well as a comprehensive multi-disciplinary care team which interfaces with all of the partners involved in the continuum of care. These partners include Navy and Marine line counterparts who decentralize care from a monolithic continuum with one person in charge to a dispersed network where patients and families return to their communities; once returned home they can engage with friends, families, traditions, peers and their communities in establishing their new life. To move patients closer to home requires a great deal of planning, interaction and coordination with providers, case workers and other related health care professionals to ensure care is a seamless continuum. We work together from the day of admission to help the patient and the family know we are focused on eventually moving the patient closer to home as soon as their medical needs allow. The patient's needs will dictate where they are, not the system's needs.

Our single trauma service admits all OEF/OIF patients with one physician service as the point of contact for the patient and their family. Other providers, such as orthopedic surgery, oral-maxillofacial surgery, neurosurgery and psychiatry, among others, serve as consultants all of whom work on a single communications plan. In addition to providers, other key team members of the multi-disciplinary team include the service liaisons at the military treatment facility, the Veterans Affairs health care liaison and military services coordinator.

Another key component of the care approach by Navy medicine takes into consideration family dynamics from the beginning. Families are considered as part of the care team, and we integrate their needs into the planning process. They are provided with emotional support by encouraging the sharing of experiences among other families (family-to-family support) and through access to mental health services.

Currently, Navy medicine is also paying particular attention to de-stigmatizing psychological health services, the continuity of care between episodes, and the handoff between the direct care system and the private sector. We are developing a process to continuously assess our patient and their families perspectives so that we may make improvements when and where necessary.

Beginning in 2006, Navy medicine established Deployment Health Centers (DHCs) to serve as non-stigmatizing portals of entry in high fleet and Marine Corps concentration areas and to augment primary care services offered at the military treatment facilities or in garrison. Staffed by primary care providers and mental health teams, the centers are designed to provide care for marines and sailors who self-identify mental health concerns on the Post Deployment Health Assessment and Reassessment. The centers provide treatment for other service members as well. We now have 17 such clinics, up from 14 since last year. From 2006 through January 2008, DHCs had over 46,400 visits, 28 percent of which were for mental health issues.

Delays in seeking mental health services increase the risks of developing mental illness and exacerbating physiological symptoms. These delays can have a negative impact on a servicemember's career. As a result, we remain committed to reducing stigma as a barrier to ensuring servicemembers receive full and timely treatment following their return from deployment. Of particular interest is the recognition and treatment of mental health conditions such as PTSD. At the Navy's Bureau of Medicine and Surgery we established the position for a "Combat and Operational Stress Control Consultant" (COSC). This individual, who reported on December 2006, is a combat experienced psychiatrist and preventive medicine/operational medicine specialist. Dedicated to addressing mental health stigma, training for combat stress control, and the development of non-stigmatizing care for returning deployers and support services for Navy caregivers, this individual also serves as the Director of Deployment Health. He and his staff oversee Post Deployment Reassessment (inclusive of Deployment Health Centers), Substance Abuse Prevention and Treatment, Traumatic Brain Injury diagnosis and treatment, and a newly created position for Psychological Health Outreach for Reserve Component Sailors.

As you know, in June 2007 Secretary Gates received the recommendations from the congressionally mandated Department of Defense (DOD) Mental Health Task Force. Additionally, the Department's work on identifying key gaps in our understanding and treatment of TBI gained greater visibility and both DOD and the Department of Veterans Affairs began implementing measures to fill those gaps. Positive momentum has resulted from the task force's recommendations, the Department of Defense's work on TBI, and the additional funding from Congress. This collaboration provided an opportunity for the services to better focus and expand their capabilities in identifying and treating these two conditions.

Since the late 1990s Navy medicine has been embedding mental health professionals with operational components of the Navy and the Marine Corps. Mental health assets aboard ships can help the crew deal with the stresses associated with those living isolated and unique conditions. Tight quarters, long work hours, and the fact that many of the staff may be away from home for the first time, presents a situation where the stresses of "daily" life may prove detrimental to a sailor's ability to cope so having a mental health professional who is easily accessible and going through many of the same challenges has increased operational and battle readiness aboard these platforms.

For the Marines, Navy medicine division psychiatrists stationed with marines developed OSCAR Teams (Operational Stress Control and Readiness) which embed mental health professional teams as organic assets in operational units. Making these mental health assets organic to the unit minimizes stigma and provides an opportunity to prevent combat stress situations from deteriorating into disabling conditions. There is strong support for making these programs permanent and ensuring that they are resourced with the right amount of staff and funding.

At the Navy's Bureau of Medicine and Surgery and Marine Corps headquarters, two positions for Combat and Operational Stress Consultants have been created. These individuals are dedicated to addressing mental health stigma, training for combat stress control, and the development of non-stigmatizing care for returning deployers and support services for Navy caregivers.

In addition, we are developing and strengthening training programs for line leadership and our own caregivers. The goal is for combat stress identification and coping skills to be part of the curriculum at every stage of development of a sailor and/or marine. From the Navy's A Schools, to the Marine Corps Sergeant's course, and in officer indoctrination programs, we must ensure that dealing with combat stress becomes as common as dealing with any other medical issue.

Recently Navy medicine received funding for creation of a Navy/Marine Corps Combat and Operational Stress Control (COSC) Center at Naval Medical Center San Diego (NMCSD). The concept of operations for this first-of-its-kind capability is underway, as is the selection of an executive staff to lead the Center. The primary role of this Center is to identify best COSC practices, develop combat stress training and resiliency programs specifically geared to the broad and diverse power projection platforms and Naval Type Commands, establish provider "Caring for the Caregiver" initiatives, and coordinate collaboration with other academic, clinical, and research activities. As the concept for a DOD Center of Excellence develops, we will integrate, as appropriate, the work of this center. The program also hopes to reflect recent advancements in the prevention and treatment of stress reactions, injuries, and disorders.

We continue to make significant strides towards meeting the needs of military personnel with psychological health needs and TBI-related diagnoses, their families and their caregivers. We are committed in these efforts to improve the detection of mild-to-moderate TBI, especially those forms of TBI in personnel who are exposed to blast but do not suffer other demonstrable physical injuries. Servicemembers who return from deployment and have suffered such injuries may later manifest symptoms that do not have a readily identifiable cause, with potential negative effect on their military careers and quality of life.

Our goal is to establish comprehensive and effective psychological health services throughout the Navy and Marine Corps. This effort requires seamless programmatic coordination across the existing line functions (e.g., Wounded Warrior Regiment, Safe Harbor) while working numerous fiscal, contracting, and hiring issues. Your patience and persistence are deeply appreciated as we work to achieve long-term solutions to provide the necessary care.

RECRUITMENT AND RETENTION AND GRADUATE MEDICAL EDUCATION

We have not met our recruitment and retention goals for Medical and Dental Corps officers for the last 3 years. This situation is particularly stressful in wartime medical specialties. Currently, we have deployed 90 percent of our general surgery active duty medical corps officers, a specialty that is only manned at 87 percent. For psychiatrists, who are 94 percent manned, 72 percent of the active duty inventory has deployed. From the reserve component, 85 percent of the anesthesiologists and 50 percent of oral surgeons have deployed. While we are very grateful for your efforts in support of expanded and increased accession and retention bonuses, these incentives will take approximately 2,095 years to reflect in our pipeline.

We in Navy medicine are increasing our efforts and energy in the recruitment and retention of medical personnel. We must demonstrate to our personnel how they are valued as individuals and they can achieve a uniquely satisfying career in the Navy.

We are using experienced Navy medicine personnel to assist recruiters in identifying perspective recruits and developing relevant opportunities and enticements to improve retention.

A challenge to meeting our recruitment and retention efforts is the impact of future increase in Marine Corps personnel. The Navy personnel needed in support of the increase will largely be medical officers and enlisted personnel. This situation, coupled with the stress on the force, needs to be addressed so that we can shape the force to meet the needs of the warfighter in the future.

Also, the stress on the force due to multiple deployments and individual augmentation has had a significant impact on morale across the health care continuum. Personnel shortages are underscored by Navy medical department scholarships going unused and the retention rate of professionals beyond their initial tours falling well below goal.

Graduate Medical and Health Education (GME/GHE) programs are a vital component of Navy medicine and of the Military Health System. These programs are an integral part of our training pipeline, and we are committed to sustaining these efforts to train future generations of health care providers. GME/GHE programs are required to fulfill our long-term goals and maintain the ever-changing health care needs of our beneficiaries. In addition, these programs are a critical part of our recruitment and retention efforts for new medical professionals and those involved in educating them.

RESEARCH AND DEVELOPMENT EFFORTS

Research is at the heart of nearly every major medical and pharmaceutical treatment advancement, and that is no different for Navy medicine. Our research efforts are dedicated to enhancing the health, safety, and performance of the Navy and Marine Corps team. It is this research that has led to the development of state-of-the art armor, equipment, and products that have improved our survivability rates to the lowest rates from any other conflict.

Navy medicine research and development efforts cover a wide range of disciplines including biological defense, infectious diseases, combat casualty care, dental and biomedical research, aerospace medicine, undersea medicine and environmental health.

The Naval Medical Research Center's Biological Defense Research Directorate (BDRD) is one of the few laboratories in the United States ready to detect over 20 biological warfare agents. In addition, the BDRD, located in Bethesda, MD, maintains four portable laboratories ready to deploy in 18 hours in response to worldwide biological warfare attacks.

The Naval Health Research Center (NHRC) has a significant capability to track injury patterns in warfighters through the Joint Trauma Registry and is the leader in identifying patterns of injury resulting from exposure to blast. This ongoing assessment of injury patterns provides researchers and source sponsors key information in order to base decisions on programmatic issues. These decisions are used to develop preventative and treatment technologies to mitigate the effects of blast on the warfighter.

Navy's medical research and development laboratories also play an instrumental role in the worldwide monitoring of new emerging infectious diseases, such as avian influenza, that threaten both deployed forces and the world. The three Navy overseas laboratories have also been critical in determining the efficacy of all anti-malarial drugs used by the Department of Defense to prevent and treat disease. Our personnel at those facilities, specifically Jakarta and Lima, were participants in the timely and highly visible responses to natural disasters in Indonesia (Tsunami of December 2004 and Central Java Earthquake of 2006) and Peru (Earthquake in August 2007).

Our research and development efforts are an integral part of Navy medicine's success and are aimed at providing solutions and producing results to further medical readiness for whatever lies ahead on the battlefield, at sea and at home.

Chairman Inouye, Ranking Member Stevens, distinguished members of the Committee, thank you again for providing me this opportunity to share with you Navy medicine's mission, what we are doing and our plans for the upcoming year. It has been my pleasure to testify before you today and I look forward to answering any of your questions.

Senator INOUYE. And now, General Roudebush.

**STATEMENT OF LIEUTENANT GENERAL JAMES G. ROUDEBUSH, SURGEON GENERAL, DEPARTMENT OF THE AIR FORCE**

General ROUDEBUSH. Thank you, sir.

Mr. Chairman, Senator Stevens, Senator Mikulski, distinguished members of the subcommittee, it's truly my honor and privilege to be here today to talk with you about the Air Force Medical Service. But before I make any remarks, first I must thank you for your support. The Senate, and this subcommittee in particular, have been absolutely key in helping us work through some very turbulent times, in terms of fiscal challenges, personnel challenges, facility challenges—all the while meeting a very demanding operational mission. So first, I must say, thank you.

Your Air Force is the Nation's guardian of America's force of first and last resort to guard and protect our Nation. To that end, we Air Force medics—and I use medics in a very broad sense—officer, enlisted, all-corps, total force, active Guard and Reserve, and our civilians, allies, and counterparts that come together to make up Air Force medicine.

So, when I say we Air Force medics, I mean that in the very broadest and most inclusive sense. We, Air Force medics, work directly for our line leadership in addressing our Air Force's top priorities—win today's fight, taking care of our people, and prepare for tomorrow's challenges.

The future strategic environment is complex and very uncertain. Be assured that your Air Force, and your Air Force Medical Service, are fully executing today's mission, and aggressively preparing for tomorrow's challenges. It's important to understand that every Air Force base at home station, and deployed, is an operational platform, and Air Force medicine supports warfighting capabilities at each of our bases.

It begins with our Air Force military treatment facilities providing combatant commanders a fit and healthy force, capable of withstanding the physical and mental rigors associated with combat and other military missions. Our emphasis on fitness and prevention has led to the lowest disease and nonbattle injury rate in history.

The daily delivery of healthcare in our medical treatment facilities is also essential to maintaining critical skills that guarantee our medical readiness capability, and our success. Our Air Force medics—working with our Army and our Navy counterparts, care for our families at home, we respond to our Nation's call supporting our warriors in deployed locations, and we provide humanitarian assistance and disaster response to both our friends and allies abroad, as well as our citizens at home.

To execute these broad missions, the services—the Air Force, Navy and Army—must work interoperably and interdependently. Every day, together, we earn the trust of America's all-volunteer force—airmen, soldiers, sailors, marines and their families—and we hold that trust very dear.

Today I'm here to address the health needs of our airmen and their families. The Air Force Medical Service is focused on the psychological needs of our airmen, and in reducing the effects of operational stress. We thank Congress for the fiscal year 2007 supplemental funding, which strengthened our psychological health, and

traumatic brain injury (TBI) program research, surveillance, and treatment. It has directly improved access, coordination of care, and the transition of our patients to our allies and counterparts in the VA when that's appropriate.

We're fully committed to meeting the health needs of our airmen and their families, and will continue to execute and refine these programs, again, working within the Air Force, but very closely with our Army, Navy, VA and private sector care allies and counterparts.

In meeting this demanding mission, we must recruit the best and the brightest, prepare them for the mission, and retain them to support and lead the Air Force Medical Service in the years to come. The demanding operations tempo at home and deployed requires finding a balance between these demanding duties, personal recovery and family time.

We are undertaking a number of initiatives to recapitalize and invest in our most precious resource—our people. Enhancing both professional and leadership development, ensuring predictability in deployments and offering financial incentives are all important ways we improve our overall retention, and thank you for your support in helping us do that.

In closing, Mr. Chairman, I am humbled by, and intensely proud, of the daily accomplishments of the men and women of the United States Air Force Medical Service. The superior care routinely delivered by Air Force medics is a product of preeminent medical training, groundbreaking research, and a culture of personal and professional accountability, all fostered by the Air Force's core values.

PREPARED STATEMENT

With your continued help, and the help of this subcommittee, the Air Force will continue our focus on the health of our warfighters and their families. Thank you for your enduring support, and I look forward to your questions.

Thank you, sir.

Senator INOUYE. I thank you very much, General Roudebush.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JAMES G. ROUDEBUSH

Mr. Chairman and esteemed members of the Committee, it is my honor and privilege to be here today to talk with you about the Air Force Medical Service. The Air Force Medical Service exists and operates within the Air Force culture of accountability wherein medics work directly for the line of the Air Force. Within this framework we support the expeditionary Air Force both at home and deployed.

We align with the Air Force's top priorities: Win Today's Fight, Take Care of our People, and Prepare for Tomorrow's Challenges. We are the Nation's Guardian—America's force of first and last resort. We get there quickly and we bring everyone home. That's our pledge to our military and their families.

WIN TODAY'S FIGHT

It is important to understand that every Air Force base is an operational platform and Air Force medicine supports the war fighting capabilities at each one of our bases. Our home station military treatment facilities form the foundation from which the Air Force provides combatant commanders a fit and healthy force, capable of withstanding the physical and mental rigors associated with combat and other military missions. Our emphasis on fitness, disease prevention and surveillance has led to the lowest disease and non-battle injury rate in history.

Unmistakably, it is the daily delivery of health care which allows us to maintain critical skills that guarantee our readiness capability and success. The superior care delivered daily by Air Force medics builds the competency and currency necessary to fulfill our deployed mission. Our care is the product of preeminent medical training programs, groundbreaking research, and a culture of personal and professional accountability fostered by the Air Force's core values.

In support of our deployed forces, the Air Force Medical Service (AFMS) is central to the most effective joint casualty care and management system in military history. The effectiveness of forward stabilization followed by rapid Air Force aeromedical evacuation has been repeatedly proven. We have safely and rapidly moved more than 48,000 patients from overseas theaters to stateside hospitals during Operations ENDURING FREEDOM and IRAQI FREEDOM. Today, the average patient arrives from the battlefield to Stateside care in 3 days. This is remarkable given the severity and complexity of the wounds our forces are sustaining. It certainly contributes to the lowest died of wounds rate in history.

TOTAL FORCE INTEGRATION

Our Air Force Medical Service is a model for melding Guard, Reserve and civilians with active duty elements. Future challenges will mandate even greater interoperability, and success will be measured by our Total Force and joint performance.

A story that clearly illustrates the success of our Total Force and joint enroute care is that of Army SGT Dan Powers, a squad leader with the 118th Military Police Company. He was stabbed in the head with a knife by an insurgent on the streets of Baghdad on July 3, 2007. Within 30 minutes of the attack, he was flown via helicopter to the Air Force theater hospital at Balad Air Base, Iraq. Army neurosurgeons at the Balad Air Force theater hospital and in Washington DC reviewed his condition and determined that SGT Powers, once stabilized, needed to be transported and treated at the National Naval Medical Center, Bethesda, MD as soon as possible. The aeromedical evacuation system was activated and the miracle flight began. A C–17 aircrew from Charleston Air Force Base, SC, picked up SGT Powers with a seven-person Critical Care Air Transport Team and flew non-stop from Balad Air Base, to Andrews Air Force Base, MD. After a 13-hour flight, they landed at Andrews AFB where SGT Powers was safely rushed to the National Naval Medical Center for lifesaving surgery.

As SGT Powers stated, "the Air Force Mobility Command is the stuff they make movies out of . . . the Army, Navy, and Air Force moved the world to save one man's life."

We care for our families at home; we respond to our Nation's call supporting our warriors, and we provide humanitarian assistance to countries around the world. To execute these broad missions, the services—Air Force, Navy and Army—must work jointly, interoperatively, and interdependently. Our success depends on our partnerships with other Federal agencies, academic institutions, and industry. Our mission is vital. Everyday we must earn the trust of America's all-volunteer force—airmen, soldiers, sailors and marines, and their families. We hold that trust very dear.

TAKE CARE OF OUR PEOPLE

We are in the midst of a long war and continually assess and improve health services we provide to airmen, their families, and our joint brothers and sisters. We ensure high standards are met and sustained. Our Air Force chain of command fully understands their accountability for the health and welfare of our airmen and their families. When our warfighters are ill or injured, we provide a wrap-around system of medical care and support for them and their families—always with an eye towards rehabilitation and continued service.

*Wounded Warrior Initiatives*

The Air Force is in lock-step with our sister services and Federal agencies to implement the recommendations from the President's Commission on the Care for America's Returning Wounded Warriors. The AFMS will deliver on all provisions set forth in the fiscal year 2008 National Defense Authorization Act and provide our warfighters and their families help in getting through the challenges they face. I am proud today to outline some of those initiatives.

*Care Management, Rehabilitation, Transition*

When a service member is ill or injured, the AFMS responds rapidly through a seamless system from initial field response, to stabilization care at expeditionary surgical units and theater hospitals, to in-the-air critical care in the Aeromedical Evacuation system, and ultimately home to a military or Department of Veterans Affairs (VA) medical treatment facility (MTF). With specific regard to our airmen

who are injured or ill, Air Force commanders, Family Liaison Officers, airmen and Family Readiness Center representatives, in lock step with Federal Recovery Coordinators, and medical case managers, together ensure "eyes-on" for the airman and family throughout the care process. For injured or ill active duty airmen requiring follow-up medical care, they will receive it at their home station MTF. If no MTF is available, as is often the case for our Guard and Reserve airmen, the TRICARE network provides options for follow-on care with case managers at the major command level overseeing the care. If transition to care within the VA is the right thing for our airmen—Active, Guard, or Reserve—we work to make that transition as smooth and effective as possible. For those airmen medically separated, care is provided through the TRICARE Transitional Health Care Program and the VA health system. The Air Force Wounded Warrior Program, formerly known as Palace Hart, maintains contact and provides assistance to those wounded airmen who are separated from the Air Force for a minimum of 5 years.

The AFMS provides timely medical evaluations for continued service and fair and equitable disability ratings for those members determined not to be fit for continued service. We will implement DOD policy guidance on these matters and all final recommendations from the pilot programs to improve the disability evaluation system. We have processes in place to ensure healthcare transitions are efficient and effective. Briefings are provided on VA benefits when individuals enter the Physical Evaluation Board process. Discharged members, still under active treatment, receive provider referral and transfer of their records. A key component of seamless transfer of care is a joint initiative by the VA and DOD, called the VA Benefits Delivery at Discharge (BDD) Program. Air Force MTFs provide the BDD Program advance notice of potential new service members and their health information through electronic transfer.

The Air Force Medical Hold Program is very different from our sister services. In the Air Force, those undergoing disability evaluation stay in their units. We work closely with wing commanders to ensure that our personnel receive timely disposition. The key to success in this process is comprehensive case management. Outpatients are managed by the home unit and major command case managers. The Air Force does not use patient holding squadrons for Air Force Reserve personnel in medical hold status since the majority of reserve members live at home and utilize base and TRICARE medical services. If members are outside the commuting area for medical care, they are put on temporary duty orders and sent to military treatment facilities for consultations for as long as needed for prompt medical attention. We are teaming with our Air Force Personnel counterparts to initiate efforts to further reduce administrative time without downgrading the quality of medical care.

*Psychological Health and Traumatic Brain Injury*

Psychological health means much more than just the delivery of traditional mental health care. It is a broad concept that covers the entire spectrum of well-being, prevention, treatment, health maintenance and resilience training. To that end, I have made it a priority to ensure that the AFMS focuses on these psychological needs of our airmen and identifies the effects of operational stress.

*Post Traumatic Stress Disorder and Traumatic Brain Injury*

The incidence of Post Traumatic Stress Disorder (PTSD) is low in the Air Force, diagnosed in less than 1 percent of our deployers (at 6 months post-deployment). For every airman affected, we provide the most current, effective, and empirically validated treatment for PTSD. We have trained our behavioral health personnel to recognize and treat PTSD in accordance with the VA/DOD PTSD Clinical Practice Guidelines. Using nationally recognized civilian and military experts, we trained more than 200 psychiatrists, psychologists, and social workers to equip every behavioral health provider with the latest research, assessment modalities, and treatment techniques. We hired an additional 32 mental health professionals for the locations with the highest operational tempo to ensure we had the personnel in place to care for our airmen and their families.

We recognize that Traumatic Brain Injury may be the "signature injury" of the Iraq war and is becoming more prevalent among service members. Research in Traumatic Brain Injury (TBI) prevention, assessment, and treatment is ongoing and the Air Force is an active partner with the Defense and Veterans Brain Injury Center, the VA, the Center for Disease Control, industry and universities. To date, the Air Force has had a relatively low positive screening rate for TBI—approximately 1 percent from Operation IRAQI FREEDOM (OIF) and Operation ENDURING FREEDOM (OEF)—but maintains our clear focus on this injury because of the impact it has on each individual and family affected.

*Prevention*

Several years ago the AFMS shifted from a program of head-to-toe periodic physical examinations for all active duty members and moved to an annual focused process, the Preventive Health Assessment (PHA), that utilizes risk factors, exposures and health history to guide the annual assessment. Through the use of the PHA, we identify and manage personnel readiness and overall health status, to include preventive health needs.

In addition, there are separate pre- and post-deployment health assessment/reassessment processes. Before deployment, our airmen are assessed to identify any health concerns and determine who is medically ready to deploy. The Post-Deployment Health Assessments are completed at the end of their deployment and again at 6 months post-deployment. Of note, questions are embedded in the post-deployment assessments to screen for Traumatic Brain Injury. These cyclic and focused processes allow us to fully assess the airmen's overall health and fitness. This allows commanders the ability to assess the overall fitness of the force.

DEPARTMENT OF VETERANS AFFAIRS SHARING INITIATIVES

Our work with the VA toward seamless care and transition for our military members is a high priority, particularly as we treat and follow our airmen redeploying from Operations OEF/OIF.

An important lesson learned from the care of our returning warriors is the need for a seamless electronic patient health record. After assuming command and responsibility for the Bagram and Balad hospitals, the Air Force successfully deployed a joint electronic health record known as Theater Medical Information Program Block 1. This revolutionary in-theater patient record is now visible to stateside medical providers, as well as those within the battlefield. Additionally, clinicians can access these theater clinical data at every military and VA medical center worldwide using the joint Bidirectional Health Information Exchange. This serves to improve the overall delivery of healthcare home and abroad for wounded and ill service members.

We are expanding our sharing opportunities with the VA, establishing a fifth joint venture at Keesler AFB Medical Center and the Biloxi VA Medical Center in Mississippi. This new Center of Excellence will optimize and enhance the care for DOD and VA patients in the area.

Our joint venture at Elmendorf AFB, Alaska, is another Air Force/VA success story. In 2007, the 3rd Medical Group at Elmendorf increased their access by more than 200 percent for veterans in areas such as orthopedics and ophthalmology. This effort enhanced readiness training for 3rd Medical Group medics, and increased the surgery capacity by 218 percent for the 3rd Medical Group and 239 percent for the VA. Sharing our medical capabilities not only makes fiscal sense and improves access to care for our patients; it helps to sustain our medics' clinical skills currency so we remain prepared for tomorrow.

PREPARE FOR TOMORROW'S CHALLENGES

*Our Medics*

The demanding operations tempo at home and deployed locations also means we must take care of our Air Force medical personnel. This requires finding a balance between these extraordinarily demanding duties, time for personal recovery and growth, and time for family. We must recruit the best and brightest; prepare them for the mission and retain them to support and lead these important efforts in the months and years to come. We work closely with the Air Force Recruiting Service and the Director of Air Force Personnel to maximize the effectiveness of the Health Professions Scholarship Program (HPSP) and recruitment incentives. HPSP is our primary avenue of physician recruitment accounting for over 200 medical student graduates annually. Once we recruit the best, we need to retain them. The AFMS is undertaking a number of initiatives to recapitalize and invest in our workforce. Enhancing both professional and leadership development, ensuring predictability in deployments, and offering financial incentives, are all important ways in which we will improve our overall retention.

*Graduate Medical Education*

Our in-house Graduate Medical Education (GME) programs offer substantial benefits and are a cornerstone for building and sustaining our AFMS. The Air Force has 35 residencies in 18 specialties, and 100 percent of these are fully accredited compared to a national civilian average of 85 percent accreditation. This caliber of quality and commitment translates to a 95–98 percent first-time board pass rate for Air Force, Army and Navy program graduates which meets or exceeds the civilian

national average for each of our specialties. Two of our GME programs, the Emergency Medicine and the Ophthalmology Residency Programs at Wilford Hall Medical Center TX, are rated among the top in the Nation.

*Centers for Sustainment of Trauma and Readiness Skills*

Training our Expeditionary Airmen to be able to respond to any contingency is critically important. The Centers for Sustainment of Trauma and Readiness Skills (C–STARS) provides hands-on clinical sustainment training for our physicians, physician assistants, nurses, and medical technicians in the care of seriously injured patients. Our medics learn the latest trauma techniques and skills from leading medical teaching facilities, including the University of Maryland's R. Adams Cowley Shock Trauma Center in Baltimore, MD; the Cincinnati University Hospital Trauma Center; and the St. Louis University Trauma Center. These C–STARS sites offer an intense workload coupled with clinical experience that sharpens and refreshes our medics' trauma care. This training increases our knowledge and helps us care for the most critical injuries. We are developing plans to enhance training for our oral and plastic surgeons to better respond to facial trauma.

*Medical Treatment Facility Recapitalization*

Our recent experience re-emphasizes that America expects us to take care of our injured and wounded in a quality environment, in facilities that are healthy and clean. I assure you that the Air Force is meeting that expectation. All 75 Air Force medical treatment facilities are regularly inspected (both scheduled and unannounced) by two nationally recognized inspection and accreditation organizations. The Joint Commission inspects and accredits our Air Force medical centers and hospitals, while the Accreditation Association for Ambulatory Health Care inspects and accredits our outpatient clinics. These inspections focus on the critical areas of quality of patient care, patient safety, and the environment of care. All Air Force medical facilities have passed inspection and are currently fully accredited.

*Telehealth*

Telehealth applications are another important area of focus as we seek improvements and efficiencies in our delivery of healthcare. Telehealth moved into the forefront with the Air Force Radiology Network (RADNET) Project. This project provides Dynamic Workload Allocation by linking military radiologists via a global enterprise system. RADNET will provide access to studies across every radiology department throughout the AFMS on a continuous basis. Its goal is to maximize physician availability to address workload, regardless of location. Our partnership with the University of Pittsburgh Medical Center in this endeavor started over 6 years ago. Together we built telemedicine programs across the AFMS through the development of the Integrated Medical Information Technology System. This effort is providing teleradiology and telepathology to the AFMS. We are aggressively targeting deployment of this capability in fiscal year 2009 to all Air Force sites.

Also scheduled for fiscal year 2009 deployment is the Tele-Mental Health Project. This project will provide video teleconference units at every mental health clinic for live patient consultation. This will allow increased access to, and use of, mental health treatment to our beneficiary population. Virtual Reality equipment will also be installed at six Air Force sites as a pilot project to help treat patients with post traumatic stress disorder. This equipment will facilitate desensitization therapy in a controlled environment.

*Benefit Adjustments*

Increased health care demand combined with the current rate of medical cost growth is increasing pressure on the defense budget, and internal efficiencies are insufficient to stem the rising costs. Healthcare entitlements need to be reviewed to ensure the future of our high quality medical system and to sustain if for years to come.

CONCLUSION

In closing, Mister Chairman, I am intensely proud of the daily accomplishments of the men and women of the United States Air Force Medical Service. Our future strategic environment is extremely complex, dynamic and uncertain, and demands that we not rest on our success. We are committed to staying on the leading edge and anticipating the future. With your help and the help of the committee, the Air Force Medical Service will continue to improve the health of our service members and their families. We will win today's fight, and be ready for tomorrow's challenges. Thank you for your enduring support.

Senator INOUYE. Before I proceed with my questions, I believe I speak for the subcommittee in thanking all of you, and the personnel you command for the service you render us. You make us very proud of what you're doing for us.

If I may, I'd like to be a bit personal about this question. A few weeks ago, the men of my regiment got together to celebrate their 65th anniversary. And at that time one of the fellows piped up and said, "You know, we're lucky, we were in an easy war."

By "easy war" he meant that the aftermath wasn't as stressful and demanding as today's war. Take my case, for example. It took me 9 hours, from 3 o'clock in the afternoon, to midnight, to be evacuated from the combat zone to the field hospital. Today, I suppose, I'd be picked up by helicopter, and I'd be in a field hospital within 30 minutes. And that alone has made one dramatic difference.

Today when you look at photographs and go to Walter Reed, you will notice that double amputations are commonplace. In my regiment, there isn't a single surviving double amp. They either died of loss of blood, or shock, or something like that. But today, since, well, evacuation is so speedy, and the medical technology is so refined, they survive. In my day, whenever there's a huge battle, and stretchers are lined up in a tent, teams of doctors would go down the line and decide who to care for, and who will rest in peace. I was one of those selected to rest in peace, because the chaplain came by and said, "Son, God loves you." And I had to tell him, "You know, I'm not ready to see God, yet." And they changed my designation, and put me in surgery.

That brings me to my question. I note that there's a proportionately greater number of those with brain injuries, with stress problems, psychiatric problems, than I can remember in World War II. Are we making a special effort?

General SCHOOMAKER. Sir, let me, if I could start by making a comment from the standpoint of the Army.

First of all, I'd be very reluctant to compare the sacrifices and challenges facing your generation of soldiers or any generation of soldiers, sailors, airmen and marines in any war—I think those comparisons are very difficult, and probably not for people like me to make. I think we're all struck by the sacrifices and the courage that your generation demonstrated on the battlefield in defense of this country.

I would venture to say that many of the challenges that your generation of soldiers faced, and marines and others, faced, continue to face all soldiers, in all conflicts. And one of the things that I think distinguishes this conflict is that we, as an Army, and I think we as a joint force are stepping up and acknowledging, really, what have been generational challenges to all combatants.

The challenges of post-traumatic stress, which have attended every battlefield, probably, since the beginning of war, but have not been well documented, well acknowledged, and well understood—we're in an era of invention and discovery, and of appropriate training for resilience, screening for early emergence of symptoms and prevention of longstanding effects of combat exposure. In that respect, sir, I would say that we are making great headway.

There's much to be gained, and much to be learned, yet, about the overlap between post-traumatic stress symptoms that attend a

deployment, and especially in an active combat zone, and exposure to the horrors of war, and coexisting symptoms that may attend, for example, a concussive injury that is received as a consequence of blast.

The second point I would make, is the one that you've made. We have made—as Admiral Robinson and Admiral—excuse me, General Roudebush have referred to—extraordinary strides in breaking what we thought was an unbreakable limit on survival of battlefield. In Afghanistan and Iraq today, and conceivably in every conflict that we're going to face in this era of persistent conflict with an adaptive enemy that uses blast very effectively—I've said in many fora that the signature weapon of this war is blast. The signature wounds are many, but the weapon is blast.

We are encountering a constellation of injuries, and psychological challenges that are heretofore unprecedented in terms of survival. No, even civilian trauma center, sees the degree, and we know that because we bring civilian traumatologists to Landstuhl, and we take them into Baghdad. We take them into Balad, and we take them into Evensina, and we let them operate with us, and we let them observe what our soldiers and marines and sailors and airmen are exposed to. And they come away saying, "We don't see this degree of trauma." And yet, at the same time, "We don't see this survival."

And that is the consequences, as Jim Roudebush has said, of this enormous cooperation across the services, in our joint theater trauma team, and our registry and in real-time revision of our practices and our procedures and our devices that have kept soldiers from the point of injury to the VA hospitals or civilian network hospitals, or military hospitals back home, improving all along the way.

So, yes, sir—we are making great strides—it's an era of discovery.

Senator INOUYE. Well, I'm glad we've recognized that there's such a thing as stress disorder. I can still remember, because I'm old enough to—when in the ancient war, World War II, a well-known general slapped a soldier because he was afraid, and after the Vietnam war, we looked down upon those who said, "I've got stress disorder," that they were just moaning and squawking and lazy.

But, I'm glad you realized the real thing, now I hope we can do something about it, because in that ancient war, at least we knew who'd be shooting us—they were in uniform. Today, there's no one in uniform on the other side. Somebody who may be the friendliest-looking fellow, may be the most violent enemy you have.

RECRUITING AND RETENTION

So, my second question is, in light of the changes in medical service, are you having a terrible time in recruiting and retaining? Because I know the, on the outside world they're having the same thing, there are not enough nurses, there are not enough specialists—how about the Navy?

Admiral ROBINSON. Senator Inouye, we are having difficulty in recruiting and retaining in that we are in the competitive market of the entire Nation, and we have a few things that the entire Na-

tion doesn't have, and that is a volunteer force that's fighting a war. So, there are challenges that do present themselves from a medical recruitment and retention perspective.

Second, the optempo that we have and the repeated trips into war zone or repeated trips into operational environments become a stressor, not only on the individual—which probably has a direct effect in the amount of psychological stress that occurs—but additionally it has a huge effect on the families.

If you take generations of servicemembers in the past, most were unmarried. If you take our present generation of servicemembers, most are married. So, therefore, there is a new dynamic that has been introduced into the recruitment and into the retention calculus, which includes that family.

So, there are lots of factors that are making it a little bit more difficult to attract people and bring them in. But I would say that we've made significant advances in the last several years on the Navy side, by making sure that we, medical professionals, are directly involved in going to medical schools, and going to professional organizations, and actually talking about what we do, and what we need, and what people can get from service to the country. Because, as an all-volunteer force, there are a lot fewer people today in the recruitment pool than in years past, but certainly the necessity of making sure that people understand what we need, and their obligations to the country, is huge.

I think that we are slowly making turns, and I would also say that the retention and the bonus systems that you have applied for our medical officers—for our medical service Corps officers, our psychologists, our licensed clinical social workers, has made—our dentists, also, and our nurses—has made a tremendously positive impact in becoming more competitive in the job market.

So, that's a mixed answer. I think there are some trends that are hopeful, but there are also challenges, particularly with families and with some of the new dynamics of optempo that we'll have to take into account.

Senator INOUYE. General—General Roudebush—do you believe that the personnel, in the medics—I'm talking about the family—doctors and physicians and nurses—do you believe that they are appropriately recognized by the people of the United States?

To put it another way, is their morale high, or low?

General ROUDEBUSH. Sir, the morale is good. I would share the concerns of General Schoomaker and Admiral Robinson, in that as we work to recruit the best and the brightest from a rather diminishing group of willing candidates in the United States, it is more challenging to bring these individuals on.

But the things that we need to provide them, one, in terms of proper compensation, we have a special pays process and foundation that has not been changed drastically over the last 10 to 12 years. In the last year or two, we have made a lot of progress—and thank you for helping us do that—in order to move that forward, and to make the compensation more competitive.

But it goes beyond that. It goes to the working circumstances, the environment of care. As General Schoomaker pointed out, many of our facilities are aging. It is difficult, in some cir-

cumstances, to provide the quality of care that we need to because of aging infrastructure, but we are working through that.

I will tell you that what underpins the morale most firmly, however, is the services that these individuals provide. Quite often, a deployment will be—it always is—a very challenging opportunity, but it's not uncommon for it to be a life-changing opportunity. And I'll talk to physicians or nurses or technicians at Balad or Kirkuk, or Bagram, and they will tell me, "This is what I am trained to do. This is one of the most meaningful moments in my life." Being able to use their talents, use their skills, in a way that truly makes a difference—and come home and continue to do that. Because the care and the rehabilitation and the ongoing care of these men and women who go in harm's way, is a challenge. We are certainly working through that.

But, the fact is, the morale is good. But, we need to pay attention to all of those factors, in terms of operations tempo, our facilities, our compensation system, and our graduate medical education in order to remain competitive and retain these folks. There is a high demand for our military medical professionals in the private sector. These are folks who come out with skills, a demonstrated sense of purpose, and ethics, and they are incredibly valuable, and are compensated appropriately in the private sector.

So, it's a demanding environment, but sir, the bottom line is morale is good.

Senator INOUYE. Thank you very much.

Senator Stevens.

Senator STEVENS. Thank you very much.

RECRUITMENT FROM MEDICAL SCHOOLS

Admiral, you mentioned, the recruitment is fairly low, now, from medical schools. Do you have any idea what percentage of medical school graduates entered the military services?

Admiral ROBINSON. Sir, I could not tell you the number of medical school graduates that enter military service.

I can tell you, that in our HPSP—the Health Professions Scholarship Program—that we have—we have not met our goals for the last several years, as I mentioned in my opening statement, but we have increased the numbers, and we are probably at the—in the 60 to 70 percent range of making goal, and that seems to be trending upward. But total numbers of physicians coming out of medical school, coming into military services, is going to be a very, very low number. But I cannot give you that number. I will try to get it—unless someone else has it.

General ROUDEBUSH. We have looked at that, in terms of the percentage of individuals in medical school classes that are willing to consider the military, and it's less than 10 percent. It's probably more on the order of 7 or 8 percent. So, it's relatively low.

Senator STEVENS. Some time ago, I proposed that those people to receive a financial assistance from Federal taxpayers for graduate education, be compelled to provide service to some form of our Federal Government—not necessarily the medical side.

But I'm disturbed to hear that, because I think the bulk of those people that are going through graduate schools today are receiving substantial Federal assistance. And it does seem to me that there's

an obligation to serve, to deal with the great problems of those people who are in harm's way right now.

Let me ask you this, General Roudebush. I'm sure you know, and you just gave the 3rd Medical Group at Elmendorf, I believe, we have a situation there where the Air Force is caring for the 4/25th Combat Brigade, and the combat team that's come back to our State—and doing very well. Is there any other place where we're taking care of the returning veterans of one service in the hospital of another service?

General ROUDEBUSH. Oh, yes, sir. And I would begin with the wonderful care that our airmen receive at Walter Reed and Bethesda, in terms of care of their injuries, and as we transition and take care of soldiers and sailors at our facility—whether it's Elmendorf in Alaska or Wright-Patterson in Ohio, or Wilford Hall in Texas—we do see each other's soldiers, sailors, airmen and marines.

I think it's important to note that one of the key values of our military healthcare system is that we have developed centers of excellence, and I'll let General Schoomaker and Admiral Robinson talk about that. But in terms of amputee care, there is no place better than Walter Reed, or Brook Army Medical Center, in terms of head injury care, there's no place better than Bethesda Naval Hospital.

The Center of Excellence for Psychological Health and Traumatic Brain Injuries is a joint endeavor, and actually as we move toward the base realignment and closure (BRAC) implementation, these large platforms will, in fact, be joint.

I have Air Force physicians, nurses, technicians, working at Walter Reed, for example. We certainly share the platform at Brooke Army, and we work very closely with our allies in Alaska to take care of the folks there in Anchorage, as well as in Fairbanks.

So, it's a very collaborative environment that allows us to serve our servicemen of whatever service, close to their home, or in the best circumstances possible.

Senator STEVENS. Well, I would hope that there would be a better integration—particularly of knowledge of the expertise of particular areas, as you've mentioned, for dealing with some of these specific cases of people who are coming back who have a really different problem than the bulk of those who are returning. And I think that's true for those people who have been involved in units such as the Stryker units, where if they have any problems, they really have pretty severe problems. I would hope that there would be further integration.

General ROUDEBUSH. Sir, I might add that the Air Force is very proud of our ability to both be critically centered in the saving of these lives, forward, in the joint theater trauma system, but then through the aeromedical evacuation system, our critical care, our medical transport teams, to bring these severely injured servicemen and women back home to their families and definitive care, where it's best applied. Whether it's at one of our military centers of excellence, or one of our VA polytrauma centers, which are superb in treating some very, very significant and very complex injuries.

So, it really is an interdependent and interoperable system that's providing care that heretofore has never been seen.

Thank you.

Senator STEVENS. General Schoomaker, and Admiral Robinson, I'm interested in the comment that General Roudebush just made, concerning Walter Reed and Bethesda. We have a BRAC deadline for completing the integration of these facilities now, and some of us are—I'm one of them—are not too happy to see a total integration of those two facilities—what is going on out there, and will they meet the deadline?

General SCHOOMAKER. Well, first of all, sir, let me just quickly echo what General Roudebush commented about, about the jointness of care. You know, the color and type of a uniform really makes no difference when it comes time to taking care of a warrior.

Senator STEVENS. It's not that—not that. I was concerned about whether or not there was access to these various entities, without regard to uniform.

General SCHOOMAKER. Oh, yes, sir, there's—I mean if you go to Landstuhl today, it's very hard to tell a Navy corpsman from an Air Force critical care doc, from an Army nurse——

Senator STEVENS. I'm not talking about them, I'm talking about people coming in.

General SCHOOMAKER. Exactly, sir. We are mixing the joint force to care for them, and we ecumenically care for the combatant, independent of what uniform they have. And I think one of the strengths as Admiral Robinson has mentioned, is that we are a disseminated system of direct care that can provide access to all of these.

As far as the integration and co-location of facilities in the National Capital Region, integration of the National Naval Medical Center, Bethesda, and Walter Reed Army Medical Center has been ongoing, now, for a number of years. It's—full integration is very close, at this point. The Departments of Orthopedics and Rehabilitative Services, Departments of Obstetrics and Gynecology, medicine, surgery, these are all—and neurosurgery—these are all integrated programs now. We have a single chain of clinical command and directorship for Navy and Air Force—excuse me, Army services between, and the National Naval Medical Center, Bethesda, and Walter Reed, and have been working on that for a number of years. When Admiral Robinson commanded Bethesda, and I commanded Walter Reed, we worked very closely in this.

Co-location of the two facilities is what's going to be culminated in the final building of the Walter Reed National Military Medical Center, and the closing of Walter Reed, and the coalescence of the two facilities in one. But integration is ongoing, and it's very—being very aggressively pursued, and very successfully so, sir.

Senator STEVENS. And what's the use of the old Walter Reed going to be? What is the plan for that?

General SCHOOMAKER. Sir, that's not for me to say that. Under BRAC law, that's going to be turned over to other elements of the Federal Government, I understand the General Service Administration, Department of State have put a claim on that. But I don't have any notion of how it's going to be used.

Senator STEVENS. We have been looking at the conversion of medical to civilian activity as far as the treatment is concerned. Is there a plan in place for the conversion of these people over a period of time who are getting training and care, in your military medical facilities, is there a plan for, and do you follow a plan with regard to conversion over civilian treatment?

General SCHOOMAKER. Yes, sir. That's been ongoing from the beginning. Whether it's in the VA system, or whether it's in a network of private care, in partnership with our management care support contractors—all of the services—Admiral Robinson referred earlier to the Navy model of a more distributed, disseminated model that puts care closer to the home, and the home unit of the marine or the sailor. The Army uses a more centralized model, but still promotes getting the soldier and his or her family as close to home—or the parent unit—as possible, as close as possible and——

Senator STEVENS. Well, I'm taking too long. But my main concern is bringing these people—our people that have been assigned to Alaska, they're bringing back to Alaska, they're going to the Elmendorf hospital, regardless of what service they're in, and then there's a transition. Normally if they were at—in what we call the outside, the South 48—the transition would be to the VA. We don't have a VA facility.

General SCHOOMAKER. Yes, sir.

Senator STEVENS. We have to transition automatically to civilian operations for civilian care. And civilian care in our State is limited—just as you are competing for doctors, we're competing for doctors, and they're not there right now.

General SCHOOMAKER. Yes, sir.

Senator STEVENS. So, what is the plan for people in those circumstances—will they be moved back to Washington to somewhere else, if there's not a VA hospital?

General SCHOOMAKER. Exactly, sir. I mean, we try to target the care, especially for a persistent wound or injury or illness to where they can best receive that service—civilian, VA, or military direct care system, and in compliance with the needs and requirements of the family and the soldier. And that's a very, very individuated decision.

VETERANS HEALTHCARE

Senator STEVENS. Well, that worries me, because our State has the highest level of volunteers, per capita, in the country. And as they're coming back, they're going to the military hospital in Anchorage, the Air Force hospital. Some of them are going to Bassett up in Fairbanks, but not many. And once they're through that care, it looks like they're going to be shifted back outside, and their families are still in Alaska.

I would hope that somehow we would work out some kind of a VA—a concept for Alaska—so they don't have to be moved back outside to go through VA, and then moved back into Alaska when they finally transition into civilian care. Most of these are very long-term care we're talking about.

Admiral ROBINSON. Senator Stevens, one aspect that probably is also helpful in the continuum of care as a member, is transition from active duty, goes through a disability evaluation process—and

it does depend on how that process goes in percent—that member and family often are then able to obtain TRICARE benefits which would be directly usable in any of the treatment facilities in Alaska, in the sense that TRICARE would then become one of the methods that could be utilized.

It's not completely satisfactory—I understand your dilemma in Alaska—but it certainly is one of the other aspects of care of our returning warriors.

Senator STEVENS. Well, in our State that would be transition in many of the rural areas, Indian Health Service hospitals. I don't know whether you've ever worked out any arrangements with them, but I'd encourage you to do so.

Thank you very much, I've taken too much time already.

Senator INOUYE. Senator Mikulski.

Senator MIKULSKI. Thank you, Mr. Chairman, and gentlemen for the excellent testimony.

All of us recall where just a very short time ago, this room was jam-packed for a hearing on military medicine because of the press accounts on the Walter Reed scandal. We want to thank you for what you've done to clean that up, and that's going to be, really, my line of questions.

We want you to know, we're on your side. For those of us who've never worn a uniform, know that we feel that the best way to support our uniformed services, is not only in the battlefield, but with military medicine. And the opstempo that you face, the challenges of a war that's gone on for so long, the volume of injury, the new kinds of injury, and the old kinds of injury. And what we see is almost a 50-year war, in the sense of, not over there, but when we look at these men and women who've come back, some bear the permanent wounds of war, all will bear the permanent impact of war, and we need to know what that means—from stress to terrible injuries like amputation.

So, what I want to follow in my line of questions today is, what did we do in response to Walter Reed, and I'd like to refer in my questions to the Dole-Shalala report, which I think was a definitive report, and gave us benchmarks and guidelines about where to go.

I'd like to thank General Pollock, General Schoomaker, who—during the interim of change from one Surgeon General to the other, really stepped up to the plate and, I think we owe her a debt of gratitude, and we'll be talking to them about the nursing shortage later.

But here's what Dole-Shalala said, "We need to serve those who were injured, support their recovery and their rehabilitation, and simplify the complex system that frustrates soldiers and families." Their very first recommendation was, create a patient-centered recovery plan. And with that, I believe you've established something called the warrior transition units (WTUs)—that, in other words, it was not only the brilliant work done on the battlefield, at Lundsfeld and the hospital here—or even at Walter Reed itself—but it was what happened when they transitioned from acute care to outpatient care, that people began to fall between the cracks.

Could you tell us what you've done to implement Dole-Shalala, to create a patient-centered recovery plan? Where are we on the warrior transition units—do we have enough of them? Do we need

more people? Do you need more money? What do we need to do to implement Dole-Shalala?

General SCHOOMAKER. Yes, ma'am, thanks for that question—and you're absolutely right, we owe a great debt of gratitude to Major General Pollock, who stepped into the breach as the acting Surgeon General during that time, and really took the bull by the horns, as we were working at the operational level to make changes.

Probably, in a nutshell, I would say that what the Army did, almost immediately, was to stand up a program we call the Army medical action plan. And a commission chartered by the Chief of Staff of the Army, the Secretary of the Army, and overseen very, very closely by the Vice Chief of Staff of the Army, Dick Cody.

The Army medical action plan, overseen by Brigadier General Mike Tucker, who served as my Deputy Commander at the North Atlantic Regional Medical Command, and then later was elevated to an Assistant Surgeon General, the first Assistant Surgeon General for Warrior Care and Transition. The Army medical action plan began immediately to identify problems, to work closely with the Independent Review Group, chaired by former Secretaries of the Army——

Senator MIKULSKI. Please, General, I have limited time.

General SCHOOMAKER. Yes, ma'am.

Senator MIKULSKI. Tell me what we're doing for patients, rather than military bureaucracy and acknowledging the wonderful people who did it.

General SCHOOMAKER. Ma'am, the answer was intended to describe that, as Dole-Shalala stood up, we took every idea and every recommendation of Dole-Shalala on the fly, and applied that. And the Army today has created that patient-centered program that is described, is working very closely with the VA and the other services to provide the care that Dole-Shalala——

Senator MIKULSKI. But how many do you have?

General SCHOOMAKER. I have 35 warrior transition units, we currently have 11,280 soldiers, warriors in transition that have been taken out of a variety of units in the Army with wounds, illnesses or injuries—many non-battle related—and are now cared for in a patient-centered focus around a triad of care. A squad leader at the small unit leader level, a nurse case manager, and a primary care physician.

Senator MIKULSKI. General, let me go to the case managers, because in February 2007, besides the fragmented senior leadership—which obviously, from your description, has been corrected—there was a lack of integrated casework. There were no, really, primary care managers. The nurse case managers had been eliminated, in yet one other DOD reorganization plan years ago. There were no advocates, forgotten families, complaints fell on deaf ears—you know them, I don't need to give the laundry list.

Can you tell us now where we are in the case management? And do you really have enough of these warrior units—I think the military action plan is a great way for implementing the Dole-Shalala recommendations. But, where are we on the care managers? What is the ratio? The nurse case managers, with the nursing shortage? Do you have enough? Is there an ombudsman in every unit?

General SCHOOMAKER. Yes, ma'am. It's very, very closely monitored—thanks for that question—it's very closely monitored——

Senator MIKULSKI. Because it goes to your human capital needs.

General SCHOOMAKER. Yes, ma'am.

Senator MIKULSKI. These are not meant to be, "Are you doing your job?" it's how do we all do our job?

General SCHOOMAKER. Well, I think what the Walter Reed experience taught was that we had drifted over the last two decades to a model of pure inpatient and outpatient medicine, and we'd forgotten much of what Senator Inouye's generation was exposed to, which is an intermediate rehabilitation capability that had transition from one to the other. We've recreated that. And we've partnered with the VA and with the private sector, now, to have a very comprehensive handoff—we call it a comprehensive care plan—that begins almost from the point of injury, and throughout the acute phase, the recovery phase, and the rehabilitation phase, even into the VA or the private sector, we have a system of administrative leaders, of clinicians, and of nurse case managers, working in close relationship with VA coordinators, as well, to ensure that we've got this warm handoff taking place.

Senator MIKULSKI. Well, that's the plan, but let me go again. Do you have enough nurse case managers?

General SCHOOMAKER. Ma'am, we've managed—we manage that very closely, we monitor it, our ratios—our expected ratios of nurse case managers to warriors in transition is 1 to 18. We closely monitor that to ensure that we've—we are safe in all regards.

I would have to say, as the population continues—as we identify more soldiers that are better cared for in the WTUs, we bring them in and bolster the——

Senator MIKULSKI. And remember, these are not accusatory questions——

General SCHOOMAKER. No, ma'am.

Senator MIKULSKI [continuing]. These are how do we get to make sure?

General SCHOOMAKER. And there's probably no group in that triad of care right now that is more challenging to recruit than our nurse case managers.

Senator MIKULSKI. And we're going to come back to that.

Does every unit have an ombudsman?

General SCHOOMAKER. We have 29 ombudsman across the 35 units, some of them are regional in their focus, but they have access to an ombudsman in every warrior transition unit. And in the large ones, we have assigned one or two ombudsman directly.

Senator MIKULSKI. And we asked that a hotline be established, so that if you had a problem——

General SCHOOMAKER. Yes, ma'am.

Senator MIKULSKI [continuing]. You could dial 100, 1–800, Hi Army, I need help.

General SCHOOMAKER. We have a 1–800 line, I'd be happy to pass a card to you. We pass these cards out to every family member and soldier and members of the community. Any question about any aspect of anything, from pay to housing to nonmedical attendants, we've got a hotline that solves the problem. We've taken about 7,000 to 8,000 calls in the last year to this hotline.

Senator MIKULSKI. Well, I just have one other area of questioning and come back, because this is really digging into it.

Coming again back to Dole-Shalala in our own conversations, it says to restructure the disability systems, and we need to have a seamless effort between VA and DOD. One, the transition of the warfighter from military to VA, and that goes to the transition of care, and then this whole issue of reorganizing the benefit structure.

Both you and, also our other Surgeons General, how do you think that's working? The feedback I get anecdotally in my own State is that it is enormously uneven, that the real problem—one of the real problems here in implementing the recommendations from Dole-Shalala is that the connect between, I'll call it DOD medicine, and then VA—both particularly in the areas of disability benefits and handoff—can be disjointed.

General SCHOOMAKER. Ma'am, the current system of disability, the VA and DOD systems, was developed 50 to 60 years ago, in an era in which, as Admiral Robinson said, our soldiers, sailors, airmen, marines were largely single, we did not have a TRICARE healthcare benefit, and we did not have the complex wounds that we see today.

In 2008, what we're now faced with is a system of disability adjudication in the DOD that largely focuses on whether you're fit for duty or not, and then adjudicates disability based upon that single unfitting condition, even if you've got a variety of other injuries or problems, and even using the same tables of disability that the VA uses.

The VA then turns to the same soldier and says, "I will now assess disability based upon the whole person concept, and your employability and your quality of life." The military attachés to the disability adjudication for that single unfitting condition, whether or not you have access to lifetime benefits for TRICARE. And for a family who is seeking, and a soldier who is seeking disability at a threshold, 30 percent, that then gets them access to TRICARE, they see the military as being stingy for them, while the VA does not.

Until we have a single system of disability adjudication, and a national debate about what service and injury or illness in-service warrants that soldier, sailor, airman, marine, we will not resolve the flashpoint injury—the problem of the physical disability evaluation system.

Senator MIKULSKI. Well, there's an 18-month backlog in getting evaluated for VA disability. That is the subject of another hearing, General, and not your responsibility, but it is.

But it goes to what Senator Stevens raised about the Alaska soldiers. What I hear from my own—a lot of my own military that have suffered injuries, is the reason they seek a 30 percent or more disability, it's not for the money or commissary privileges, because they'll stay in TRICARE. And in TRICARE they feel that they have a medical home, and they know the rules of the game. And that medical home means they can have access to military facilities, where those academic centers of excellence or others in their own community, but they know they will have a home.

When they worry that if they go to VA, the disability ascertainment is prolonged, there's enormous stress on them, you have to go to the VA facilities. They feel that they're going into a black hole that they don't know from which they're going to emerge.

So, what they like about the military and TRICARE, is they feel it's been their one-stop shop, even as they might be transitioning to civilian life.

And, what we worry about, then, because it's really been the Walter Reed scandal, and then these excellent commission reports that was to drive, pretty strongly, that there be this, really, seamless connection between DOD, military medicine, and the transition. So my question is, do you feel—in addition to the need for a national debate, and I agree—do you feel that this is really happening? Do you feel that there is this same sense of urgency when this was all over CNN?

General SCHOOMAKER. Ma'am, I think there's a great sense of urgency, and we have a pilot program right now in the National Capital area in which we're looking at a large number of soldiers, marines, and others to see if we can't smooth out and reduce the bureaucratic hurdles and hassles associated with the physical disability system in—under current law.

But I want to say that I think we all recognize that we still have this 500-pound gorilla in the room, and that is the threshold of disability and a single adjudication of disability that access——

Senator MIKULSKI. And who would make those decision?

General SCHOOMAKER. Ma'am, that has to—that is—that is in law, and without changing the law——

Senator MIKULSKI. But who makes the recommendations to change the law?

General SCHOOMAKER. I think right now the Senior Oversight Committee that is meeting between the VA and the DOD and is in a position to help make——

Senator MIKULSKI. But we're looking for the recommendations. Do we ask that of Secretary Gates, the Secretary of the VA, do we ask for a conversation with the President, how do we get these changes?

General SCHOOMAKER. I think that at the Secretary level is probably where it needs to begin.

General ROUDEBUSH. Ma'am? I agree. I think it does get to the secretarial level and above, because what you're—you are doing is you are making a decision based on both medical and administrative pay and benefit issues that encompass the entire benefit for that individual. So I think it does rightfully accrue to the leadership positions, and I would echo General Schoomaker.

At the Senior Oversight Committee, which is co-chaired by Deputy Secretary of Defense Mr. England, and Deputy VA Secretary, Mr. Mansfield, there is a sense of very important urgency to get this right, in order to be able to do that across the entire spectrum of activities to include medical.

Senator MIKULSKI. Well, I've exceeded my time and we'll go to this.

First of all, know that I believe real progress has been made. So, I believe that real progress has been made, and we thank all who were involved in that. I think there's still much to be done, because

these military warriors—these warriors are going to be with us a long time and we have an obligation. And not only where there's been these severe injuries.

Then there's this whole impact on the families. You said they were mostly single. Well, they also had a mother. When I visited these bases, it's either the spouse or the mother that's there. We viewed them as unpaid attendants, and if we get an opportunity for a second round, we'll be talking about the family. But, I think we're looking forward to regular reports and conversations on how to implement this, and we have to ask the Secretaries about this.

And, Mr. Chairman, I think it might be the subject of another hearing, particularly also with our colleagues in VA.

Anyway, thank you very much.

Senator INOUYE. Thank you.

Senator Murray.

Senator MURRAY. Thank you very much, Mr. Chairman.

And thank you all for being here today, for your testimony, and for the work that you do for the men and women who serve our country. It's an honor for me to follow the angel on our subcommittee, and thank her for all of her work, as well as our chairman.

We were here 1 year ago under a lot of stress and looking at a system that was literally broken. And we have made a lot of progress, not just at Walter Reed, but across the country, out in my State at Madigan and other facilities. I've been there, I've been on the ground, I know that we're making changes, but I also agree with Senator Mikulski, we still need a sense of urgency. There are big questions left remaining. It is about how we work our way through this, but also how we have the resources to do it. And it's making sure that we have the commitment from this administration and from Congress to back them up. I know the American people are there, that when we ask someone to serve our country, we have to be there to follow up with the money to take care of what we—what their needs are, and I think that's part of what the challenge is that we face.

Senator Mikulski asked a number of questions about the whole process. Let me focus on a very real concern that I still have that really still needs a sense of urgency, and that is the invisible wounds of war, the psychological needs of our soldiers when they come home. I know I've talked to soldiers and airmen and, of all of our components who feel like they're a left behind because the American people can't see their physical wounds of war.

And we still have tremendous challenges in front of us. The MHAT 5, that was recently released, illustrated the psychological stress that our deployed servicemembers are under. I was concerned because this study only focused on the active duty. We have a large Reserve component, and particularly the National Guard that has really unique concerns. They've been deployed and redeployed, and it seems to me that there are no near-term plans to discontinue the use of our Reserve component. So I wanted to ask you, do you think it's important to evaluate their overall health, as well?

General SCHOOMAKER. Yes ma'am, I think MHAT 5, the Mental Health Advisory Team 5th iteration, fifth year, really focused on

two active component brigades only because of the force mix that was in-theater at the time, Afghanistan and Iraq. In past MHATs, they've also studied Reserve component brigades.

And this is one Army, ma'am, we are as concerned about the mental health challenges for the National Guard and Reserve as we are for our active component. In fact, as is pointed out by their leadership and by their State's representatives, they frequently have to go back into parts of America, as Senator Stevens has said, where we don't have access to the direct——

Senator MURRAY. That's correct.

General SCHOOMAKER [continuing]. System, the VA system is even sometimes not readily available.

Senator MURRAY. Do you intend to do an evaluation?

General SCHOOMAKER. Yes, ma'am, we're following that very closely, we're working with the Reserve component to look at the best solutions for those soldiers as they——

Senator MURRAY. I would like to be kept up to date on what your—what your evaluations are and your recommendations from those.

General SCHOOMAKER. And, ma'am, you need to understand, too, they're held to the same standard that—upon return and reintegration, 90 to 180 days after being redeployed, they have to go through a post-deployment health reassessment that screens for the symptoms of post-traumatic stress.

Senator MURRAY. Right. I am told that in the first part of the war, the ratio of servicemember to psychological healthcare provider in-theater was close to 800 to 1. We've been working on this and trying to improve it, but it's back up to 740 to 1 and rising. What is being done to reverse that trend?

General SCHOOMAKER. Ma'am, we've always stayed below what our target was, which was better than one behavioral health specialist to 1,000 soldiers.

We've—our biggest problem, I would have to say—and we've revised this on the fly—is the distribution of our soldiers. Many of our soldiers, especially in Afghanistan and other parts of Iraq, work in very distributed teams that are not accessible to our forward-operating bases and places where we have a density of—of mental health workers.

What we've done is to try to redistribute mental health workers. We work closely with the Air Force at Bagram, for example, which has got the lead on much of the healthcare in the Bagram area, to get care out to the individuals.

We're also——

MENTAL HEALTH PROVIDERS

Senator MURRAY. Is the—is there a challenge in filling the billets for healthcare, mental health?

General SCHOOMAKER. Oh, yes, ma'am. Our behavioral health specialists, psychologists, social workers, psychiatrists are some of the most frequently deployed.

Senator MURRAY. Is that true across the services?

General ROUDEBUSH. Yes, ma'am, it is.

Admiral ROBINSON. Yes, it is.

General ROUDEBUSH [continuing]. We have Air Force providers in support of Army units and other distributed units. So it's a very joint approach to that. And I would emphasize that it also goes beyond, although it focuses appropriately on the mental health and behavioral health professionals, we are sure that our other providers—both our critical care and our primary care providers—are also trained in detecting and treating issues relative to behavioral or mental health concerns, and to be able to trigger and get the individual to more definitive care, if required.

So, it's a broader system than just the mental health professionals, but obviously that's a key and critical part of it.

Senator MURRAY. I think it's one that we do need to focus on. And interestingly, I have a member of my staff who is a psychiatrist and he tried to volunteer his time to help servicemembers and their families who have TBI and PTSD, and was told that he couldn't volunteer. And I know, if he's one psychiatrist who's willing to do that, there are others. Any idea how someone can volunteer?

General SCHOOMAKER. Actually, the American Psychiatric Association has come forward with an offer of individual volunteers. What we try to do is provide that knowledge to patients.

Our problem is, we cannot certify thousands of voluntary psychologists or psychiatrists, under our system, but we can certainly give our patients——

Senator MURRAY. But if they are certified——

General SCHOOMAKER [continuing]. Access to the——

Senator MURRAY [continuing]. Psychiatrists, is there a way for them to provide a service, at a time when we need——

General SCHOOMAKER. We can get back to your staff and talk to you.

Senator MURRAY. I would like to know that. I mean, I'm sure there are other people in the country today——

General SCHOOMAKER. Yes, ma'am.

Senator MURRAY [continuing]. Who feel very strongly——

General SCHOOMAKER. The APA has been forthcoming.

Senator MURRAY [continuing]. About supporting our soldiers when they come home. They are certified and it seems to me that, you know, we ought to be using them.

General ROUDEBUSH. Yes, ma'am, in fact we do some of that through the auspices of the Red Cross, we do have medical professionals who volunteer, both home and we've had individuals at forward locations, at Landstuhl, for example, in that regard, so I really appreciate your interest in that.

Senator MURRAY. Okay.

SUICIDES

Let me ask specifically about suicides. Because the suicide rate is very disturbing—as it should be—to all of us. And I know the military says that personal and family problems contribute to the increase, but it's also apparent that there are other significant contributors—increased lengths of deployment, repeated deployments, decreased dwell times—I think we all have to agree have had a huge impact on the psychological health of the men and women who are serving us.

I know that there are several initiatives in the military to reduce the stigma of seeking mental health, and to providing professional mental health care. I'd like to ask you all how you see the efficacy of those initiatives today?

General ROUDEBUSH. Ma'am, I can speak to the Air Force Suicide Prevention Program, which was initiated in 1996, which is a broad-spectrum, community-based program which focuses on both the individual de-stigmatizing the act or the request for getting help, but also leverages all of the capabilities—whether it's mental health, family support——

Senator MURRAY. Do you see it working?

General ROUDEBUSH. Our suicide rate is 28 percent lower now than it was in 1996 when this was implemented. And the program has been reviewed by the fact and outcome-based entities within the United States, and has been found one of the few that truly, substantively works.

Senator MURRAY. Admiral.

Admiral ROBINSON. I think there are a couple of factors that are very important in the suicide rate. First of all, it is the number of exposures to stress, the number of exposures to the types of things that will create destabilizing, psychological events in one's life. And so, therefore, you need to look at who's, in fact, going forward, fighting, and being exposed to that repeatedly, as you're looking at the total psychiatric, psychological health and emotion health of an individual, and their family.

The second factor is, there has to be embedded—and I think that I will emphasize embedded—mental health professionals—not always psychiatrists, but social workers, psychiatric nurse practitioners, psychologists, psych technicians—that are with the units so that the stigmatization and other things become much less because that person, those team of people, become a lot less.

Senator MURRAY. And you have that?

Admiral ROBINSON. We have OSCAR units, we have seven. We think we need 31, so to your question of numbers—yes, we do not have enough, we need more, and it is exceptionally difficult. And then if you take into consideration that those psychologists, psychiatrists and mental health professionals are deploying at about the same rate as my general surgeons, you will see that trying to get people to stay under those types of circumstances becomes problematic. So, those are issues that need to be considered.

And third, there has to be training and teaching that occurs at all levels—it has to be from the recruit to the war college, it has to be the lowest level, and it has to have line leadership that is involved with it. It is not a medical issue, per se, it is actually a line and a leadership issue. Medical takes the lead on the education, line takes the lead on the implementation, and utilizing it, and getting it out to the people that need it.

So, those factors, I think, when you consider them, will reduce some of the issues with suicide, and with psychological issues——

Senator MURRAY. But I'm hearing you say we still don't have enough of that, across-the-board professionals on the ground, and that's a concern.

General ROUDEBUSH. That is correct. We do not have enough.

Senator MURRAY. General.

General SCHOOMAKER. We are greatly concerned about—the Army is greatly concerned about the trends in suicide, and we are looking very carefully at this. We have a general officers steering committee that has met several times, and is recommending expansive changes to the leadership of the Army.

I go back to what Admiral Robinson just said—suicide prevention ultimately is a commander's responsibility, and it revolves around small unit leadership, NCO and officer leadership. We in the medics are in support—along with the chaplains and others—and we are looking at a comprehensive program within the Army of education and reaching out to change the behaviors of small unit leaders and fellow soldiers, to identify the behaviors that will predict this impulsive act, frequently around the rupture of a relationship—either with the Army, or with a loved one—that seems to trigger this within the Army.

Senator MURRAY. Do you know what the wait time is for a soldier to see a mental health professional?

General SCHOOMAKER. In an urgent situation, there is no wait time, ma'am.

Senator MURRAY. How do you know if it's urgent?

General SCHOOMAKER. I mean, if it's identified as an urgent issue——

Senator MURRAY. Sometimes, somebody just comes to a door and says, "I need some help." If somebody just comes to the door and says, "I want to talk to somebody," what's the wait time, do you know?

General SCHOOMAKER. Again, if it in any way relates to suicidal behavior, ideation, or fear of——

Senator MURRAY. I'm not asking from an aggressive point of view, I—because our job is to provide the resources, so that you all can provide the people out on the ground. And my question in asking about the wait time is, that's critical knowledge for us to know whether we're providing enough resources for people.

General SCHOOMAKER. I think I would have to answer that it would be highly variable based upon the community. In some communities it may be as long as a week or 10 days. In other communities, it may be nearly instantaneous.

And it really is a function—in Fort Drum, New York, for example, where we're constrained to get the mental health resources that are needed, it might be a little more difficulty. In the National Capital Region, or in San Antonio, it might be a completely different matter.

Senator MURRAY. Okay, well, that is disconcerting to hear. And obviously we need to, I think, make sure we are dealing with those invisible wounds of the war, and providing the personnel and the support and all of the right processes.

I have a number of other questions that I'll submit for the record, but thank you very much, Mr. Chairman.

Thank you, to all of you.

Senator INOUYE. Thank you very much.

Senator Feinstein.

Senator FEINSTEIN. Thank you very much, Mr. Chairman.

Good morning, gentlemen.

DEPLOYMENT TIME

Now that troop deployment time has been reduced from 15 months to 13 months, I wanted to ask you for your reflection—from a medical point of view—on the length of a deployment, as it relates to health, and particularly stress. It seems to me that the unpredictability of the kind of war that this is for an individual, makes long deployments very difficult. And I wonder if there is any medical recommendation as to what the deployment should be—and by should be, I mean, a deployment that makes sense, that gives the individual the best, optimum time, without some of the adversities that long deployments seem to bring about. Is there any medical advice as to what that length should be? General Schoomaker.

General SCHOOMAKER. Ma'am, that's a difficult question—there's actually three variables, I think. The length of the deployment, the frequency of redeployment, and the dwell time between deployments. All three variables are critical.

Senator FEINSTEIN. But how would you—what would you say would be a model system which would minimize health impacts?

General SCHOOMAKER. It would be a system that probably reduces deployment length to the 6 to 9 month range. It would include a dwell time that exceeds 1½ years, or resets around 1½ years, at best, in the minimum, and reduces redeployment, obviously, to the minimum. And I think all of those things are focuses of the Army leadership.

Senator FEINSTEIN. Thank you.

General SCHOOMAKER. The MHAT studies, ma'am, have documented, in terms of stress—self-reported stress—what the effects of the longer deployments have done.

Senator FEINSTEIN. Admiral.

Admiral ROBINSON. Yes, Senator Feinstein.

The last thing General Schoomaker said about the studies—there's no question that repeated exposures to stress, repeated exposure to traumatic situations, will increase emotional and psychological health issues. The inability to get proper dwell time, to come back and to recalibrate, has a devastating effect.

I think what General Schoomaker outlined is very reasonable, I think the marine model of, probably, 6-, 7-month timeframe is optimum, ideal. And if that could occur within a dwell time that would exceed that amount, and come back to recalibrate, to reset, as it were, would be very good.

Senator FEINSTEIN. General, would you like to comment?

General ROUDEBUSH. Yes, ma'am. Of course, in the Air Force, our deployment times have traditionally been shorter—we've moved from a 120-day, for example, Air Expeditionary Force (AEF) rotation, but depending on the availability of a capability, the deployment time may be longer than that, maybe 180 days, maybe 1 year.

I agree with my colleagues that the 6 months, plus or minus, is probably a goal to approach, however, there are operational issues. If you're on the ground, building relationships, 6 months may be inadequate to really build the kind of relationships and become

mission effective. So, there are going to be those times when perhaps operationally, the deployment would appropriately be longer.

But, I can tell you that my leadership pays very close attention to the rotational dwell time. The policy looks to optimize that for the weapons system that we're utilizing. We are also working to assure to take care of the families, as well. With an all-volunteer force, the individual chooses to join, but literally, the family chooses to stay.

Senator FEINSTEIN. Right.

General ROUDEBUSH. So, it's important that we consider all of those factors as we look at our rotational and deployment policies.

Senator FEINSTEIN. You mentioned—if I just might follow-up with the General for a minute—you mentioned, dependent upon the weapons that are used—are you saying the more technologically developed those weapons are, the shorter the time should be?

General ROUDEBUSH. No, ma'am. We have weapons systems that are very highly, technologically capable, but are in limited quantities, and high demand. So, those systems tend to stay deployed for longer.

Senator FEINSTEIN. I see, I see.

General ROUDEBUSH. We also have individuals, for example, operating Predators who live in Las Vegas, drive to Creech Air Force Base, Nevada every day, perform that critical mission, and then come home. But those folks require care, as well, because psychologically, and from a mission operations tempo, that's a very demanding mission. And you have to be able to balance a family life with an operational life, that, for some of our airmen, is a very demanding issue.

This war has created scenarios that we need to pay very close attention to.

Senator FEINSTEIN. General, you wish to——

General SCHOOMAKER. Ma'am, I just wanted to make sure—I want to qualify my comments earlier. You asked me for a medical assessment——

Senator FEINSTEIN. That's correct.

General SCHOOMAKER. Not an operational assessment.

Senator FEINSTEIN. That's correct.

General SCHOOMAKER. There are obviously operational imperatives that dictate length of deployments and redeployment and dwell times between. But, from the standpoint of what we empirically observe are the stresses upon individuals and families, the model that I depicted probably begins to approach what we think is sustainable.

And we have models, for example, in the special operations community, special operations soldiers, airmen, SEALS, will deploy multiple times—eight, nine times—but for a shorter duration, with longer dwell times, that allow them to reset and prepare for the next deployment.

Senator FEINSTEIN. Do you think operations like that, the shorter deployment, the longer dwell time, is really the formula that we should seek for the future?

General SCHOOMAKER. Ma'am, I think that's really a mixture of operational and other considerations, that I'm really not prepared to answer.

Senator FEINSTEIN. I think, because one of the things that comes into this, this war has gone on for so long, and could conceivably continue on. And the kinds of injuries require long-term care. I'm thinking, particularly, because battlefield medicine is so good today—fortunately—that people who would have died from traumatic brain injury are saved, and they go on.

VETERANS CARE

But what I'm finding in areas, is that they really need more than the system out there gives them to sustain their relationships and their lives over a substantial period of time. And one of the things that I've just been thinking about, because when I visit the VA—particularly in Los Angeles, the big campus on Wilshire Boulevard, it's over 300 acres—the thought occurs, if this could be a kind of residential community where families that really need help, because somebody is damaged to the point that they can't really operate really well, receives the kind of nurturing that's going to be necessary for the rest of their life.

I think on a young family, this is a very hard thing to come to grips with. And I don't know if you all kind of at the top of the medical infrastructure has given it much thought. But, if you have, I'd sure like to know your thinking on that, whether it makes sense for us, as part of the VA, then, to build some real—some communities for families, where they can come and live. If the wife needs to work, she can work, but if the husband has a brain injury that's really going to suspend his effectiveness for the rest of his life, they get some additional care, on site.

Admiral ROBINSON. Senator Feinstein, I think that approach is very good. I have given this thought from a surgeon's perspective—I mean a clinical surgeon, not Surgeon General, also from a commander, and not the Surgeon General perspective. Military medicine has traditionally been acute care medicine, we are a victim of our own success, now. You're absolutely right, TBI and many other injuries that we have now, we have only because we have such an incredibly wonderful survivability rate.

Systematic rehabilitative care, has been traditionally the purview of VA. We now have a morphing of that, because we now have the acute care, active duty, or the military side, that has gotten involved in systematic rehab care. We also have had, through the years, between Vietnam and this war, disconnects—those disconnects between DOD, between military medicine and VA are much, much, much, much less now. But there was a ramp-up, and there were learning curves, there were issues. They are not over.

And the issue, then, becomes, because the issue that I think about a lot, is the sustainment of the care——

Senator FEINSTEIN. Yes.

Admiral ROBINSON. Senator Mikulski said the 50-year war, that is absolutely correct. Because we know that many of the individuals that we have coming back are going to need a lifetime of care.

So the goal is—how do we get to a sustainment of the care needed by the members and families, that we now have? And that is

a huge problem, and burden, on us from a military perspective, because you are a soldier for life, you are an airman for life, you are a sailor for life, you are a marine for life, you are a Coastie for life—we have an obligation to care for you. The key is, how? And again, systematic rehabilitative care has traditionally been the VA.

Your thoughts as to a possibility of how, seem very innovative and creative and, I think, should be explored. But we need to even take a deeper look as to how we're going to meld the DOD, the direct care, and the VA, the systematic rehabilitative care.

Senator FEINSTEIN. Thank you, Admiral.

General.

General SCHOOMAKER. The Admiral has echoed my thoughts. I know that what you are discussing is of great interest and focus of Secretary Peake, and the VA. And I think we're in an unprecedented era of urgency about cooperating between the military services and the VA. We have very, very good relations and exchange of thoughts, ideas, people and the like.

I would—this may be a good point to insert—there have been several truly miraculous events, if any war has a good side. One, we've talked about this unprecedented survival of wounds. The fact that we have an Air Force medical system that, in cooperation with the Army and the Navy, has evacuated now 50,000 patients and strategic evacuation has not lost a single patient. Is running intensive care units (ICUs) in the air, and has not lost a single patient.

But the other thing that's important here, is that in the first year, our system returns to duty two-thirds of the wounded, ill and injured soldiers. So, it's not a one-way street into rehabilitation and disability. It's a process of renewing the force, and retaining—in the Army alone—up to two brigades worth of voluntary soldiers, who want to remain in uniform. And that's one of our key goals.

Senator FEINSTEIN. Right, right.

Well, I've been thinking—I've been out there twice now, and looked at it—it's, we've got 300 acres in the heart of Los Angeles, with neighbors around them not wanting commercial office high-rises. And the opportunity to do something truly innovative, right in the middle, with a first-rate hospital there, all of the amenities that you need to provide the kind of living circumstance for families—because there's enough property to do it—I think is really exciting. And I think we've got to start to think that way.

I mean, I know of families where there has been traumatic brain injury, and they go back to a very rural community where they're isolated. And it's very difficult for them. Because they can't get the daily help they need to sustain that family.

So, if you gentlemen wanted to take an interest in that, I'd be happy to show you around the L.A. VA facility, because I think something truly innovative ought to be done there for veterans.

Well, right.

General ROUDEBUSH. Ma'am, your point is very well taken, and as we look at the continuum from the care within the active duty construct to include both rehabilitation and return to duty, the transition to the VA, where that's appropriate. But, for many of our guardsmen and reservists that live in communities that are not near a VA, I think we also need to be thinking beyond how we approach that continuum of care, and we don't have the answer yet.

But that is a concern, and something that I think we need to look at within our Nation in the more rural areas, where many of our reservists and guardsmen live—how we care for them, how we care for their families, and how we approach this.

But I would offer one thought as we look at how we position ourselves very well to take care of those men and women who are ill or injured as a result of this conflict. With your help in this subcommittee, it also keeps us looking over the horizon, to look at what the next conflict may be, or the next set of challenges, to be sure that we're appropriately positioned, resourced, trained and equipped to meet that challenge, as well.

So, it is a daunting task, and one that I know my work with the staff and with the members of this subcommittee—we very correctly focus on today's fight, but we also look over the horizon to see what might be next, to assure that we're able to meet that mission, as well. And it may be rather different than the fight we're fighting today.

Senator FEINSTEIN. Exactly.

Thank you very much.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you very much.

In about 35 minutes, the Appropriations Committee will be meeting to consider the President's supplemental appropriations request. It's a very important hearing, and therefore, if we have further questions to ask, may we submit them to you? For your consideration and response?

I thank you very much.

Our next panel, Major General Gale Pollock, Chief of the U.S. Army Nurse Corps, Rear Admiral Christine M. Bruzek-Kohler, Director of the Navy Nurse Corps, Major General Melissa A. Rank, Assistant Air Force Surgeon General for Nursing Services.

May I first call upon General Pollock?

**STATEMENT OF MAJOR GENERAL GALE POLLOCK, CHIEF, ARMY NURSE CORPS, UNITED STATES ARMY**

General POLLOCK. Of course.

Mr. Chairman, Senator Stevens, Senators Mikulski, Murray, and Feinstein, thank you very much for joining us today, and it's a pleasure to appear before you today representing the Army Nurse Corps—107 years of Army strong.

Through the unwavering support of this subcommittee, we're able to serve soldiers—past and present—their families, and the strategic needs of this great Nation.

The total Army nursing force encompasses the officers and enlisted personnel on active duty in the Army National Guard and in the U.S. Army Reserve. We are a truly integrated and interdependent nursing care team. In that spirit, it has been my distinct pleasure to serve with Major General Deb Wheeling, of the Army National Guard, and Colonel Etta Johnson of the U.S. Army Reserve, who have been my senior advisors for their respective components over the past year.

I would also be remiss if I failed to highlight the exceptional work of Colonel Barbara Bruno, my Deputy Corps Chief. Without her total support and attention, I would not have been able to move

the Army Nurse Corps forward over the last 4 years. She will retire this summer, and I wanted you each to know of her dedication and support of the Army Nurse Corps and our Nation.

Despite long and repeated deployments to combat zones, Army nurses remain highly motivated and dedicated to both duty and one another. They serve in Iraq, Afghanistan, and along every route that wounded warriors travel to get home.

They're serving across Asia, Europe, and Central and South America, preparing and protecting our force. They're serving in every time zone, and at home, caring for those who need us.

Since 2003, we have activated Reserve component Army Nurse Corps officers, re-aligned active duty Nurse Corps officers, and recruited civilian registered nurses, to serve as nurse case managers to support the continuity of healthcare for our wounded warriors. Nurse case managers also help the soldiers and their families navigate the complex healthcare system within military hospitals, our civilian TRICARE network, and the transition to the Department of Veterans Affairs.

Recognizing the critical role of the nurse case manager in support of our wounded warriors, we now have 181 military and 216 civilian nurse case manager positions authorized for the warrior transition units. These authorizations establish a staffing ratio of 1 to 18 at our medications centers, and 1 to 36 at smaller medical activities.

Not only does this support our wounded warrior healthcare mission today, the establishment of authorized, documented positions ensures that we maintain a robust nurse case management program supporting our healthcare beneficiaries in the future, whether we are at peace or in conflict.

To ensure that our nurse case managers have the knowledge and skills necessary for this essential role, we standardize nurse case management training, using the military healthcare system, and the U.S. Army Medical Center and School, distance learning programs. Our next step is establishing a civilian university-based nurse case manager program for our military and civilian nurse case managers.

Recognizing the significant behavioral health issues associated with deployment and combat, we are reshaping the advanced practice psychiatric nurse role, from that of a clinical specialist, to a psychiatric mental health nurse practitioner role. In collaboration with USUHS and our sister services, we now have a new psychiatric mental health nurse practitioner program, scheduled to begin in May 2008. Nurses graduating from the program will function as independent behavioral health providers, with prescriptive authority and practice both in our fixed healthcare facilities, and in deployed combat stress units.

The Army Nurse Corps is also instituting an internship program scheduled to begin later this spring. This program bridges the gap between academia and practice for officers who are new to the profession. The anticipated outcome is better educated, and trained, medical surgical staff nurses, functioning independently.

Army Nurse Corps studies focus on the continuum of military healthcare needs, from pre- and post-deployment health, to nursing-specific practices necessary to best care for the warriors in the-

ater. Today, we have 33 doctorally prepared researchers working around the world. In addition to four well-respected, and well-established research cells at our regional medical centers, we're establishing five new cells at our other medical centers.

And finally, we have one doctorally prepared nurse researcher, two Army public health nurses, and one medical surgical nurse deployed to Iraq as part of the deployed combat casualty research team, conducting both nursing and medical research activities in-theater.

The competitive market conditions and current operational demands continue to challenge us as we strive to ensure we have the proper manning to accomplish the mission. The Army Nurse Corps used incentives to assist in improving both recruitment and retention of Army Nurses. We have a Professional Nurse Education Program, the Army Enlisted Commissioning Program, the Army Nurse Candidate Program, the Funded Nurse Education Program, incentive specialty pay, nurse anesthesia specialty pay, nurse accession bonuses, critical skill retention bonuses, and a health professional loan repayment program.

We will continue to refine our retention strategies. A recent review of personnel records by the Department of the Army indicated that the Army Nurse Corps had the highest attrition of any officer branch in the Army. Ongoing research indicates that Army nurses leave the service, primarily because of less than optimal relationships with their supervisors, the length of deployments, and inadequate compensation.

I'm pleased to inform you that we now offer a Registered Nurse Incentive Specialty Pay Program, that recognizes the professional education and certification of Army nurses. Numerous studies have demonstrated the link between certified nurses and improved patient outcomes. These include higher patient satisfaction, decreased adverse events and errors, the improved ability to detect early signs or symptoms of patient complications, and the initiation of early intervention. Certified nurses also report increased personal and professional satisfaction, and improved multidisciplinary collaboration.

For our Reserve component nurses, the issue is primarily the imbalance of professionally educated officers in the company grades. Many Reserve component nurses do not have a bachelor's degree. Only 50 percent are educationally qualified for promotion. This creates a concern for the future force structure for the senior ranks of the Reserve components. We're grateful that the Chief of the Army Reserves is focusing recruiting incentives on those nurses who already have a BSN, and funding the specialized training and assistance programs, to allow both new accessions and existing Army Reserve nurses without a BSN, to complete those degrees.

The Army Nurse Corps continues adapting to the new realities of persistent conflict, but remains firm on providing the leadership and scholarship required to advance the role of professional nursing. We will maintain the focus on sustaining readiness, clinical competencies, and sound educational preparation, with the same commitment to serve those servicemembers who defend our Nation now, that we have demonstrated for the past 107 years.

I appreciate this opportunity to highlight our accomplishments, and discuss the issues we face.

PREPARED STATEMENT

Thank you very much for your support of the Army Nurse Corps and of me, over the 4 years in which I've had this position.

Thank you.

Senator INOUYE. Thank you very much, General Pollock.

[The statement follows:]

PREPARED STATEMENT OF MAJOR GENERAL GALE S. POLLOCK

Mr. Chairman, Senator Stevens, members of the committee: it is a pleasure to appear before you today representing the Army Nurse Corps. Today, the Army Nurse Corps is 107 years Army Strong. Through the unwavering support of this committee, we are able to serve soldiers, past and present, their families, and the strategic needs of this great Nation. The Total Army Nursing Force encompasses the officers and enlisted personnel on Active Duty, in the Army National Guard, and in the U.S. Army Reserve. We are a truly integrated and interdependent nursing care team. In that spirit, it has been my distinct pleasure to serve with Major General Deborah Wheeling of the Army National Guard, and Colonel Etta Johnson of the U.S. Army Reserve, who have been my senior advisors for their respective components over the past year.

The Secretary and the Chief of Staff of the Army have set four core objectives for the Army: maintain the quality and viability of an all-volunteer force; prepare the force by training and equipping soldiers and units to maintain a high level of readiness for the current operations in Iraq and Afghanistan; reset our soldiers, units, and equipment for future deployments and other contingencies; and transform the Army to meet the demands of the combatant commanders in a changing security environment. Each of the respective components of the Army Nursing Force is actively engaged in working the ways and means to these strategic ends. In so doing, we are achieving our vision of a quality transforming force through the advancement of professional nursing practice, and we are maintaining our superiority in research, educational innovation, and effective healthcare delivery.

DEPLOYMENT

Army Nursing remains an operational capability fully engaged in the support of the Nation's soldiers, sailors, airmen, Coast Guardsmen, and marines—both at home and abroad. The Army Nurse Corps also operates as a strategic force with the capability to win hearts and minds through the provision of vital healthcare and humanitarian aid. This is a significant challenge in our various operational environments. Today, this group of nurses is the best trained in the history of operational nursing. Despite long and repeated deployments to combat zones, Army nurses remain highly motivated and dedicated to both duty and each other. They serve in Iraq, Afghanistan, and along every route Wounded Warriors must travel to get home. They serve across Asia, Europe, and Central and South America preparing and protecting the force. They serve in every time zone, and at home caring for Wounded Warriors on the long road to recovery.

There are currently three forward deployed hospitals serving in Iraq—the 31st, the 325th and the 86th Combat Support Hospitals. The 115th Combat Support Hospital is deploying to Iraq to conduct a relief in place with the 31st after a long 15-month deployment. The nurses serving in these units make an incredible difference in the lives of our Warriors and the Iraqi people.

Army nurses make no distinction among their patients; they provide all patients the highest quality care. On February 1, 2008, a 10-year-old Iraqi girl was brought to the 86th Combat Support Hospital (CSH) after sustaining 50 percent total body burns from a fire in her home. The fire left her with massive disfigurement from the waist down and a progressive infection. During the 10 days she remained at the 86th CSH, the nursing staff of the Intensive Care Unit and Intermediate Care Ward put tremendous effort into the care of both the young girl and her mother. She was transferred to Shriners Hospital for Children in Boston for extensive care of her burns on February 10th. As a testament to the quality of care this young girl received in Iraq, Shriners Hospital commented that the young girl arrived in far better condition than they had expected given the severity of injuries she had sustained. They said that the care provided by the 86th clearly saved her life, and she

survived because of the extraordinary efforts made by the team. The young Iraqi girl and her mother have expressed endless thanks for the team's work and compassion; because of their excellent care, a mother continues to smile upon her only daughter.

TRANSFORMATION/ADVANCING PROFESSIONAL NURSING

The Army Nurse Corps continues the process of self-examination and transformation to maintain the competencies required to face the complexities of healthcare in the 21st century. Last year, I described a few of the initiatives that we have pursued, and I want to provide you an update.

The role of the Nurse Practitioner (NP) in the Army Medical Department continues to adapt and evolve to meet dynamic mission requirements. NPs continue to provide excellent healthcare and leadership, whether serving on the home front or deployed in support of the global war on terror. The following experiences highlight some of the important contributions made by Army NPs in 2007.

Warrior Transition Units (WTUs) were developed at many installations across the Army Medical Department to enhance the excellent care provided to soldiers returning from deployments. Colonel Richard Ricciardi, Lieutenant Colonel Reyn Mosier and Lieutenant Colonel Mary Cunico are three NPs who were instrumental in training 32 active duty and reserve nurses from across the country as case managers. These three individuals helped establish the first WTU at Walter Reed Army Medical Center in a compressed timeframe. Lieutenant Colonel Cunico managed the design, development and remodeling of the Warrior Clinic and now serves as the Officer in Charge providing care to over 700 wounded, recovering and rehabilitating military personnel.

Lieutenant Colonel Jean Edwards is a primary care provider for the WTU at Vicenza, Italy, which was launched in June 2007. Her success includes new clinical skills in the areas of caring for skin grafts, the removal of bullets and shrapnel fragments, and the preparation of narrative summaries for medical boards.

Lieutenant Colonel Kathleen M. Herberger served as a staff officer on the President's Commission on Care for America's Returning Wounded Warriors. She was selected as the nurse representative on the staff due to her experience as a Family Nurse Practitioner. While on the commission, she was assigned as the Care Management Analyst. Lieutenant Colonel Herberger served on the Continuum of Care Subcommittee and as the clinical consultant for the Information Management and Technology Subcommittee. She provided research and analysis on issues related to Continuum of Care and the clinical care pathway that is necessary for the severely Wounded Warrior. The team visited over 23 sites to gather information from soldiers, their families, and healthcare providers on the challenges presented by the severely wounded. Lieutenant Colonel Herberger evaluated and recommended ways to ensure access to high quality care and analyzed the effectiveness of the processes through which we deliver healthcare services and benefits. She provided research information, and developed the background paper used to formulate the recommendations for the Federal Recovery Coordinator concept for the severely wounded.

Three Nurse Practitioners added to the success of the 7th Special Force's Group (Airborne) mission in support of Operation Enduring Freedom. Lieutenant Colonel Tamara LaFrancois, and Majors Jennifer Glidewell and Stacy Weina provided excellent care in very austere conditions at Fire Base Clinics and on Medical Civil Action Program (MEDCAP) missions in over 30 locations in Afghanistan. Using female providers to care for female local nationals and children opened up an entirely new perspective for the Special Operations Community. Helping Special Operations Forces (SOF) units with important non-kinetic missions by reaching a population of women who are not normally accessible not only allowed the local women to obtain healthcare for the first time, but enhanced the SOF unit's ability to develop good rapport with the local national population in their areas of operation. It led to many High Value Individuals who had important information being turned over by the locals and even joining forces with Coalition troops in fighting terrorism. This mission was so successful that a request for four NPs in fiscal year 2008 was submitted.

Major Amal Chatila from Fort Bragg was the first NP to be assigned to a Civil Affairs unit. She was requested based on her outstanding work in reestablishing the medical infrastructure in Iraq and her excellent care of Iraqi nationals on two separate deployments. Major Maria Ostrander is currently assigned in Iraq as a Civil Affairs Officer and works with the Baghdad Provincial Reconstruction Team as a Health Advisor for the State Department.

Efforts in providing medical care to the battle injured or those located far-forward is an ongoing concern for the military. In a war where there is no designated front-

line, any setting can be the scene of a combat engagement. Some of these locations are situated where medical assets are readily available, but there are many distant locations where soldiers are isolated from general logistics, including healthcare assets. Placing advanced healthcare practitioners in Forward Operating Bases (FOB) plays a significant role in conserving the fighting strength of our soldiers. The forward healthcare element in this case consisted of one NP and one medic, along with a comprehensive range of pharmaceuticals and medical equipment. The construction of a new Aid Station took approximately 3 days, although the team was functional almost immediately upon their arrival at the FOB. By placing healthcare teams far forward in areas prone to injury or illness, we can obviate the risk of sending ill or injured soldiers to distant locations on dangerous roads for non-urgent/non-emergent treatment of disease and non-battle injury. By putting prevention into practice, we improved and maintained our soldiers' health throughout their deployment.

In collaboration with senior Army Family Nurse Practitioners (FNPs), physician colleagues in family practice and various specialties, and the staff of the Uniformed Services University of the Health Sciences (USHUS), a FNP Residency Program was developed which provides a standardized program plan, required and optional rotations, rotation guides, and program evaluation tools. This residency program was developed in response to a long-standing request by FNPs and nursing leaders for a standardized NP residency program. The residency program was based on the recommendation of the National Council of State Boards of Nursing's "Vision Paper 2006," a 10-year plan for standardizing core curriculum, licensure, certification, and scope of practice for Advanced Practice Registered Nurses and a requirement for a residency program after completion of education at the master's level or above. The intent of the FNP Residency Program is to provide a structured role transition for the newly graduated FNP working within the Army healthcare system and a refresher program option for the FNP returning to clinical practice after a lapse of greater than 3 years. This program allows FNPs to be introduced to the Medical Treatment Facility staff, policies, and services in their newly acquired provider role. It facilitates orientation, as well as privileged practice in specialty and ancillary areas, and acquaints the FNP with the staff members and procedures for those specialty clinics with which the FNP consults.

Since 2003, we have activated reserve component Army Nurse Corps officers, realigned active duty Army Nurse Corps officers and recruited civilian registered nurses to serve as Nurse Case Managers to support the continuity of healthcare for our Wounded Warriors. These dedicated nurses have provided great support to our soldiers through their efforts to individualize care to the soldier. Nurse Case Managers also help soldiers and their families navigate the sometimes complex healthcare system within military hospitals, our civilian TRICARE network, and the transition to the Department of Veterans Affairs (VA). Recognizing the critical role of the Nurse Case Manager in supporting our Wounded Warriors, we now have 181 military and 216 civilian nurse case manager positions authorized for the Warrior Transition Units. These authorizations establish a staffing ratio of 1:18 at our medical centers and 1:36 at our medical activities. Not only does this support our Wounded Warrior healthcare mission today, the establishment of authorized, documented positions ensures that we maintain a robust Nurse Case Manager program supporting our healthcare beneficiaries in the future, whether in peacetime or during conflicts.

To ensure that our Nurse Case Managers have the knowledge and skills necessary for this essential role, we have standardized Nurse Case Management training using the Military Healthcare System and U.S. Army Medical Department Center and School (AMEDDC&S) distance learning programs. Our next step is to establish a civilian university-based Nurse Case Manager program for our military and civilian nurse case managers.

Within the Army Nurse Corps, we established a process that takes lessons learned from our support of the war effort to help shape Corps programs. Recognizing the significant behavioral health issues associated with deployment and combat, we are reshaping the Advanced Practice Psychiatric Nurse role from the previous clinical specialist to a Psychiatric Mental Health Nurse Practitioner role. In collaboration with the USUHS and our sister services, we now have a new Psychiatric Mental Health Nurse Practitioner program scheduled to begin in May 2008. Our Army Nurse Corps psychiatric nurse consultant, Colonel Kathy Gaylord, and our first faculty member, Major Robert Arnold, were actively engaged in the program development. This program provides an advanced practice degree and incorporates military unique behavioral healthcare issues into the curriculum. Nurses graduating from the program will function as independent behavioral health providers with prescriptive authority and practice both in our fixed healthcare facilities and in deployed combat stress units.

Late last year, the AMEDDC&S opened a new $11.1 million, 55,000 square foot building, named in honor of Brigadier General Lillian Dunlap, who was the 14th Chief of the Army Nurse Corps. The new academic building houses all four branches of the Department of Nursing Science; the U.S. Army Practical Nurse Branch, the Operating Room Branch, the Army Nurse Professional Development Branch, and the U.S. Army Graduate Program in Anesthesia Nursing Branch. The Department of Nursing Science, Army Medical Department Center and School is responsible for nearly all specialty-producing courses for the Army Nurse Corps. In addition, we provide leadership courses for nurses, and three enlisted programs. I would like to share the highlights of our program.

The U.S. Army Graduate Program in Anesthesia Nursing is rated number two in the Nation by U.S. News and World Report. This program trains an average of 35 Army, 5 Air Force and 3 VA Certified Registered Nurse Anesthetists (CRNAs) per year. Students score, on average, 37 points above the national average on the certification exam. The first-time pass rate for the certification exam is nearly 100 percent. These students' performance exceeds civilian community scores relative to trauma, regional blocks, and central line placement. The program faculty members are in constant communication with the field, especially the deployed CRNAs, to rapidly incorporate changes into this program to meet the needs of the Warriors we serve. Simulation enhancements in this program allow students to be more comfortable with various techniques, and therefore better prepared to function in the clinical Phase 2 clinical training environment. The faculty and student program of research investigate the effects of various complementary and alternative medication preparations on anesthesia—the only well-established program of research of this kind in the country.

The Licensed Practical Nurse (LPN) Program is highly successful in producing LPNs who can function in a variety of assignments, to include critical care in fixed facilities or deployed environments, a specialty not taught in most civilian LPN programs. This program produces 550–600 active and reserve component LPNs per year, with a first-time pass rate on the National Certification Licensure Exam of 94.4 percent compared to the national average of 88 percent. Half of the students serve in the reserve component, thus, we are also producing excellent LPNs that benefit the civilian community.

The Critical Care Nursing Course trains a total of 70 nurses annually, and the Emergency Nursing Course trains 15. These courses provide Army nurses with the knowledge, experience, and certifications necessary to function independently in these specialties following several months of structured internship. Graduation requirements include certifications in trauma, advanced life support, pediatric life support and burn care. We are working toward incorporating flight nursing concepts in these courses. The OB/GYN Course produces 30 trained professionals per year, who can function as post-partum and labor and delivery nurses. The Psychiatric Nursing Course produces an average of 8 specialists in psychiatry per year who are encouraged to advance to graduate level education in this much needed specialty. The Perioperative Nursing Course trains an average of 48 perioperative specialists per year. This particular specialty program is in its final stages of institutionalization at the AMEDDC&S and will include an option that allows students to become Registered Nurse First Assists (RNFA). Approximately 10 Army nurses have been through the RNFA Program.

The Department of Nursing Science also manages the nursing components of the officer leadership courses. To improve readiness we have added the Trauma Nursing Core Course and Acute Burn Life Support Courses and their respective certifications to these courses. Because our nurses are preparing patients for medical evacuation (MEDEVAC) flights, we have incorporated such content into these programs to better prepare patients for flight. The two nursing-specific leadership courses, the Head Nurse Course and Advanced Nurse Leadership Course, train approximately 400 nurse managers and supervisors per year.

The Department of Nursing Science manages the 150 students currently in the Army Enlisted Commissioning Program. Through close monitoring, we can identify potential problem students early in their academic programs and have substantially decreased the extensions in the program. The Army Nurse Corps is instituting an internship program scheduled to begin in spring 2008. This program, like many in the civilian sector, will bridge the gap between academia and practice for officers who are new to the profession. The anticipated outcome of this initiative is better educated and trained medical surgical staff nurses who can function independently.

Finally, the Dialysis Technician Program trains 7–8 dialysis technicians each year to perform hemodialysis, hemofiltration, and other similar procedures in our facilities. Additionally, we train about 400 surgical technicians each year, and we are currently investigating national program certification for this specialty.

LEADERSHIP IN RESEARCH

The TriService Nursing Research Program (TSNRP), established in 1992, provides military nurse researchers funding to advance research based health care improvements for the warfighters and their beneficiaries. TSNRP actively supports research that expands the state of nursing science for military clinical practice and proficiency, nurse corps readiness, retention of military nurses, mental health issues, and translation of evidence into practice.

TSNRP is a truly successful program. Through its state-of-the-art grant funding and management processes, TSNRP has funded over 300 research studies in basic and applied science and involved more than 700 military nurses as principal and associate investigators, consultants, and data managers. TSNRP-funded study findings have been presented at hundreds of national and international conferences and are published in over 70 peer-reviewed journals.

Army Nurse Corps studies focus on the continuum of military health care needs from pre- and post-deployment health to nursing-specific practices necessary to best care for the Warrior in theater.

The Army Nurse Corps has a long and proud history in military nursing research established more than 50 years ago. Nurse researchers continue to contribute to the scientific body of knowledge in military-unique ways to advance the science of nursing practice. Today we have 33 doctoral-prepared nurse researchers working around the world. There are four well established nursing research cells at Walter Reed Army Medical Center, Brooke Army Medical Center, Madigan Army Medical Center, and Tripler Army Medical Center. Five additional research cells are being established at Womack Army Medical Center, Eisenhower Army Medical Center, Darnell Army Medical Center, William Beaumont Army Medical Center, and Landstuhl Regional Medical Center.

The focus of these research cells is to conduct funded research studies to advance nursing science and to conduct small clinical evaluation studies to answer process improvement questions. They also assist Hospital Commanders and Deputy Commanders for Nursing analyze and interpret data, resulting in improved patient care and business processes. These research cells are instrumental in assisting staff members and students in developing and implementing evidence based nursing practice.

Additionally, the Nurse Corps currently has one doctoral-prepared nurse researcher, two Army Public Health Nurses, and one medical-surgical nurse deployed to Iraq as part of the Deployed Combat Casualty Research Team who conduct both nursing and medical research activities in theater. The ongoing nursing studies in theater cover a broad range of acute and critical care nursing issues, to include pain management practices at the Combat Support Hospital, hand hygiene in austere environments, ventilator-acquired pneumonia prevention, use of neuromuscular blocking agents during air transport, women's health, sleep disturbance, compassion fatigue, and providing palliative care in the combat environment.

Thanks to the initiative and motivation of the nursing staff, Evidence-Based Practice is in full swing at Tripler Army Medical Center. In 2007, the nursing staff at Tripler completed 12 evidence-based practice projects that changed nursing practices to prevent ventilator-acquired pneumonia, improve the management of diabetic patients, and screen patients with depression for cardiovascular disease. Other successful projects included preparing children for surgery, improving postpartum education for new parents, and providing depression screening to family members of deployed soldiers. They initiated a competency training program for nurses preparing to deploy in support of Operation Iraqi Freedom and Operation Enduring Freedom. The robust evidence-based practice initiative at Tripler has improved nursing care to a variety of patients, including soldiers and family members, and enhanced the professional practice of nursing at Tripler. These evidence-based practice initiatives were spearheaded by Lieutenant Colonel Debra Mark and Lieutenant Colonel Mary Hardy, Tripler Army Medical Center Nursing Research Service and supported by the TriService Nursing Research Program.

Two evidence-based practice guidelines, Pressure Ulcer and Enteral Feedings, have been implemented at WRAMC and post-implementation data is being collected and analyzed. A third guideline, Deep Vein Thrombosis and Pulmonary Embolism Risk Assessment has been piloted and is ready for hospital-wide implementation at WRAMC. A fourth guideline regarding medication administration is currently in the initial stages of protocol development and funding acquisition. Once complete, the evidenced-based practice guidelines will be posted to the TriService Nursing Research Program's website for implementation across all Medical Treatment Facilities within the Department of Defense.

We acknowledge and appreciate the faculty and staff of the USUHS Graduate School of Nursing for all they do to prepare advanced practice nurses to serve America's Army. They train advanced practice nurses in a multi-discipline, military-unique curriculum that is especially relevant given the current operational environment. Our students are actively engaged in research and the dissemination of nursing knowledge through the publication of journal articles, scientific posters, and national presentations. In the past year alone there have been over 21 research articles, publications, abstracts, manuscripts, and national presentations by faculty and students at USUHS.

COLLABORATION/INNOVATIVE DELIVERY

The AMEDD team's collaboration with Government and non-Government organizations around the world has helped streamline care where it was otherwise fragmented, and has introduced innovations in the delivery of care. I would like to share with you some examples of these innovations and collaborative partnerships.

Tripler Army Medical Center is in the process of implementing a new nursing care delivery model called Relationship Based Care under the guidance of Lieutenant Colonel Anna Corulli. This model of care's core principals are: patient and family centered care; registered nurse led teams with clearly defined boundaries for all nursing staff based on licensure, education, experience, and standards of practice; and primary nursing to promote continuity of care and ensure patient assignments are made to align the patient's needs with the competencies of the registered nurse. This is a resource driven model that necessitates a pro-active mindset regarding staffing, scheduling, skill mix and professional nurse development.

The Relationship Based Care program has resulted in improved communication among engaged nursing staff members who are part of the problem resolution process on the nursing ward/unit. The program has restored the personal relationship between the nursing staff and the patients, and among the individual nursing unit staff members; it has also promoted continuity of care and patient education. The model asserts the baccalaureate-trained Registered Nurse as team leader cognizant of the competencies and functions other members of the nursing care team bring to successful and safe patient outcomes.

Despite a sustained upswing in enrollments in baccalaureate nursing programs, the need for nurses continues to outpace the number of new graduates. Baccalaureate programs continue to turn away tens of thousands of qualified applicants each year due to faculty shortages. We remain committed to partnering with the civilian sector to address this and other issues contributing to the worldwide shortage of professional nurses. We are currently researching ways to encourage our retired officers to consider faculty positions as viable second career choices.

Professional partnerships are a vital way in which to promote professionalism and collaboration. The Army Nurse Corps is engaged in these partnerships across the country and around the world. Colonel Patricia Nishimoto, (Ret.), Colonel Princess Facen, and Major Corina Barrow, in collaboration with Dr. ReNel Davis, Associate Professor of Nursing at Hawaii Pacific University (HPU) and Director of the Transcultural Nursing Center at HPU, planned and organized the very first Transcultural Nursing Conference for the State of Hawaii in Honolulu in April 2007. The Transcultural Nursing Advisory Board is currently planning the next conference.

The University of Hawaii (UH) at Manoa School of Nursing and Dental Hygiene is in the planning stage of a formal partnership with Tripler Army Medical Center to establish resource sharing potential for faculty and student clinical practicum venues to strengthen the nursing profession in both the academic and clinical areas. In a first step toward this partnership, Lieutenant Colonel Patricia Wilhelm recently served as an acting UH faculty member to teach a pediatric clinical at Kapiolani Medical Center, filling a critical need for clinical faculty. The second major focus is to expand the graduate program by matching UH graduate students with Tripler's masters-prepared nursing staff serving in clinical faculty roles.

In December 2005, U.S. Army and Air Force nurses assessed military nursing in Vietnam and recommended short and long-term plans for the development of professional military nursing in Vietnam. A delegation from Vietnam then visited the U.S. in April 2007 to review bachelor's level curricula at the University of Hawaii, nursing education and practice at Tripler Army Medical Center, and Army Nurse Corps training at the AMEDDC&S. Allowing several months for the Vietnam team to incorporate changes in their administrative, clinical, and educational processes and curriculum, the next step is for four U.S. Army Nurse Corps officers and one UH faculty member to follow up with 2 weeks in Hanoi, Vietnam, in September 2008. They will help Vietnam educators develop a bachelor-level curriculum for Vietnam

Army Nurses, as well as troubleshoot, clarify, and problem-solve with hospital-based military nurses and the Vietnam Military Medical Department team. This exchange will enhance a positive U.S. influence and presence in Vietnam, improve readiness and interoperability in the Asia-Pacific region, and create competent coalition partners.

Colonel Debbie Lomax-Franklin and Colonel Nancy K. Gilmore-Lee have established a first ever Memorandum of Agreement with the Joseph M. Still Burn Center in Augusta, Georgia, to provide intensive burn care training to Army Nurse Corps officers throughout the region who are preparing to deploy. The Still Burn Center is the largest burn treatment center in the Southeast, serving Georgia, South Carolina, Florida, and Mississippi. This civil-military partnership has vastly improved the readiness of Army Nurse Corps officers and contributed to the quality of care delivered in theater.

RECRUITING AND RETENTION

The future of the Army Nurse Corps depends on our ability to attract and retain the right mix of talented professionals to care for our soldiers and their families. In addition to the shortage of nurses and nurse educators, competitive market conditions and current operational demands continue to be a challenge as we work to ensure we have the proper manning to accomplish our mission.

We access officers for the Active Component through a variety of programs, including the Senior Reserve Officers' Training Corps (ROTC), the Army Medical Department Enlisted Commissioning Program, the Army Nurse Candidate Program, and direct accession recruiting. However we must develop a range of recruiting options to ensure we remain competitive to diverse applicants. We have a number of programs to achieve this end. The Army Nurse Corps utilized the following incentives to assist in improving both recruitment and retention of Army Nurses: the Professional Nurse Education Program, the Army Enlisted Commissioning Program, the Army Nurse Candidate Program, the Funded Nurse Education Program, Incentive Specialty Pay, Nurse Anesthetist Specialty Pay, Nurse Accession Bonus, Critical Skills Retention Bonus, and Health Professional Loan Repayment Program.

The first of these is the Professional Nurse Education Program. In an effort to minimize the impact of faculty shortages, the Army Nurse Corps is piloting a strategy to leverage its resources on this important issue. This pilot program serves as a retention tool, as well as provides an additional skill set for the Officer. Six midgrade Army Nurses with clinical master's or doctoral degrees have been detailed to a baccalaureate nursing program to serve as clinical faculty for 2 years. The University of Maryland is the pilot site for this program. The presence of these officers in the Bachelor of Science in Nursing programs serves as an excellent marketing tool for Army Nursing. The University of Maryland was able to expand its undergraduate nursing program by 151 additional seats. In addition, the University is developing a clinical placement site at Kimbrough Ambulatory Care Center located at Fort Meade, Maryland.

The Army Enlisted Commissioning Program allows enlisted soldiers who can complete a Bachelor of Science in Nursing (BSN) degree within 24 months to do so while remaining on active duty. This program has provided a successful mechanism to retain soldiers, while ensuring a continuous pool of nurses for the Army. The number of seats available was increased from 75 to 100 per year for fiscal year 2008. 153 students are enrolled in the program; 52 students graduated in fiscal year 2007; and 26 students have graduated to date in fiscal year 2008.

The Army Nurse Candidate Program targets nursing students who are not eligible to participate in ROTC. It provides incentives to nursing students to serve as Army Nurses upon graduation from a BSN program. A bonus of $5,000 is paid upon enrollment, and another $5,000 is paid at either the start of the second year, or upon graduation for those enrolled for only 1 year. It also provides a stipend of $1,000 for each month of full-time enrollment. Individuals incur a 4- or 5-year active duty service obligation (ADSO) in exchange for participation in this program. For fiscal year 2008, 15 graduates accessed onto active duty took advantage of this incentive.

The Funded Nurse Education Program (FNEP) provides an additional accession source for the Army Nurse Corps. It gives active duty Army officers serving in other branches the opportunity to obtain, at a minimum, a BSN or higher level nursing degree and continue to serve as Army Nurse Corps officers. For both fiscal year's 2008 and 2009, 25 new starts were funded. Six individuals started nursing school in fiscal year 2008 under FNEP, and a recent FNEP board filled all 25 seats for starts in the fall of 2008.

The Active Duty Health Professional Loan Repayment Program is offered as an accession incentive. As participants in this program, nurses can receive up to $38,300 annually for 3 years to repay nursing school loans. In fiscal year 2008, 28 direct accession Nurse Corps officers were brought into the Army under this program.

The Accession Bonus remains attractive to direct accessions. In fiscal year 2008, 19 officers accepted an accession bonus of $25,000 and were accessed into the ANC in exchange for a 4-year ADSO, and 9 officers accepted an accession bonus of $15,000 and were accessed into the ANC in exchange for a 3-year ADSO. A combination of the Accession Bonus and Active Duty Health Professional Loan Repayment Program is also offered in exchange for a 6-year ADSO. In fiscal year 2008, 20 officers accepted these combined incentives and were accessed into the ANC.

We continue to scrutinize retention closely and we work constantly to refine our retention strategies. A recent review of personnel records by the Department of the Army indicated that the Army Nurse Corps had the highest attrition rate of any officer branch in the Army. Ongoing research indicates that Army Nurses leave the service primarily because of less than optimal relationships with their supervisors and hospital leadership and the length of deployments. Those who stay do so because of our outstanding educational opportunities, the satisfaction that comes with working with soldiers and their families, and retirement benefits.

We are pleased to note that we offer a Registered Nurse Incentive Specialty Pay (RN ISP) program that recognizes the professional education and certification of Army Nurses. This program, approved in August of 2007, is now fully implemented. The RN ISP offers eligible officers a payment schedule of $5,000 for a 1-year ADSO, $10,000 a year for a 2-year ADSO, $15,000 a year for a 3-year ADSO, and $20,000 a year for a 4-year ADSO. In order to be eligible for the active duty RN ISP, Registered Nurses must complete both post baccalaureate training and be certified in their primary clinical specialty. Certification is the formal recognition of the specialized knowledge, skills and experience demonstrated by achievement of standards identified by nursing specialties to promote optimal health outcomes. However, the real value of certification is in the numerous positive outcomes for our patients.

Numerous studies have demonstrated the link between certified nurses and improved patient outcomes. These include higher patient satisfaction, decreased adverse events and errors, the improved ability to detect early signs or symptoms of patient complications, and initiate early interventions. Certified nurses also reported increased personal and professional satisfaction and improved multidisciplinary collaboration.

The following clinical nursing specialties are eligible for the RN ISP: Perioperative Nursing (66E), Critical Care Nursing (66H8A), Emergency Nursing (66HM5), Obstetrics/Gynecological (OB/GYN) Nursing (66G), Psychiatric/Mental Health Nursing (66C), Medical-Surgical Nursing (66H), Community/Public Health Nursing (66B), Nurse Midwife (66G8D), and Nurse Practitioners (66P). Although only implemented in August 2007, the RN incentive specialty pay proved to be an excellent retention tool.

The total nursing population eligible for this incentive is currently 669 personnel. To date, 577 nurses have applied for incentive specialty pay which amounts to approximately 74 percent of the eligible population. Out of this population, the majority opted for the 4-year RN ISP.

Nurse anesthetists can also receive special pay in the amount of $40,000. Of the 170 nurse anesthetists that were eligible for this specialty pay, there were 161 on active duty that took advantage of this incentive. Nevertheless, I remain very concerned about our certified registered nurse anesthetists (CRNAs). Our inventory is currently at 66 percent—down from 70.8 percent at the end of the last fiscal year. The U.S. Army's Graduate Program in Anesthesia Nursing has been rated as the second best in the Nation; however, we have not filled all of our available training seats for the past several years. Additionally, many of these outstanding officers opt for retirement at the 20-year point. The restructuring of the incentive special pay program for CRNAs in 2005, as well as the 180-day deployment rotation policy have helped slow departures in the mid-career range. This coming June, we start one of the largest classes in the history of the program. However, there is still much work to be done to ensure there are sufficient CRNAs to meet mission requirements in the future. We continue to work closely with The Surgeon General's staff to closely evaluate and adjust rates and policies where needed to retain our CRNAs.

The Army is also concerned with retention of company grade officers, and recently announced the implementation of a Critical Skills Retention Bonus (CSRB) for regular Army captains, including Army nurses. This is a temporary program to increase retention among officers with specific skills and experiences. Qualified offi-

cers received a one time payment of $20,000 for a 3-year ADSO and 288 Army Nurse Corps officers have taken advantage of the CSRB to date.

For Reserve Component (RC) nurses, the issue is primarily the imbalance of professionally educated officers in the company grades. Many RC nurses do not have a BSN degree. As a result, only 50 percent have been educationally qualified for promotion to major over the past few years. This creates a concern for the future force structure of the senior ranks of the RC in the years to come. For this reason, we are grateful that the Chief, Army Reserve is focusing recruiting incentives on those nurses who already have a BSN degree and funding the Specialized Training and Assistance Program to allow both new accessions and existing Army Reserve nurses without a BSN to complete their degrees. These strategies will assist in providing well-educated professional nurses for the Army Reserve in the years ahead.

As we continue to face a significant Registered Nurse shortage, it is essential that I address the civilian nursing workforce. We also face significant challenges in recruiting and retaining civilian nurses, particularly in critical care, perioperative, and OB/GYN specialties. This results in an increased reliance on expensive and resource exhausting contract support. We must stabilize our civilian workforce and reduce the reliance on contract nursing that impinges our ability to provide consistent quality care and develop our junior Army Nurses.

The AMEDD student loan repayment program for current and new civilian nurse recruits has had an outstanding impact on recruiting and retaining civilian nurses. Over 185 civilian nurses have already elected to participate in the loan repayment program in exchange for a 3-year service obligation. The program has been so successful that the AMEDD will continue the education loan repayment program. We must sustain such initiatives in the future if we are to maintain a quality nursing work force.

More than ever, the Army Nurse Corps is focused on providing service members, retirees, and their families the absolute highest quality care they need and deserve. We continue adapting to the new realities of this protracted war, but remain firm on providing the leadership and scholarship required to advance the practice of professional nursing. We will maintain our focus on sustaining readiness, clinical competency, and sound educational preparation with the same commitment to serve those Service members who defend our Nation that we have demonstrated for the past 107 years. I appreciate this opportunity to highlight our accomplishments and discuss the issues we face. Thank you for your support of the Army Nurse Corps.

Senator INOUYE. May I now call upon Rear Admiral Christine M. Bruzek-Kohler.

**STATEMENT OF REAR ADMIRAL CHRISTINE M. BRUZEK-KOHLER, DIRECTOR, UNITED STATES NAVY NURSE CORPS**

Admiral BRUZEK-KOHLER. Thank you, good morning, Chairman Inouye, Ranking Member Stevens, Senator Mikulski, and distinguished members of the subcommittee.

As the 21st Director of the Navy Nurse Corps, I am honored to offer testimony in this, the centennial anniversary of the Navy Nurse Corps. My written statement has been submitted for the record, and I'd just like to highlight a few key issues.

Senator INOUYE. Without objection.

Admiral BRUZEK-KOHLER. In the past, the stigma of seeking medical attention for mental health issues hindered servicemembers from getting the full complement of care that they needed. The treatment of post-traumatic stress and traumatic brain injury are at the forefront of our caring initiatives. We have added a psychiatric mental health clinical nurse specialist to the Comprehensive Combat and Complex Casualty Care Program, and anticipate assignment of psychiatric mental health nurse practitioners with the marines in the operational stress control and readiness teams. These assets will expedite delivery of mental health services to our warriors.

Today's Navy nurses, especially those who have served for less than 7 years, know firsthand of the injuries and illnesses borne

from war. This is the only world of Navy nursing they have known. This "normal" world of caring is oftentimes a heavy cross to bear. Our Care of the Caregiver Program assists staff with challenging patient care situations by offering attentive listeners in the form of psychiatric mental health nurses who make rounds of the nursing personnel to assess for indications of increased stress. Another caring initiative, Operation Welcome Home, founded by a Navy nurse, and widely recognized at the Expeditionary Combat Readiness Center, has ensured that over 5,000 soldiers, sailors, airmen and marines return from operational deployments, and receive a "Hero's Welcome Home".

For a second consecutive year, I am proud to share with you that the Navy Nurse Corps has met its active duty direct accession goal. Our nurses' diligent work and engagement in local recruiting initiatives have contributed to these positive results.

But while I boast of this accomplishment, I fully realize that my losses continue to exceed my gains. These losses, and the continued challenge we face in meeting our Reserve component recruiting goals, mean fewer Navy nurses to meet an ever-growing healthcare requirement.

The Registered Nurse Incentive Special Pay Program is a new retention initiative designed to incentivize military nurses to remain at the bedside providing direct patient care. Wartime relevant undermanned specialties with inventories of less than 90 percent are eligible for this specialty pay.

Additionally, we have deployed innovative approaches to retain nurses. For the first time since 1975, Navy nurses within their initial tour of duty may apply for a master's degree in nursing via the Duty Under Instruction Program. The Government Service Accelerated Promotion Program has also been successful in retaining our Federal civilian registered nurses and reducing RN vacancy rates.

We are proud of the partnerships we have established in enhancing the education of our nurses. At the Uniformed Services University, our Nurse Corps Anesthesia Program, ranked third in the Nation among 108 accredited programs by the U.S. News & World Report, will merge with the Graduate School of Nursing to form one Federal program. We have also contributed faculty to the university's newly developed psychiatric mental health nurse practitioner track.

Tri-service nursing research is critically important to the mission of the Navy Nurse Corps, and I am committed to its sustainment. Our nurses are engaged in research endeavors that promote health, improve readiness and return our warriors to wellness.

Aligned with the Chief of Naval Operations maritime strategy, Navy nurses supported global humanitarian missions aboard USNS *Mercy* and *Comfort*, and will be critical crewmembers in future operations. The versatile role of advanced practice nurses, especially family and pediatric nurse practitioners, make them particularly well-suited for these missions. Other specialties such as obstetrics and pediatrics deployed infrequently in the past are now critical to the support of missions focused on the care of women and children. Navy nurses serve in operational roles in worldwide medical facilities in Africa, Europe, Southwest and Southeast Asia, the Middle East, and also aboard various naval ships. Among our

"firsts" in operational billets, a Navy nurse is now assigned to Fleet Forces Command in Norfolk, Virginia.

One of my family nurse practitioners served for 1 year as the medical officer of a provincial reconstruction team in Afghanistan where he provided care to civilians, Afghan military and police, as well as coalition forces. In this role he participated in over 100 ground assault convoys facing both direct and indirect fire. This depicts only one example of the challenging environments in which Navy nurses deliver care daily.

In the past year, I have had the opportunity to see my nurses at work in military treatment facilities ashore and afloat. They are indeed a different type of nurse than those I have seen in the past. They are seasoned by war, confident, proficient and innovative and fully recognize why it is they wear this uniform. It is said that the eyes are the mirror to the soul, and the eyes of my nurses yield more than words can ever impart. They truly love what they do, and they want to be no place other than where they are, caring for America's heroes.

PREPARED STATEMENT

I appreciate the opportunity to share some of the accomplishments of my nurses, and I look forward to continuing our work together as I carry on as Director of the Navy Nurse Corps.

Thank you.

Senator INOUYE. I thank you very much, Admiral.

[The statement follows:]

PREPARED STATEMENT OF REAR ADMIRAL CHRISTINE M. BRUZEK-KOHLER

OPENING REMARKS

Chairman Inouye, Ranking Member Stevens and distinguished members of the subcommittee, I am Rear Admiral (upper half) Christine Bruzek-Kohler, the 21st Director of the Navy Nurse Corps and privileged to serve as the first Director at this rank. I am particularly honored to offer this years' testimony in this, the centennial anniversary of the Navy Nurse Corps. It has indeed been a century hallmarked by courageous service in a time-honored profession, rich in tradition and unsurpassed in its commitment to caring.

Today I will highlight the awe-inspiring accomplishments of a Navy Nurse Corps that is 4,000 nurses strong. Just like our nursing ancestors, today's Active and Reserve Component nurses continue to answer the call of duty whether it be at the bedside of a patient in a Stateside military treatment facility, aboard an aircraft carrier transiting the Pacific, in a joint-humanitarian mission on one of our hospital ships, in an Intensive Care Unit (ICU) at Landsthul Regional Medical Center, or in the throes of conflict in Iraq. Navy nurses stand shoulder to shoulder, supporting one another in selfless service to this great Nation.

We are a Nation in a continuing war and the true mission of the Navy Nurse Corps both today, and in 1908 when we were first established by Congress, has remained unchanged: caring for our warriors as they go into harm's way. Nurses play an invaluable role in Navy medicine. We are relied upon for our clinical expertise and are recognized for our impressive ability to collaborate with a host of other healthcare disciplines in caring for our warriors, their families and the retired community.

In the past year, nurses at the National Naval Medical Center (NNMC) have treated, cared for, cried with, laughed and at times mourned for, over 500 casualties from Operation Iraqi Freedom and Operation Enduring Freedom. The professionalism and humanity of this profoundly talented and dedicated nursing team, as well as all my nurses throughout Navy medicine, have made all the difference in the world to the wounded warriors and their families.

WARRIOR CARE

The Comprehensive Combat and Complex Casualty Care (C5) Program at the Naval Medical Center San Diego (NMCSD) was developed in 2006 to provide the highest quality of care for wounded warriors and their families. It now includes the addition of a psychiatric clinical nurse specialist and a Family/Emergency Room Nurse Practitioner. The nurse practitioner serves as the C5 medical holding company's primary care manager. The psychiatric clinical nurse specialist works in collaboration with one of the command chaplains. Together, they facilitate bi-weekly support groups for Operation Iraqi Freedom/Operation Enduring Freedom vets who are undergoing medical treatment at NMCSD. The focus of these groups is to facilitate discussions related to challenges and experiences servicemembers face and future outlooks for them.

The Balboa Warrior Athletic Program (BWAP) encompasses mastery of previous skills patients engaged in prior to sustaining a life-altering injury. Cooking classes, swimming, water and snow skiing outings, yoga clinics, strength, and conditioning training, have culminated in an unintended, yet positive consequence as these warriors begin to willingly disclose Post Traumatic Stress Disorder (PTSD) issues, medical challenges, and the effects of war on their current lifestyle.

Project Odyssey was initiated in November 2007 by the Wounded Warrior Project at NMCSD. This 3-day program focuses on self-development, knowledge and challenges recently returning warriors face from their PTSD using sports and outdoor recreational opportunities. The goal of this program is to reestablish structure and routine, enforce team work and decrease isolation among returning warriors.

At Naval Medical Center Portsmouth (NMCP), Wounded Warrior Berthing, also known as the "Patriot Inn," was developed in August 2007. It provides easily accessible accommodations, monitoring, and close proximity to necessary recovery resources for active duty ambulatory patients in varying stages of their health continuum within NMCP. The Patriot Inn staffing now include a case manager, recreation therapist, and clinical psychologist. A future construction plan includes reconfiguration of an existing site on the compound to increase capacity.

NURSE CASE MANAGEMENT

Case managers are members of multi-disciplinary teams and integral in the coordination of care for our servicemembers as they transition from military treatment facility to a VA facility closer to home, or another civilian or military treatment facility. Our case managers work in conjunction with the staff of the Wounded Warrior Programs, Navy Safe Harbor, and United States Marine Corps (USMC) Wounded Warrior Regiments. They have been assigned to the Traumatic Brain Injury (TBI) and PTSD patient populations specifically to ensure continuity of care and point of contact for ongoing coordination of services and support for C5 patients at NMCSD.

Efficacy of case managers' efforts may be best reflected in the following examples from some of our commands. A staff nurse assigned to the Camp Geiger Branch Medical Clinic serves as a case manager for the injured marines in the Medical Rehabilitation Platoon (MRP) at the School of Infantry-East. The number of marines in this platoon was maintained at 70–80 members over the past year with half of them returning to duty or training within 30 days. The nurse was able to expedite primary and specialty care appointments, ensure clear lines of communication with the Marine Corps leadership through weekly meetings and met with all the MRP marines on a regular basis to review and update their plan of care. Utilization of a case manager for the MRP improved compliance with the required care regimen and decreased the overall length of stay for marines in MRP.

Nurses in other military treatment facilities have also become active in case management. At Naval Healthcare New England, the nurses work in conjunction with Army points of contact to coordinate care for soldiers' recovery at home. Two case managers at Naval Health Clinic Corpus Christi co-manage cases with Brook Army Medical Center for the Wounded Warrior Program, coordinating care for Fort Worth enrolled Soldier/Warriors in the Transition Program. Nurses assigned to Naval Hospital (NH) Great Lakes work collaboratively with the North Chicago VA Medical Center in tracking their wounded warrior population. Nurse case managers in the Pacific Rim (Hawaii) are following 120 patients to ensure they receive continuity of care throughout the Military Healthcare System.

PSYCHIATRIC AND MENTAL HEALTH NURSING

Mental health care is a national concern, and we, in the Navy and Navy Nurse Corps, recognize our tremendous responsibility and accountability to ensure our pa-

tients receive the best possible mental health care. With this responsibility comes the realization that we have an ever increasing need for psychiatric mental health nurse practitioners and clinical nurse specialists. A pilot program of embedded staff with the Marines, the Operational Stress Control and Readiness (OSCAR) teams, is composed of Navy psychologists or psychiatrists, psychiatric technicians, chaplains or social workers. The goal of the pilot program is to establish permanently staffed teams that train and deploy with each regiment group. Psychiatric Mental Health nurse practitioners are being considered as potential providers for this requirement.

The requirement to fill OSCAR teams, combined with the increased Marine medical requirement and the growing need for dependent care, pose a significant impact to an already overburdened community of mental health nurses. I am presently undertaking a full review of the manning requirements for mental health nursing to ensure that Navy medicine has the right number and level of expertise in concentrated areas of patient mental health care needs.

FAMILY-CENTERED CARE

Our mission involves not only the care of the active duty member, but also their family, their dependents, and America's veterans who have proudly served this country. Such care is not delivered in a single episodic encounter, but provided over a lifetime in a myriad of locations here and abroad.

Obstetrical (OB) service continues to be one of our largest product lines. It can be challenging to find enough experienced labor and delivery nursing staff during peak periods. In some of our regions, this has required an increase in resource sharing agreements to supplement our military staff. As needed, our regional medical commanders utilize active duty nurses from low volume labor and delivery units to provide temporary additional duty at treatment facilities that are experiencing peak numbers of births.

In some of our pediatric departments, nurses manage the well-baby clinics and see mothers and babies within days after discharge to provide post-partum depression screening and education. Babies receive a physical exam, weight and bilirubin check. Thus the couplet is assessed independently, and as a unit, further reinforcing the Surgeon General's concept of family-centered care.

Naval Hospital Bremerton (NHB) offers the Centering Pregnancy model of group prenatal care which brings women together to empower them to control their bodies, their families and their pregnancies. Facilitated by a nurse practitioner, Centering Pregnancy was initially a Tri-Service funded research project conducted by NHB and the 1st Medical Group Langley with data collection concluding in 2007. The application of this model on military family readiness and military health care systems showed greater satisfaction and participation in care with the Centering Program, reduction in waiting time to see providers and participants had significantly less expression of guilt or shame about depression. Navy medicine is currently assessing ways to expand this program.

Four of our nurses (military and civilian) recently had an article published in Critical Care Nursing Clinics of North America. It spoke poignantly of lessons learned in caring for wounded warriors. It depicted the sacrifice and dedication required in coordinating sophisticated and multi-disciplinary care for these patients and their families. This further elucidates how family-centered care makes a tremendous difference for the recovery of the injured by including care of the family and their involvement in the overall care of the wounded warrior.

Lastly there is the care of the family by Navy nurses that no one sees: the lieutenant junior grade who travels to New York on his day off to attend the funeral of one of his patients and is immediately recognized by the family and invited to their home for dinner after the service; the nurse who held the hand of a blind and injured soldier, crying and praying with him on a night in which he is unable to wake himself from flashbacks and nightmares—who attributes the soldier's perseverance through the highs and lows of his recovery as a source of inspiration to her; the soldier who sustained TBI and an amputation of one of his legs and can recall nothing of his prolonged hospitalization, but his father remembers and escorts his son on a visit to the ward so the staff can witness his healing and hear tales of his snowboarding adventures in Colorado; the soldier who lost both of his legs and suffered multiple life threatening injuries and was in complete isolation until the nursing staff was able to assist him in safely holding his new baby daughter without worry of transferring infections to her. It is indeed this type of selfless and compassionate care that has been embraced by my nurses in the integral role they play in both patient and family-centered services.

CARE OF THE CAREGIVER

Today's Navy nurses, especially those who have served for less than 7 years, know firsthand the injuries and illnesses borne from war. This is the only world of Navy nursing they have known. This is their "normal" world of caring. And this new "normal" may oftentimes be a heavy cross to bear. At NNMC, our psychiatric mental health nurses and others with mental health nursing experience make rounds of the nursing staff and pulse for indications of increased staff stress. They then provide to the identified staff, education on "Care for the Caregiver." They are available to help staff with challenging patient care scenarios (increased patient acuity, intense patient/family grief, and staff grief) and offer themselves as attentive, non-judgmental listeners through whom the staff may vent.

In addition to the classes on 'Compassion Fatigue' offered by command chaplains to our nurses and hospital corpsmen, some commands host provider support groups where health professionals meet and discuss particularly emotional or challenging patient cases in which they are or have been involved. Aboard the USNS Comfort, Psychiatric Mental Health Nurses and Technicians were located at the deckplate in the Medical Intensive Care Unit, Ward and Sick Call to help members that might not report to sick call with their complaints of stress.

In many of the most stressful deployed locations, our senior nurses are acutely attuned to the psychological and physical well-being of the junior nurses in their charge. They ensure that staffing is sufficient to facilitate rotations through high stress environments. Nurses are encouraged to utilize available resources such as chaplains and psychologists for guidance and support in their deployed roles and responsibilities.

Our deploying nurses have been asked to hold positions requiring new skill sets often in a joint or Tri-Service operational setting. As individual augmentees, they deploy without the familiarity of their Navy unit, which oftentimes may pose greater stress and create special challenges. Our nurses who fulfill these missions require special attention throughout the course and completion of these unique deployments. I have asked our nurses to reach out to their colleagues and pay special attention to their homecomings and re-entries to their parent commands and they have done exactly that.

At U.S. Naval Hospital Okinawa, nurses ensure that deploying staff members and their families are sponsored and assisted as needed throughout the member's deployment. A grassroots organization, Operation Welcome Home, was founded by a Navy nurse in March 2006 with the goal that all members returning from deployment in theater receive a "Hero's Welcome Home". To date over 5,000 sailors, soldiers, airmen and marines have been greeted at Baltimore Washington International Airport (BWI) by enthusiastic crowds who indeed care for them as caregivers.

FORCE SHAPING

In January 2008, Navy Nurse Corps Active Component manning was 94.5 percent and our Reserve Component manning was nearly the same at 94.4 percent. Our total force is 4,043 strong. For the second consecutive year, I am proud to share with you that the Navy Nurse Corps has met its active duty direct accession goal. Yet as I boast of this accomplishment, I fully realize that my losses each year continue to exceed my gains, by approximately 20–30 nurses per year. These losses, and the continued challenge we face in meeting our recruiting goals in the Reserve Component, culminate in fewer nurses to meet an ever-growing healthcare requirement.

RECRUITING

So what has made the difference in our recruiting success? Our nurses' diligent work and engagement in local recruiting initiatives have yielded positive results. We are ahead of our recruiting efforts this year, more than where we were at this same time last year. The top three programs working in our favor toward this successful goal achievement include the increases in Nurse Accession Bonus (NAB) now at $20,000 for a 3-year commitment and $30,000 for a 4-year commitment; Health Professions Loan Repayment Program (HPLRP) amounts up to $38,300 for a 2-year consecutive obligated service; and the Nurse Candidate Program (NCP), offered only at non-ROTC Colleges and Universities, which is tailored for students who need financial assistance while in school. NCP students receive a $10,000 sign-on bonus and $1,000 monthly stipend. Other contributors to our success include location of our duty stations and the opportunity to participate in humanitarian missions.

We created a Recruiting and Retention cell at the Bureau of Medicine and Surgery (BUMED) with a representative identified from each professional corps. These

officers act as liaisons between Navy Recruiting Command (CNRC), Naval Recruiting Districts (NRD), Recruiters and the MTFs and travel to and or provide corps/demographic specific personnel to attend local/national nursing conferences or collegiate recruiting events. In collaboration with the Office of Diversity, our Nurse Corps Recruitment liaison officer coordinates with military treatment facilities to have ethnically diverse Navy personnel attend national conferences and recruiting events targeting ethnic minorities.

The Nurse Corps Recruitment liaison officer has created a speaker's bureau of junior and mid-grade Nurse Corps officers throughout the country and they are reaching out to colleges, high schools, middle and elementary schools. Our nurses realize that each time they talk about the Navy and Navy nursing they serve as an emissary for our Corps and the nursing profession. Unique platforms such as USNS Comfort and Mercy are phenomenal recruiting venues. Officers provide ship tours to area colleges and civilian organizations (Schools of Public Health, Medicine and Nursing from Johns Hopkins University, Montgomery College School of Nursing, Boy Scouts of America, United States Coast Guard Auxiliaries), hospitals, recruiting centers, and sponsor speakers' bureau representatives from the ships to present at local civic and health groups about the rewards and lessons learned of serving on a humanitarian mission.

NMCP participated in Schools of Nursing Transition Assistance curricula for future Nurse Corps Officers by offering a 120-hour preceptor guided clinical externship. NMCP also developed the Coordination of Nursing mentorship experience which offers "Job Shadowing" of a Nurse for both enlisted staff and high school students who are considering the nursing profession as a career. U.S. Naval Hospital Yokosuka encourages seamen and corpsmen from area ships to "shadow" nurses to see if a career in the Nurse Corps is for them.

Our Reserve Component recruiting shortfalls particularly impact their ability to provide nursing augmentation in some of our critical wartime specialties. In addition to reserve accession bonuses and the stipend program, our reserve affairs officer has initiated telephone calls to Active Component nurses who are leaving active duty and shares information with them related to opportunities that exist in the Ready Reserve.

RETENTION

Naval Hospital Camp Pendleton (NHCP) has cross-trained their nurses for utilization during periods of austere manning secondary to increased op-tempo and deployments. Last year, several Outside Continental United States (OCONUS) military treatment facilities received ten Junior Nurse Corps (NC) officers who attended our new Perinatal Pipeline training program, designed for medical-surgical nurses who expect to work in Labor and Delivery or the Newborn Nursery at OCONUS military treatment facilities. This program has increased clinical quality for these commands and increased the knowledge and preparation of these junior NC officers. This year we will expand the training to geographically remote Continental United States (CONUS) facilities as well.

The Officer Career Development Board developed at Naval Hospital Oak Harbor for officers in the grade of lieutenant and below provides for career progression opportunities as both an officer and nurse professional. The board also offers guidance and mentoring for optimal career development.

The Registered Nurse Incentive Special Pay (RN–ISP) program is a new retention initiative begun in February 2008. This program is designed to encourage military nurses to continue their education, acquire national specialty certification, and remain at the bedside providing direct care to wounded sailors, marines, soldiers and airmen. In the Navy Nurse Corps, we selected critical wartime specialties manned at less than 90 percent for this incentive special pay. The specialties and their respective manning levels are perioperative nursing (86 percent), critical care nursing (62 percent), pediatric nurse practitioner (82 percent) and family nurse practitioner (82 percent). Since the program has only recently been implemented, there is not sufficient data to determine its efficacy in retaining nurses.

Among Navy nursing's retention tools are the Certified Registered Nurse Anesthesia (CRNA) Incentive Special Pay, Board Certification Pay for Nurse Practitioners, and the new Registered Nurse Incentive Special Pay. Service obligations are incurred in proportion to the amount of special pay received in the Certified Registered Nurse Anesthesia Incentive Special Pay and the Registered Nurse Incentive Special Pay. A recent increase in the Certified Registered Nurse Anesthesia Incentive Special Pay has encouraged many Navy CRNAs to stay on active duty.

The fiscal year 2008 Nurse Corps Health Professional Loan Repayment Program (HPLRP) was awarded to 42 nurses with an averaged debt load of $27,361. The se-

lected officers' years of commissioned service spanned 3 to 10 years and most will incur service obligations through 2010. Selected nurses were in the grades of Lieutenant Junior Grade to Lieutenant Commander and the majority of the loans incurred were from their baccalaureate education.

Military treatment facility nurses are actively involved in partnering with local universities to recruit NC officers, and they are serving as mentors with area Medical Enlisted Commissioning Program (MECP) students. Our facilities also serve as clinical rotation sites for many Schools of Nursing (SONs). NC officers serve both as affiliate faculty at Universities across the country and as clinical preceptors to students. Naval Health Clinic Cherry Point nurses act as preceptors to high school students in Certified Nursing Assistant programs.

We are challenged to retain nurses due to on-going deployment cycles, Individual Augmentee roles, intensive patient care requirements, and low inventories of critical war time specialties. The fiscal year 2007 Nurse Corps continuation rate after 5 years, which is the average minimum obligation, is 67 percent. Our 5-year historical average is 69 percent. Thus, further consideration must be given to initiatives that mitigate mid-grade Nurse Corps attritions.

In February 2007 the Accelerated Promotions Program for Civilian Registered Nurses was approved by the Chief, Bureau of Medicine and Surgery for implementation throughout Navy medicine. NHCP joined NMCSD in adjusting their nursing salaries for the first time in over 15 years, increasing the Navy's ability to compete for experienced nurses in the local community.

At NNMC, the Government Service (GS) accelerated promotion program has been tremendously successful and will be expanded. It helped reduce the Registered Nurse (RN) vacancy rate from 13 percent to <4 percent and increased continuing education training opportunities for all nurses. GS nurses hired under the accelerated promotion plan are integrated into the Nurse Intern Program, enhancing their transition into a military nursing milieu.

READINESS AND CLINICAL PROFICIENCY

In order to meet nursing requirements at home and in forward deployed settings, nurses must maintain clinical proficiency and competence. Our readiness and clinical proficiency team recently launched core competencies for medical/surgical, psychiatric, critical care and emergency nursing. These will be integral in standardizing nursing competency assessments throughout Navy medicine and, once initiated in a nurses' orientation to a clinical specialty, would then follow the nurse across the career continuum, thus eliminating rework of subsequent competency packets at each duty station.

An off-shoot from this group was the Tri-Service Nursing Procedures Standardization workgroup, which identified a web-based nursing procedure manual for acquisition and utilization in all military treatment facilities. This tri-service proposal was briefed and approved by my fellow Service Corps Chiefs at the Federal Nursing Service Council meeting. Navy members are now engaged in identifying contract vehicle and consolidated funding sources.

OPERATIONAL

The Navy Nurse Corps continues to be one of the largest deploying groups among all professional corps (Medical, Dental and Medical Service Corps) in Navy medicine. From January 2006 to March 2008, 232 Active and Reserve Component Navy nurses have deployed.

Our nurses served admirably in operational roles in Kuwait, Iraq, Djibouti, Afghanistan, Bahrain, Qatar, Indonesia, Thailand, Southeast Asia, Pakistan, Guantanamo Bay, Cuba, Germany and aboard both hospital ships USNS Mercy and Comfort and on many other grey-hulls. They are part of Provincial Reconstruction Teams (PRTs), Flight Surgery Teams, participate in the Sea Trial of the Expeditionary Resuscitative Surgery System (ERSS) and perform patient movement via Enroute Care at or near combat operations.

The nurses who perform Enroute Care have clinical experience in either critical care or emergency room nursing and prior to deployment attend specialized training at Naval Operational Medical Institute in Pensacola, Florida or Fort Rucker, Alabama. Their training includes physiologic changes of patients at various altitudes, airframe and equipment familiarization.

The nursing "footprint" is still essential and evident at Expeditionary Medical Facility (EMF) Kuwait. In a 6-month period (July 2007–December 2007), a total of 3,564 casualties were received and treated. Other activities supported by Navy nurses at EMF Kuwait include the coordinated, joint support of immunizations for Japanese, British and Korean troops and a Kuwait-staged mass-casualty/inter-

agency drill and Advanced Cardiac Life Support programs with the American Embassy in Kuwait.

At Landstuhl Regional Medical Center, 98 Navy Reserve Component nurses work alongside their colleagues from the Army and Air Force. During the past 2 years, Navy nurses from this contingent have also worked in the warrior management center and made great strides in the provision of optimal care to the wounded as they transit on flights from Landstuhl Regional Medical Center to military treatment facilities in the CONUS.

The top five deploying specialties in the Navy Nurse Corps include medical/surgical, perioperative, emergency/trauma, critical care and CRNAs. By the summer of 2007, 25 percent of all Active Duty CRNAs were deployed, from recent graduates with 1 year of experience to seasoned officers at the rank of captain. The CRNA community has held roles in every aspect of Operational Medicine: humanitarian missions, special warfare operations, routine ship trials and movements, deployments with the Marines. and as multiservice and international security force PRTs.

Though not identified among the "top five deploying specialties", our Family Nurse Practitioner (FNP) community is one in which 60 percent of current billets have associated deployment platforms. FNPs are integral to Family Practice residency training programs, continuing to provide access and deliver health care wherever they are assigned. Solidly grounded in disease prevention and health promotion, the FNP brings these tenets of nursing care to every patient encounter—positively impacting population health in our communities and reducing the disease burden and associated costs of chronic disease management. A study undertaken by the Center for Naval Analysis in 2007 will provide a comprehensive assessment of the emerging roles of the FNP, as well as the Pediatric Nurse Practitioner communities.

The preparation of our forward deployed nurses could not be as effectively accomplished without the support of Navy Individual Augmentee Combat Training (NIACT). Prior to deploying, personnel are sent to NIACT at Fort Jackson, South Carolina, where the training consists of combat, survival, convoy, weapons handling and firing, and land navigation. Nurses also wear the entire ensemble of Kevlar and Interceptor Body Armor (IBA) daily which in one nurse's words "sensitizes you to the hardships of wearing the gear everyday, every hour as those in Iraq do. I felt prepared when I arrived to Expeditionary Medical Facility Kuwait."

Proactive nursing leaders have front-loaded staff training with operational relevant topics. At Naval Hospital Great Lakes, Tactical Combat Casualty Care Course was taught to 98 staff members for deployment readiness. At NMCSD and NHCP nursing leaders are directing staff attendance at other war-fighting support programs such as Fleet Hospital training, Combat Casualty Care Course, Enroute Care Training, Military Contingency Medicine/Bushmaster Course offered at the Uniformed Services University of the Health Sciences, Joint Forces Combat Trauma Management Course, and Naval Expeditionary Medical Training Institute.

The Navy Trauma Training Course, developed in 2002 and hosted in conjunction with Los Angeles County/University of Southern California, continues to be an integral training platform for forward deploying nurses. Since the course inception, 241 nurses have received this training prior to reporting to their operational billet. This course, in which 39 Navy nurses were trained in 2007, combines didactic, simulation labs and clinical rotations in the main operating room, ICUs and the emergency department.

HUMANITARIAN ASSISTANCE

My precepts for Navy nursing align with the Chief of Naval Operations' Maritime Strategic Plan. Based upon successes of past global humanitarian missions in which Navy nurses were embarked aboard USNS MERCY and COMFORT, we will be critical crewmembers once again in upcoming dual missions planned for 2008.

The USNS COMFORT (T–AH 20) was deployed from June 2007-October 2007 to participate in a humanitarian training mission for the "Partnership for the Americas"; visiting 12 countries and seeing 98,650 patients in the Caribbean and South America including Belize, Guatemala, Panama, Nicaragua, El Salvador, Ecuador, Peru, Columbia, Haiti, Trinidad/Tobago, Guyana and Surinam. The COMFORT and its teams of multiservice healthcare professionals, military, reserve, civilians and Non-Government Organizations (NGOs) from various fields of study (Nursing, Public Health, Dentistry, Pediatrics, Infection Control, etc) provided a total of 1,197 classes to 28,673 students in 12 countries during the Partnership for the Americas cruise. Many of our nurses would later remark that while the days were long, the interactions with patients and feeling of having truly made a difference in someone's life would be lasting memories.

Even while deployed at sea on humanitarian missions, the necessity for discharge planning programs became quite evident. Two Nurse Corps officers with experience in community/public health and case management were provided with two other hospital personnel familiar with MEDEVAC procedures to coordinate plans for the development and implementation of a new nursing discharge planning team on the COMFORT. Utilizing a multidisciplinary approach, the team integrated services of 11 divisions and capitalized on host nation assets which included private physicians, Ministries of Health and NGOs to assure post-operative follow up care for over 2,200 patients in their homelands. This team initiated over 20 process improvements that streamlined admission to discharge care for 7,500 inpatients.

The USNS MERCY (T–AH 19) is slated for its next humanitarian mission, "Pacific Partnership," visiting regions of the Western Pacific and Southeast Asia in 2008. Augmenting crew members are expected to include joint, multinational and interagency personnel. In preparation for this mission, the senior nurse on board the ship has attended the Joint Operations Medical Managers Course and Military Medical Humanitarian Assistance Course.

Navy nursing's altruistic spirit and readiness to help were demonstrated in our own country during the horrific wildfires that ravaged Southern California coastlines in October 2007. Amidst evacuating their own families and ensuring their safety was preserved, Nurse Corps officers were rallying to support the needs of their command and any impending requirement to augment civilian health care delivery services that were severely taxed during this massive natural disaster.

During the subsequent evacuation of many civilian healthcare facilities due to imminent danger posed by the smoke and fire, 28 patients from a local skilled nursing facility were relocated to NMCSD on a rapidly deployed contingency ward jointly staffed by NMCSD and Naval Hospital Twenty-nine Palms personnel. The nursing staff impressively responded to this call for assistance and conducted expeditious patient assessments to determine patient acuity and how to best meet patient needs.

An additional ten patients were evacuated to NMCSD from Pomerado Hospital and were safely absorbed into the Medical/Surgical wards and the ICU. During and after this state emergency, 12 Nurse Corps officers from this hospital volunteered at the local stadium which became a temporary shelter, providing aid and assistance to hundreds of dislocated and homeless San Diego citizens.

During this same wild fire disaster, the Nurse Corps officer department head at Camp Pendleton evacuated the 52 Area Branch Clinics (School of Infantry) in less than 90 minutes. A temporary clinic was established and 24-hour medical coverage was available to wildfire evacuees which included approximately 400 patients. This officer further embedded a medical contingent of eight hospital corpsmen and one independent duty corpsman to ensure continuous medical support was available to 4,000 marines that were evacuated from their barracks and were living in a field environment.

The Nurse Corps officer department head from the 31 Area Branch Clinic (Weapons Training Area) evacuated his clinic and relocated his staff to another base clinic and provided round- the-clock medical care to 1,000 evacuees in the Del Mar area of Marine Corps Base Camp Pendleton.

EDUCATION PROGRAM AND POLICIES

Continuation of a Navy nurses' professional development via advanced educational preparation is necessary to better serve our beneficiary population, fortify their respective communities of practice and for promotion. My education program and policy team works to identify educational opportunities to Navy Nurses, expand the utilization of dual certified advanced practice nurses and formulate a mentorship program for entry-level nurses who are accessioned via the Nurse Candidate Program, Medical Enlisted Commissioning Program and the Reserve Officer Training Corps.

This year marks the first time since 1975 that nurses within their first tour of duty may apply for a master's degree in nursing via the Duty under Instruction (DUINS) out-service training program. Our long-term goal for this initiative is to increase service retention at critical junctures in a young officer's career and facilitate earlier entry into specialty communities of their choice. Over 70 new graduates with Masters of Science in Nursing will be assigned to new duty stations in 2008.

MENTORSHIP

The role that Navy Nurses hold as mentors to our corpsmen and junior officers also serves to bolster recruiting efforts in our pipeline programs for enlisted members through the Medical Enlisted Commissioning Program (MECP) and the Sea-

man to Admiral Program (STA–21) and supports the retention of subordinate colleagues who perhaps once pondered a career outside of Naval service.

Navy nurses enthusiastically embrace their role as mentors and activities involving such are pervasive throughout our treatment facilities. At NMCSD, 12 Nurse Corps option ROTC midshipmen spent 4 weeks in clinical rotation on medical/surgical wards. These "fledgling nurses" became proficient with venipuncture and had exposure to operational nursing roles at NHCP and aboard USNS MERCY.

NMCP promotes active mentoring roles with local MECP candidates. Navy Nurses assigned here also visit local job fairs as hosted by regional SONs and provide candid answers to queries from nursing students who are interested in service to their country.

COLLABORATIVE/JOINT TRAINING INITIATIVES

Many commands, perhaps not routinely affiliated with SONs, serve as practicum sites for students. At BUMED, senior nurse executives are preceptors for college juniors or seniors as they study nursing leadership. At U.S. Naval Hospital Naples, Italian nursing students are mentored by Navy nurses as they compare and contrast the medical systems of the two countries.

The Navy Nurse Corps Anesthesia Program, ranked third in the Nation among 108 accredited Certified Registered Nurse Anesthesia programs by U.S. News and World Report, will unite with the Uniformed Services University of the Health Sciences (USUHS) Graduate School of Nursing nurse anesthesia program to form one Federal Nursing anesthesia program. The first class matriculates in May 2008.

Additional partnerships with USUHS include the provision of a Psychiatric Mental Health Nurse Practitioner as faculty member to the newly developed Psychiatric Mental Health Nurse Practitioner Program. This nurse will join other colleagues from the Armed services who serve on faculty at the Graduate School of Nursing.

Home to a robust, state-of-the-art ICU, NNMC became a training site for our Air Force nursing colleagues who require rigorous exposure to critically ill patients in preparation for their role on Critical Care Air Transport Teams. Internationally recognized as a site of clinical excellence, each year the Greek Navy sends three active duty nurses to Bethesda for training in critical care, medical/surgical and oncology nursing.

Since July 2006, NMCP, in collaboration with Langley Air Force Base (AFB), has provided a comprehensive Perinatal Training Course for Air Force, Navy and civilian service RNs. Current Perinatal Training Programs provided at NMCP include a 6-week perinatal training consisting of a 2-week didactic curriculum at Langley Air Force Base and a 4-week clinical practicum with assigned preceptor. Collaboration among Perinatal Training Program Managers from NMCP and Langley AFB, Navy Medicine Manpower Personnel Training and Education Command and the BUMED Women's Health Specialty Leader led to proposed curriculum changes that will align with NMCSD's new program. NMCSD hosted and developed the Navy's 1st Perinatal Pipeline Training Program for Navy Nurses in receipt of orders for assignment to maternal-infant care units in overseas military treatment facilities.

In December 2007, two senior Nurse Corps officers from NMCSD participated in a project with the University of Zambia to develop a Masters degree in Community and Public Health Nursing with an emphasis on infectious disease (HIV/AIDS) surveillance, prevention, care and treatment. These officers will be returning to Zambia in the summer of 2008, where they will continue to assist the University with the development of this program as well as a Physician Assistants equivalent school, lab technology and medical assistant schools.

Despite their geographic remoteness, our OCONUS military treatment facilities are very actively engaged in activities with U.S. facilities and host nation communities. Naval Hospital Guam participated in a nationwide exercise conducted simultaneously in multiple states in which various disaster scenarios were enacted, requiring involvement of both military and civilian resources to achieve a safe and successful outcome. U.S. Naval Hospital Yokosuka offers annual training for Sexual Assault Nurse Examiner, Trauma Nurse Casualty Care, Perinatal Orientation and Education Program, Neonatal Orientation and Education Program and Neonatal Resuscitative program for tri-service and Japanese military Self-Defense Force participation. U.S. Naval Hospital Okinawa supports local nursing education via a clinical intercultural nursing experience hosted semi-annually with the Hokobu Nursing School.

RESEARCH

The Tri-Service Nursing Research Program (TSNRP) is critically important to the mission of the Navy Nurse Corps and I am committed to its sustainment. Our

nurses are engaged in research endeavors that promote health, improve readiness and return our warriors to wellness. An ongoing study conducted by a Navy Nurse, "Evidence-Based Practice Center Grant (2002) Study" provided training to nurses and funded initiatives from multiple military treatment facilities to translate evidence to practice. Another study entitled, "Clinical Knowledge Development of Nurses in an Operational Environment (2003)", uses information gleaned from interviews with nurses from Army, Navy, Air Force and Public Health Service who had deployed either in theatre or to natural disaster areas and identified subsequent knowledge necessary to this setting. "The STARS Project: Strategies to Assist Navy Recruit Success (2001)" culminated in BOOT STRAP Intervention which changed the policy of how Commanders approached recruits. The number of recruits separated from the Navy before completing basic training was reduced from a high of nearly 30 percent to <15 percent. A Navy nurse directed study on "The Lived Experience of Nurses Stationed Aboard Aircraft Carriers (2000)" changed policy about assigning new Ensigns to aircraft carriers.

In addition to TSNRP endeavors, our doctorally prepared Navy nurses assigned throughout our military treatment facilities have actively engaged many nurses in a plethora of robust research initiatives that include areas of maternal/neonatal care, pediatrics, anesthesia, critical care and military populations deployed on ships. One of the graduates of the Navy Nurse Corps Anesthesia Program competed against both medical and nursing colleagues and won the 2007 Navy-wide Academic Research Competition staff category for his study.

PUBLICATIONS

Navy nurses are prolific authors whose works encompass all specialty areas of nursing and have appeared in nationally recognized publications as follows: Critical Care Nursing Clinics of North America; AORN Journal; Nursing Spectrum; Advance for Nurse Practitioners; Journal of Nursing Education; The Nurse Practitioners Journal; Journal of Wound, Ostomy & Continence; Journal of Pediatric Healthcare; Journal of Obstetric, Gynecologic and Neonatal Nursing; Dimensions of Critical Care Nursing; Military Medicine.

EDUCATIONAL PARTNERSHIPS

While all of our nurses do not teach every day in traditional brick and mortar SONs, they are still teachers in their service as clinical preceptors and as guest faculty/lecturers to our corpsmen, military and Government service nurses. They are also role models and recruiters to civilian nursing students who seek an opportunity to gain a lifetime of personal satisfaction in service to humanity and our Nation.

One of our nurses teaches in an undergraduate nursing program at Hawaii Pacific University and another has precepted over 850 clinical hours for nurse practitioner students. Medical/surgical nurses are precepting civilian nursing and graduate students from Georgetown, Johns Hopkins, University of Guam, University of North Florida and the University of California at San Diego in our treatment facilities located in proximity to their SONs.

Staff Nurse Anesthetists (CRNAs) assigned to the NNMC serve as clinical and didactic instructors for student nurses from the Nurse Corps Nurse Anesthesia programs at Georgetown University and USUHS.

At Naval Hospital Beaufort, the nurse anesthesia staff established a memorandum of understanding (MOU) with the Medical University of South Carolina, College of Health Professions, and Anesthesia for Nurses program in September 2006. The first student arrived in December 2006 and Navy Nurse Anesthetists have precepted 14 students to date. The MOU critically supports this region's anesthesia program and hands-on training for nurse anesthetists. A senior Navy CRNA was selected Clinical Instructor of the Year for 2007 and was honored at the graduation ceremony in Charleston last May.

Because of the size and scope of clinical specialties found at our medical centers at Bethesda, Portsmouth and San Diego, they have multiple MOUs with surrounding colleges and universities to provide clinical rotations for nurses in various educational programs from licensed practical/vocational nursing (including Army LPNs at the Bethesda site), Bachelor of Science in Nursing, Master of Science in Nursing, to Nurse Practitioner and Certified Nurse Anesthetist Programs.

Our mid-sized MTFs are also actively engaged in training America's future nurses. Naval Hospital Twenty-nine Palms has developed a MOU with the California Educational Institute to serve as a clinical rotation site in support of developing the LPN to RN Bridge Program, while simultaneously maintaining current agreement with Copper Mountain College LPN and RN Nursing programs. Naval Hospital Great Lakes provides clinical sites for Family Nurse Practitioner clinical

training and offers classes in Basic Life Support, Advanced Cardiac Life Support, Pediatric Advanced Life Support, and Neonatal Resuscitation Program to staff from the North Chicago VA Medical Center.

It is not only the nurses of America that Navy nurses willingly teach, but also our own novice accessions. The Nurse Internship Program, available at each of our medical centers is a structured didactic and clinical curriculum involving a variety of nursing specialties which uses mentorship to transition the graduate nurse from the role of student to staff nurse. In 2007, we have cumulatively trained over 250 nurses. This program is also availed to our new civilian graduate nurse employees.

LEADERSHIP

The goals of the Nurse Corps leadership team include development and mentoring of future Nurse Corps leaders using identifiable leadership competencies across their career continuum.

This year we celebrated two firsts: A Nurse Corps officer as the first Navy nurse assigned to a Fleet Forces Command role and another as the first to command a surgical company in Iraq. In September 2007, the first Nurse Corps Officer was assigned to U.S. Fleet Forces Command to provide analysis and recommendations on all professional and technical matters relating to nursing policy and practice throughout the fleet. As a senior staff officer, she also provides recommendation for health services support programs and policies related to health protection initiatives.

CDR Maureen Pennington was awarded the Bronze Star in April 2007, for her role as the first Nurse Corps officer to serve as Commanding Officer of Charlie Surgical Company, Combat Logistics, 1st MLG, 1st MEF. CDR Pennington oversaw treatment of over 1,700 casualties. Despite increased numbers of patients with blast wounds from Improvised Explosive Devices, she and her team maintained an unprecedented 98 percent combat wounded survival rate. In October 2007, she was recognized by California's First Lady with the Minerva Award, which honors women who have "changed the State of the Nation with their courage, strength and wisdom."

Navy nurses are members and leaders not only at their military treatment facilities, but also in their community civic groups, non-profit organizations, local, State and national civilian nursing associations and Federal nursing organizations. A Senior CRNA served for the 5th consecutive year on the Board of Directors for the Virginia Association of Nurse Anesthetists and served on the Public Relations Committee for the AANA National organization. Other Navy nurses hold the following leadership roles: President-elect of Sigma Theta Tau at The Catholic University of America, Director-Federal Nurses Association and Board of Directors-American Association of Critical Care Nurses. Our junior nurses have embraced a sense of community volunteerism and often work off-hours to support local area homeless shelters by preparing and serving meals, collecting and distributing clothing and assisting with facility renovations.

PRODUCTIVITY

The Nurse Corps Productivity Team developed a tri-service business strategy for inpatient and ambulatory care patient acuity assessment and staff scheduling system. The team which now includes the Tri-Service Patient Acuity Staff Scheduling Working Group has met with Health Affairs and individual service representatives and are meeting with their respective Chief Information Officers to garner support as team activities move forward.

Naval Hospital Beaufort's nurse-managed clinics decreased the pneumonia rate by 45 percent, GABHS (Group A & B Hemolytic Streptococcus) strep throat by 51 percent, febrile response syndrome by 27 percent, and MRSA (Methicillin-Resistant Staphylococcus aureus) by 26 percent through preventive medicine interventions with USMC recruit populations. Nurses at Naval Hospital Camp Lejeune assigned to Camp Geiger Branch Medical Clinic at the School of Infantry-East engaged in a collaborative effort with the Medical Clinic at Parris Island Recruit Depot to improve tracking and documentation of health care provided for recruits from accession to training. In a 6-month period these efforts culminated in significant cost savings by eliminating unnecessary duplication of lab work and immunizations.

Nurse-run clinics established in four barracks at the Recruit Training Command (RTC) in Great Lakes facilitated triage and medical care of 200 recruits per day. The availability of these clinics decreased wait time in the main clinic from 3 hours to 20 minutes, recaptured 13,000 hours of previously lost recruit training time, provided for daily nursing rounds in ship compartments to monitor the status of Sick

in Quarters/Limited Duty Recruits, and generated substantial cost avoidance for the RTC.

Navy nurses at NMCSD were pivotal in developing an innovative model for telehealth nursing using the Armed Forces Health Longitudinal Technical Application (AHLTA) computer system. This project was developed with the goal of becoming a reliable system to provide documentation of patient calls which will improve continuity of care, while capturing nursing workload and improving nursing documentation. This project received the Access Award at the Healthcare Innovations Program Awards at the 2008 Military Health System Conference.

Naval Health Clinic Hawaii collaborated with Hickam Air Force Base's 15th Medical Group on an evidenced-based practice project in caring for adult patients with Diabetes Mellitus (DM), showing an increase patient compliance as evidenced by their improving HbA1C and LDL values.

COMMUNICATION

The overarching goal of the Nurse Corps Communication team is to develop two-way communication plans to optimize dissemination of official information that is easily accessible, current and understood. This has been accomplished via monthly "Nurse Corps Live" video tele-conferences on a variety of topics relevant to our nursing communities, monthly electronic publication of "Nurse Corps News" newsletter which offers a venue to share information, events and articles with all nurses and the Nurse Corps webpage. The webpage serves as a portal to the Navy Nurse Corps detailers, policy and practice guidelines, advanced education offerings, career planning and messages from the Director of the Navy Nurse Corps. In the future, communication team members will be conducting surveys on webpage users to determine new requirements to improve accessibility and better meet user needs.

CLOSING REMARKS

The practice of nursing has changed over the last 100 years with research and technology, but the basic tenets of the profession are unchanged and timeless. We volunteered to wear the uniform, to practice our profession in a different environment and through this we have unlocked the secrets to our humanity and what is most important about caring for those willing to make the supreme sacrifice. Thanks to the generations of Navy nurses who moved us forward through other wars, we have a solid foundation upon which to meet the challenge of tomorrow. Our junior officers are our future and based on the passion and competence I see daily, our future looks bright indeed. We exist because we were and ARE mission essential. They needed us then; they need us now. We can be proud of what we have done and should be inspired and humbled by what we have left to do in the next 100 years.

I appreciate the opportunity to share with you the remarkable accomplishments of my nurses. I look forward to continuing our work together as I carry on as Director and lead Navy nursing into its next century of excellence.

Senator INOUYE. And now may I recognize Major General Melissa Rank. General Rank.

**STATEMENT OF MAJOR GENERAL MELISSA A. RANK, ASSISTANT AIR FORCE SURGEON GENERAL NURSING SERVICES AND ASSISTANT AIR FORCE SURGEON GENERAL MEDICAL FORCE DEVELOPMENT**

General RANK. Mr. Chairman, and distinguished subcommittee members. It is an honor and great privilege to again represent your Air Force nursing team. The total nursing force is comprised of active duty, Guard, and Reserve officers, enlisted and civilian personnel.

I am honored to have served with Brigadier General Jan Young, Air National Guard, Colonel Laura Talbot, Air Force Reserves, and Chief Master Sergeant David Lewis, Aerospace Medical Service, Career Field Manager.

I look forward to serving with my new Reserve Mobilization Assistant, Colonel Anne Manly, and Chief Master Sergeant Joseph Potts, the newly appointed Aerospace Medical Career Field Man-

ager. Together we represent a powerful total nursing force, directly supporting the Air Force's Secretary and Chief of Staff's top priorities.

Whether at war or home station, our medics are providing world-class care. I offer this amazing act of heroism by one of our independent duty medical technicians, Staff Sergeant Jason Weiss.

He's assigned to the 36th Rescue Flight, Fairchild Air Force Base, Washington. He and his fiancé, Holly, were to be married on December 4, but he could not be there. Instead, his team was busy rescuing three injured, and nearly frozen, hikers trapped in an avalanche. Sergeant Weiss had to get the hikers to the extraction point before the chopper ran out of fuel. There would be no second chance.

Low crawling, near exhaustion, Sergeant Weiss dragged the patient through 80 yards of waist-deep snow, to lifesaving treatment. Sergeant Weiss was married 4 days later, and Holly explained, "He does such amazing things, that I have to share him."

The total nursing force is the backbone of deployed Air Force medical operational capability. A heightened demand has been placed upon us for advanced, highly complex clinical skills, and we are meeting the challenge.

The 332nd Expeditionary Medical Group in Balad Air Base, Iraq continues to meet the mission with incredible success. This Air Force theater hospital is the hub for Operation Iraqi Freedom polytrauma and burn cases, and sustains a 98 percent survival rate, the best in history.

From the moment a patient arrives into the Balad Air Base emergency room, until they reach definitive care at Landstuhl or stateside, an Air Force nurse and technician provide 24/7 expert, compassionate care.

On my recent trip to Balad Air Base and Bagram Air Base, Afghanistan members of our total nursing force related that their deployment has been the most personally and professionally rewarding experience of their lives.

I was particularly moved by the story of Major Linda Stanley from the 31st Medical Group in Aviano, Italy. Paraphrasing her journal, "I took care of a patient tonight, and I know I will never forget him. He had been on patrol, and lost his foot to an improvised explosive device (IED). For some reason, his bloody boot symbolizes all of the trauma patients that I'm taking care of—the vision of his boot, the sound of painful cries, and the smell of death are my senses side of war. I find life in these senses, and it reminds me of what is truly important in my own life. I am still glad that I deployed, and I hope I will always remember these feelings."

These are the heart-wrenching realities of war, and my team is committed to addressing the unique combat stress of caregivers. Our initiative is called R3—readiness, resilience, and rejuvenation. Our nursing team needs a high level of personal and professional readiness, an inner resilience, and the ability to rejuvenate after returning from deployment.

As we develop our R3 programs, we will leverage our unique military nursing experience and commitment to care for ourselves and each other. Lieutenant Colonel Susan Jano, nursing supervisor at Balad Air Base, described it best, "We saw mass casualties that

training never quite prepared us for. We reached deeper into ourselves than we ever thought possible, and we cared for one another because we were all we had. Together, we made a difference."

We also are making a difference in Afghanistan, where the humanitarian mission is particularly robust. Zach was a child who had been hit by a bus. When he arrived at the Bagram emergency room, he had no pulse, his temperature was 91 degrees, and he had astounding major abdominal injuries. Amazingly, after receiving extensive operations and nursing care, he went home with his family in just 30 days.

The rewards of these efforts are highlighted by Major Daisy Castricone, currently deployed to Bagram Air Base, when she stated, "You can see the appreciation and the love in their eyes for what we do, and you can feel the sincerity in the handshake—it's like electricity."

Thanks to the efforts of the 332nd Expeditionary Medical Group, and Expeditionary Civil Engineering Squadron, a piece of our nursing history will be preserved. On April 1, 2008 Trauma Bay 2, and a portion of the tent from the old Balad Air Base theater hospital were shipped to the National Museum of Health and Medicine, here in Washington, DC. Major Jody Ocker, Emergency Department Nurse Manager, related, "Every medic had their own personal experience. As a team, we had a profound collective experience. In these tents, we witnessed tragedy beyond comprehension, and rose to challenges unimagined. We sweated, cried, and laughed together, most importantly, we saved lives."

PREPARED STATEMENT

Mr. Chairman, and distinguished members, the preservation of the theater hospital's trauma bay is a testament to the Department of Defense nurses, and medics, who have held the hands of wounded warriors, said goodbye to the fallen, and offered their blood, sweat and tears to save our Nation's sons and daughters. United, we will win today's fight, provide world-class care, and prepare for tomorrow's challenges.

Thank you, sir, for your continued support.

Senator INOUYE. I thank you very much, General Rank.

[The statement follows:]

PREPARED STATEMENT OF MAJOR GENERAL MELISSA A. RANK

Mr. Chairman and distinguished members of the Committee, it is an honor and gives me great pleasure to again represent your Air Force Nursing team. As we vigorously execute our mission at home and abroad, Air Force nurses and enlisted medical technicians are meeting the increasing challenges with notable professionalism and distinction. The Total Nursing Force is comprised of officer, enlisted, and civilian nursing personnel with Active Duty, Air National Guard (ANG), and Air Force Reserve Command (AFRC) components. Serving alongside Brigadier General Jan Young of the ANG and Colonel Laura Talbot of the AFRC has been my distinct pleasure. I look forward to serving with Colonel Anne Manly who was recently appointed in the AFRC Corps Chief position replacing Colonel Laura Talbot. Together we are a powerful total force nursing team directly supporting the Secretary and the Chief of Staff of the Air Force's top priorities to Win Today's Fight, Take Care of our Airmen, and Prepare for Tomorrow's Challenges.

EXPEDITIONARY NURSING

Air Force Nursing is an operational capability and Air Force Nursing Services remain at the forefront in support of the warfighter. A heightened demand has been

placed upon military nursing for highly complex clinical skills and our total nursing force is meeting this challenge. Every member of the Total Nursing Force team has told me that their deployments, caring for America's most precious sons and daughters, has been the most professionally rewarding experience of their lives. For instance, Captain Shelly Garceau is an emergency room nurse at the 332nd Expeditionary Medical Group (EMDG) in Balad Air Base, Iraq, one of the busiest trauma centers in the world. The emergency room treats 23 patients a day on average, 11 of which are trauma cases. In a 24-hour cycle, the facility's operating room staff typically handles more than a dozen cases and performs more than 60 procedures. In the past year, nursing was critical to the successful treatment of over 10,000 injuries. The hospital currently holds a 98 percent survivability rate for wounded Americans who arrive at the 332nd EMDG. Colonel Norman Forbes, 332nd EMDG Chief Nurse, states, "In a four-month period, the facility's statistics match or exceed activities at the R. Adams Cowley Shock Trauma Center in Baltimore, where many of our staff nurses were trained."

Behind every case and helping every patient who arrives at their doorstep, is the nursing staff of the 332nd EMDG. From the moment a wounded soldier arrives at the hospital to the time the patient lands in Germany or is medically evacuated to the United States, a nurse and technician are there to care for the wounded patient. The pride that erupts from the members of this medical group is felt and seen when you look at even just one situation: Two Marines were transferred out of the Balad Air Base emergency room with partial thickness burns to the face as a result of an explosion; Captain Garceau (332nd EMDG) stated, "That guy couldn't even see me. He wouldn't be able to show you who I am if he saw me. But he'd recognize my voice. And when he said thank you to me, it was like nothing else. There's nothing like the 'thank-you's' you get here—nothing at all."

Bringing wounded warriors home is mission #1 for our fixed-wing aeromedical evacuation (AE) system. AE is a unique and significant part of our Nation's renowned mobility resources. Its mission is to rapidly evacuate patients under the supervision of qualified AE crewmembers by fixed-wing aircraft during peace, humanitarian, noncombatant evacuation operations, and joint/combined contingency operations. The Air Force Reserve Component owns approximately 88 percent of the total AE force structure, with the remaining 12 percent distributed among four active duty AE squadrons. During November 6–7, 2007, active duty and reserve subject matter experts met to hold a capabilities review and risk assessment on the AE system. As a result of this meeting, the Air Force AE patient care information management and in-transit visibility modernization plan evolved. The recommendations for a new electronic patient medical record and the ability for combatant commanders to know where, when, and how their injured troops are doing, will bring AE to the leading edge of technology.

A major advancement in aeromedical evacuation system of the Afghan National Army (ANA) Air Corps is the work being done by individuals like Major Mical Kupke, Captain Marilyn Thomas, Master Sergeant Brian Engle, and Technical Sergeant Janet Wilson who opened a flight medicine clinic in Kabul, Afghanistan. These airmen are using all local resources available to perform work, including loading patients onto MI–17 helicopters, coordinating with the Czech Republic field hospital and working with the medevac unit located nearby at Bagram Air Base, Afghanistan. As Sergeant Engle stated, "The ultimate goal is for us to be able to step away as the ANA becomes self-sustaining." Sergeant Wilson stated, "The fact that we're able to bring something to their Air Corps and help the Afghan National Army build up their structure is very positive; it makes me proud that I can contribute just a tiny portion to that."

Our aeromedical staging facilities (ASF) provide critical support to the aeromedical system. The 79th ASF at Andrews AFB, Maryland is the busiest in the continental United States. Since January 2007, the staff has launched and recovered 699 missions, and facilitated the transport and care of 7,895 patients to Andrews, Walter Reed Army Medical Center and the National Naval Medical Center. The 79th ASF staff includes 31 permanent and 33 deployed active duty and reserve nursing and administrative nursing personnel. Army, Navy, and Marines liaisons also work in the ASF assisting their patients with transition back to the United States. The patients have a wide variety of injuries and illnesses, including those from improvised explosive device (IED) blasts, gunshot wounds, traumatic brain injuries, post-traumatic stress disorder, and extremity fractures.

In this calendar year, the 79th ASF received a $4.8 million grant to renovate and expand, increasing the bed capacity from 32 to 45. Nutritional Medicine from the 79th Medical Group implemented "The Burlodge," a program that provides every patient returning from theater a homemade hot meal. Dedicated American Red Cross volunteers are on hand to welcome every patient upon their return. These volun-

teers offer their assistance in many ways to meet the needs of the patients, providing toiletries, clothing, email assistance, and more. Major Leslie Muhlhauser and Captain Christopher Nidell of the ASF staff recall these patient encounters:

—One of the administrative technicians sat with a patient all night talking and watching movies, because the patient expressed not wanting to be alone and not being able to sleep.

—A security forces patient wanted to take a hot shower and wash her hair and was unable to do so on her own due to leg and arm injuries. Three of the ASF staff worked together to protect her wounds and help her shower.

—One of the nurses sat with a 19-year-old soldier from Kentucky suffering from migraines related to an IED blast exposure. He stayed with the soldier to help him relax until the medication he received began to relieve his pain.

—The staff coordinated with veterinary services for the care and lodging of two canine battle wounded heroes, one who received a Purple Heart.

—On one mission, the wind and weather prevented a C–17 and C–130 from landing at Andrews AFB Maryland. The ASF flightline crew quickly realigned the organizational plans and met the aircraft at a commercial airport in the National Capital Region (NCR).

—The nurses watched a mother's face as she and her family waited for the arrival of her son; seeing them together was a privilege.

SKILL SUSTAINMENT

Nursing skill sustainment has never been more important than it is during our steady state of deployment. Air Force critical care nurses have played an instrumental role in the care of wounded and ill patients in Operations IRAQI FREEDOM and ENDURING FREEDOM. Critical care nursing is a nursing specialty and both civilian and military sectors are dealing with a shortage of experienced critical care nurses. In an effort to ensure the needs of the critically ill are met, the Air Force Nurse Corps partnered with our sister services and initiated a fellowship training program in the NCR. During this fellowship nurses develop critical care skills at the National Naval Medical Center at Bethesda, Maryland, where many wounded patients are admitted to the intensive care unit. This fellowship program began in January 2007, and recently graduated the first qualified critical care nurses. The program produces deployment-ready nurses in 8 months. Captain (select) Jonathan Criss joined his fellow classmates Lieutenant Amy Tomalavage and Captain Dillette Lindo for graduation via video-teleconference from Iraq, where he deployed in November. Lieutenant Colonel Loreen Donovan, Balad Air Base Intensive Care Unit flight commander, praised the preparedness and skills of Captain (select) Criss. Lieutenant Colonel Donovan has since taken over as the director of the fellowship program, and will incorporate her deployment and clinical experiences into the curriculum. The program is designed to graduate 10 nurses annually and complements a similar program initiated by the Air Force in San Antonio, Texas, in collaboration with the Army.

The Critical Care Technician Course (CCTC) began in early 2007, as a result of the high demand for our critical care technicians. The program is conducted at Eastern New Mexico University-Roswell and presents 40 hours of didactic and hands-on education. The 59th Medical Wing, Wilford Hall Medical Center, located at Lackland Air Force Base, Texas, took the lead with this program, holding three classes in fiscal year 2007 for 36 technicians. The program has now been expanded for fiscal year 2008 into a 5-year contract anticipating four classes for 56 technicians per year. The 96th Medical Group, located at Eglin Air Force, Florida, has contracted with

ENMC–R for the CCTC and has two classes scheduled in fiscal year 2008 educating a total of 60 medical technicians. We anticipate pushing the possibilities of teaching over 400 critical care medical technicians over the next 5 years.

Whether at war or home station, these critical clinical skills remain relevant. Consider this story told by the 39th Medical Group Chief Nurse, Lieutenant Colonel Rebecca Gober, from Incirlik Air Base, Turkey. "Staying late catching up on access due to an increased exercise schedule, the personnel of the 39th Medical Group at Incirlik Air Base, Turkey, suddenly found themselves with four local national gunshot victims at their doorstep! Shouts of "Code Blue" were heard throughout the building. Within a matter of minutes, this small, outpatient clinic staff transformed into an emergency triage/treatment team rivaling a large trauma medical center. Past training kicked in and many were grateful for their recent training at the Center for Sustainment of Trauma and Readiness Skills. While lives were being saved by the clinical staff, ancillary support teams coordinated administrative needs to help identify patients, secure personal effects, and arrange transport to outside med-

ical facilities. Resuscitative efforts were successful for three of the four victims. Only 4 hours passed from the entry of the first victim until every supply item was replaced, every cart returned and every room was ready for normal operations again. With the number of staff present at that time of day, training and teamwork truly were keys to their success." I am so proud of our nursing team for their performance that day!

OPERATIONAL CURRENCY

In response to BRAC integration, additional opportunities to maintain operational currency in complex patient care platforms is critical. This year we gained 25 training affiliation agreements specific to officer and enlisted nursing personnel. This number is triple what we reported last year, a fact that assures me of the continued clinical readiness of our great Total Nursing Force. Our biggest gains were in agreements with civilian facilities. I am pleased to inform you that we partnered with nine civilian facilities to pursue skills sustainment in critical care, complex medical-surgical care, emergency/trauma, and ambulance services. Our Medical Treatment Facilities (MTF) remain an ideal training platform for many civilian nursing programs as well. In 2007, we added 33 training affiliations for civilian nursing programs awarding degrees at baccalaureate, masters, and doctoral levels.

In addition to our civilian training affiliations, I recently sent a team to conduct a site visit at the University Hospital in Cincinnati, Ohio. This visit was initiated to examine the possibility of centralizing an internship Nurse Transition Program (NTP). The program allows new graduates the opportunity to transition into clinical care with nurse preceptors closely at their side. NTP is currently offered at nine Air Force MTFs, but centralizing the program into one site would optimize clinical education. The University Hospital offers a larger patient population, diverse illnesses, and medical/surgical cases including an increased opportunity to care for higher level trauma patients. Time management and complex inpatient nursing are the number one skill sets required for deployment. NTP is currently a 12-week program, but with the offerings at this facility, the program may be pared down to 9 weeks. The University Hospital offers an ideal environment for a successful civilian NTP program and we look forward to the possibility of partnering with them to enhance Air Force NTP education.

We now face the emergence of a new set of issues specifically related to our current "steady state" of deployment. These include: (1) The need to maintain a high level of personal and professional readiness; (2) The inner resilience to sustain the mission despite daily wartime tragedies and prolonged exposure to secondary trauma; and (3) The ability to rejuvenate oneself upon return from deployment, and ultimately regain a sense of personal and professional balance. Readiness—Resilience—Rejuvenation (R3): Acknowledging and understanding the need to address the complexities these three concepts represent will pave the way to a vital, stable future for our Total Nursing Force. Our military nurse researchers are advancing understanding of issues related to R3. Their research data shows a common emerging theme: the positive impact of strong wing and unit reception upon return from deployment and periodic team debriefings. We look forward to additional data and findings in the very near future.

RESEARCH AND EDUCATION

Through your ongoing support of the TriService Nursing Research Program (TSNRP), Air Force Nurse Researchers continue to conduct innovative research with wide-ranging implications for the care of troops injured on the battlefield. Not only are these Nurse Researchers at the forefront of state-of-the-art-military research, they are involved in initiatives ensuring their research is translated into practical application, improving the clinical care delivered to our wounded warriors.

Since the start of Operation ENDURING FREEDOM in 2001, over 48,000 patients have been transported by the United States Air Force Aeromedical Evacuation system. Critical Care Air Transport Teams (CCATT) provide care for 5–10 percent of the injured or ill service members who are transported on military cargo aircraft to definitive treatment facilities. Through Air Force Institute of Technology sponsorship, Colonel Peggy McNeill attended the University of Maryland doctoral program in nursing and conducted research to determine the effect of two stressors of flight—altitude-induced hypoxia and aircraft noise. COL McNeill also examined the contributions of fatigue and clinical experience on cognitive and physiological performance of CCATT providers. This was accomplished using a simulated patient care scenario under aircraft cabin noise and altitude conditions. The findings from this research demonstrated that the care of critically ill patients is significantly affected by aircraft cabin noise and altitude. Safety and quality of care may be posi-

tively impacted with training and equipment better designed to assist in monitoring and assessment during aeromedical transport.

Air Force Nurse Researchers play a critical role in deployments as well. Lieutenant Colonel Marla De Jong, Director of Nursing Research at Wilford Hall Medical Center, deployed to Baghdad, Iraq, for 10 months. As the first Air Force Program Manager for the Joint Theater Trauma System (JTTS), Lieutenant Colonel De Jong used her research and leadership expertise to manage data from 15 separate locations for 9,000 battlefield casualties, author clinical practice guidelines, launch a new electronic joint trauma registry, improve trauma documentation and the electronic medical record, direct process improvement initiatives, educate clinicians, and promote in-theater research, pioneering contributions that transformed care on the battlefield. Clinical focus areas included administration of recombinant coagulation factors, fresh frozen plasma, and fresh whole blood; resuscitation of patients with severe burns; assessment for traumatic brain injury; use of tourniquets and HemCon bandages; and prevention of hypothermia and ventilator-associated pneumonia. Of particular importance, Lieutenant Colonel De Jong authored an intratheater air transport guideline that improved safe MEDEVAC transport of critically injured casualties. Finally, she helped infuse JTTS priorities into a North Atlantic Treaty Organization led hospital in Kandahar Airfield, Afghanistan. Collectively, these activities have saved lives and limbs and improved trauma care throughout the joint combat theater of operations.

Air Force Nurse Researchers are also on the cutting edge of putting research into practice on the battlefield. In collaboration with colleagues from the Army, Navy and civilian professional nursing community, Colonel (Select) Elizabeth Bridges, U.S. Air Force Reserve Nurse Corps, IMA Director at the Clinical Investigations Facility at Travis Air Force Base, California has developed a Battlefield and Disaster Nursing Pocket Guide. This guide was funded by a grant from the TSNRP Resource Center. In the coming months, this guide will be shared with the Department of Veterans Affairs and Public Health Service colleagues. It is a goal of the services to provide a copy of this guide to all military nurses and enlisted personnel who deploy in support of the war.

We are making incredible progress with our Center for Sustainment of Trauma and Readiness Skills (CSTARS). One of our 3 teaching affiliations is with the University of Cincinnati College of Medicine. This University is a tertiary referral center for a three-state region and is a verified level I trauma center. It is a 495-licensed bed facility holding 90 adult critical care beds, 51 of which are surgical. In 2007, the University trauma registry volume was 2,464 patients, with an average injury severity score (ISS) of 15.73 percent. This ISS is a measure of acuity and is used as a standard in all trauma centers. The ISS is to ensure our personnel are training to the level of care they would be providing during a deployment. The course provides 92 continuing education contact hours in just 11 training days. This consists of 30 hours of lecture material, 5 hours of lab, 48 hours of clinical time, 8 hours of simulator time, and 22 hours in flight operations. In addition to the Cincinnati site, we have CSTARS located in Baltimore, Maryland and St. Louis, Missouri. The CSTARS program is open to Active Air Force, ANG, AFRC, Navy, Army, and Department of Defense medical employees. In fiscal year 2007, the CSTARS program graduated 685, a 10 percent increase from fiscal year 2006 (614), and we are actively engaged in increasing that percentage in fiscal year 2008.

Recently, I had the opportunity to visit our medical readiness training center located at Sheppard Air Force Base, Texas. This site provides primary deployment preparation for over 5,000 students annually. Approximately 3,400 enlisted personnel receive their basic medical readiness training as part of their initial skills curriculum. This provides consistent baseline knowledge for all subsequent deployment preparation training they will receive throughout their Air Force careers. Another 1,600 medics are trained in one of the four advanced courses:

—Contingency Aeromedical Staging Facility (CASF);
—Aeromedical Evacuation Contingency Operations Training (AECOT);
—Expeditionary Medical Support (EMEDS); and
—Medical Readiness Planners Course.

These courses provide training for Air Force Medical Service (AFMS) deployment unit type codes. The CASF, AECOT, and EMEDS courses are 5-day field-condition, scenario-based training platforms that simulate the actual environment medics will live and function in during their deployment. Students attending one of these medical readiness courses are certified deployment ready with AFMS knowledge and skills required to be fully functional upon arrival in theater. The site's 32 instructors cover a total of 12 Air Force Specialty Codes.

During my visit to this incredible training center, I received overwhelming positive feedback from previous deployed airmen attesting to the value of this unique,

realistic training opportunity that now exists and the profound impact it will make on future deployers.

JOINT ENDEAVORS

Air Force nurses have a unique opportunity to participate in a historical Military Health System process directly shaping health care delivery for future generations. On September 14, 2007, it was announced that the Department of Defense (DOD) would establish the Joint Task Force National Capital Region Medical Command (JTF/CAPMED) in Bethesda, Maryland, to oversee healthcare delivery services for the Air Force, Army and Navy. This new medical command is tasked with the responsibility for world-class military healthcare in the NCR, integrating healthcare services across the entire region reporting directly to the Secretary of Defense. This is the first Command of its kind in the history of DOD! The NCR is the most complex area the military has due to the number of military services, medical facilities and patients, many of whom are casualties returning from the war. As America's primary reception site for returning casualties, the number one priority of this new Command is casualty care. This new medical establishment has several senior leadership positions ranging from specialties such as manpower and personnel to clinical operations, plans and policy, and education, training and research. Colonel Sally Glover and Chief Master Sergeant Joey Williams of the 79th Medical Wing are vital members of the JTF/CAPMED J3 nursing cell that is currently chaired by Air Force Nurse Corps Colonel Therese Neely. Partnering with the senior nursing leadership from all the MTFs in the NCR, this group has made tremendous strides in creating a joint nursing platform that will apply not only to the Walter Reed National Military Medical Center but to all the MTFs in the NCR. The perioperative nursing group was the first to integrate adopting national Operating Room Nursing standards across the board. In addition, clinical ladder development, clinical leadership position selection, and clinical performance metrics are being established with a focus towards Magnet Status. Chief Williams' leadership in the enlisted group has been critical to ensure the appropriate scope of practice for our medical technicians in this joint environment. He provides a strong focus on clinical skills sustainment for wartime readiness. Most recently, we announced Colonel Barb Jefts and Major Raymond Nudo to join the Joint Task Force for DOD in the Washington D.C.

We participate in international joint endeavors every day. One example of this occurred at Hickam Air Force Base, Hawaii. Five airmen from the 18th Aeromedical Evacuation Squadron (AES) at Kadena Air Base, Japan, teamed up with 11 members of the Royal Australian Air Force's (RAAF) Health Services Wing in Hawaii. The training focused on how the Air Force utilizes the C–17 Globemaster III for medical evacuations. Wing Commander Sandy Riley (RAAF) stated, "We've got expertise in AE, but not on the C–17. The C–17 was rapidly introduced into the Australian service so this is invaluable training for us to see the expertise of the Pacific Air Forces and the 18th AES." This small investment is likely to yield tremendous results. Bolstering the RAAF's AE capability means one of America's staunchest allies in the Pacific is now equipped with expanded latitude.

The Air National Guard provided five medical groups for humanitarian events throughout the world including Panama, Guatemala, Nicaragua, Bolivia, and El Salvador. State Partnership Programs link the United States with partner countries' defense ministries and other Government agencies for the purpose of improving international relations. Under this program, three medical groups combined efforts with the State Partnership Program to provide humanitarian support to the partner countries. The medical personnel provided assistance in Azerbaijan, Morocco, and Armenia working and exchanging knowledge with each country's counterparts. Recently the 144th Medical Group sent approximately 30 medics to Santa Teresa, Nicaragua for the Medical Readiness Training Exercise (MEDRETE) for New Horizons Nicaragua 2007. This program was a joint military humanitarian and training exercise which provided new medical clinics and schools to rural communities in Nicaragua. Other locations assisted were in Huehuete, Roman Esteban, and Nandaime, Nicaragua. The last exercise took place in Diriamba, Nandaime, and La Conquista. The total number of patients cared for by medics was 7,899. According to the Camp Commander, Lieutenant Colonel Aaron Young, the team "did an outstanding job." He went on to say, "It was a great joint training opportunity to work with our good friends in the Nicaraguan military and the Ministry of Health." At the final day of the MEDRETE, a ceremony was held with the Mayor of Thomas Umana, Nicaragua, Mr. Augustine Chavez. He presented the troops certificates in appreciation of their medical care. Mr. Chavez commented, "I could never repay you for the gift you've provided to our community." This heartfelt expression of gratitude is exactly why we do what we do.

Our Air Force Reserve is doing incredible work as well. In 2007, Air Force Reserve nurses and technicians showed a continued zest in volunteerism as airmen. A total of 144 reserve nurses and 230 medical technicians deployed in support of the Global War on Terrorism which included a combination of nurses specializing in flight nursing, mental health, critical care, emergency care and medical/surgical nursing. The reserve clinical training platforms trained 752 medics in sustainment of critical wartime nursing skills. One of our Reserve nurse deployers, a very experienced obstetrics nurse, Colonel Laura Saucer, participated in a Provincial Reconstruction Team teaching 57 midwives and midwifery students in a rural Afghanistan town. The team commented, "the courage of the students was inspiring." The team reported that female providers in rural areas of Afghanistan are in critical demand, and 16 of every 1,000 women die in childbirth largely due to no access to healthcare. Colonel Saucer described the students as "wonderful." After years of oppression, they are so excited to learn and are like sponges soaking everything up. This is only one story of good will among many from our deployers. Additionally, 133 multi-discipline airmen were key participants in the Air Force International Health Specialist (IHS) Program over the past year. The organization of IHS medical staff journeyed around the world in support of humanitarian missions and exercises to include the countries of Vietnam, Morocco, Guatemala, Belize, El Salvador, Senegal, Oceania, and Sri Lanka. An impressive 34,000+ patients were treated. These small teams of healthcare professionals delivered expert medical care and brought good will to disenfranchised people of the world while building on their own expert skill level. As you can see, our ANG and AFRC are providing world-class care, leadership and mentoring across the globe.

QUALITY CARE

Our Air Force Inspection Agency (AFIA) ensures our patient care is first-rate. AFIA conducted over 62 inspections covering active duty medical treatment facilities, aeromedical evacuation and clinics served by the Air Force Reserve and Air National Guard. Nursing programs were evaluated by the Joint Commission and the Accreditation Association for Ambulatory Health Care. All programs were reviewed to meet compliance with national standards in conjunction with Air Force directives for Air Force MTFs and units in fiscal year 2007. We have engaged with our Chief Nurses and Senior Aerospace Medical Service Technicians to lead the way, ensuring continued world-class medical care is provided to all of our DOD beneficiaries. Overall, our nursing programs did exceptionally well and will continue to do so in years to come with your continued support.

RECRUITING, RETENTION, AND FORCE DEVELOPMENT

Just as with the civilian sector, at the top of our list of concerns is what has become a chronic struggle with increasing nursing requirements and the growing national nursing shortage. Human resources are the single greatest influence on health care. The latest estimates developed by the Bureau of Labor Statistics indicate that the United States will require an additional 587,000 registered nurses (RNs) by 2016 to meet the nursing needs of the country

The Air Force is not immune to these statistics. Over the next 3 fiscal years, 28.6 percent (953) of our nurse inventory will be eligible to retire. Over the last 10 years, 54 percent of the Nurse Corps separated as Captains and 19 percent left as Majors. In fiscal year 2006, 161 nurses retired and 195 separated for a total loss of 356 (10.4 percent total attrition rate). Our loss rate has increased slightly in fiscal year 2007, with a total loss of 404—178 to retirement and 226 to separation (12 percent total attrition rate). Almost half of Nurse Corp officers who have separated have less than 8 years of military service.

In fiscal year 2006, Air Force nurse recruiting was reported at 62 percent of 357 with a slight increase in fiscal year 2007 to 63 percent. Our recruiting services forecast places our risk for nurse recruiting at "high" for fiscal year 2008 and "severe" for fiscal year 2009. We are currently offering an accession bonus to our nurse recruits in exchange for a 4-year commitment; this bonus will increase fiscal year 2009. In addition to our recruiting services, we also bring novice nurses into the Air Force through several programs. Utilizing the Air Force Reserve Officers' Training Corps (AFROTC), Airmen Education & Commissioning Program (AECP), and the Enlisted Commissioning Program (ECP), we brought in 47 nurses in fiscal year 2006 and 61 in fiscal year 2007.

In fiscal year 2009, we plan to support the nurse incentive special pay with $12.5 million. We anticipate that offering the nurse incentive special pay will retain approximately 31 percent (1,000 nurses of 3,262 as of January 11, 2008) of our current inventory for an additional 2 to 4 years beyond their current active duty service

commitment. Additionally, we currently offer incentive special pay to Certified Registered Nurse Anesthetists (CRNAs) at variable rates dependent on active duty service commitment. The annual average for this incentive special pay is approximately $35,000 per CRNA. Air Force Nurse Practitioners receive board certification pay at varying rates that are dependent upon the amount of time served in the specialty. Both the CRNA incentive special pay and the Nurse Practitioner board certified pay will continue to be offered in fiscal year 2009.

In this time of increasing nursing shortages, the need to grow our own has become evident. Since my last testimony, we have launched our Nurse Enlisted Commissioning Program (NECP). NECP is an accelerated program for enlisted airmen to complete a full-time Bachelors of Science in Nursing (BSN) at an accredited university while on active duty. This program will produce students completing their BSN and obtaining their nursing license in just 24 months. Airmen who successfully complete this program will be commissioned as second lieutenants. Our goal is to select 50 candidates per year by fiscal year 2010 for this new commissioning opportunity. On a recent trip to Ramstein Air Base, Germany, I spoke with Staff Sergeant "Rae" Amaya who is stationed at Ramstein with the 86th Aeromedical Evacuation Squadron. She has been serving her country for nine years and expressed her desire of becoming a nurse with this statement, "The vision of getting back to the "True North" (which is bedside nursing) was inspiring, especially since I'm trying to become a nurse. I have been fortunate to be mentored by some very awesome nurses who have made me the technician I am today. When I become a nurse—whenever that might be—I will do my best to remember, pass on and enforce this vision." With the NECP program in full swing, we can make dreams like this come true.

In addition, we have continued robust advanced practice nursing educational programs through the Uniformed Services University in Bethesda, Maryland Graduate School of Nursing, the Air Force Institute of Technology, Civilian Programs and the Army-Baylor Master's Program. This year we anticipate the graduation of 49 advanced practice degrees such as, Family Nurse Practitioners, CRNAs, and PhDs. Enrollment for fiscal year 2008 includes 45 advanced practice nurses. Opportunities such as advanced degrees foster an environment of professional growth and leadership. This further supports retention, recruitment and a bolstered force development.

RECOGNITION

General T. Michael Moseley, our Air Force Chief of Staff, developed the "Portraits in Courage" series to highlight the honor, valor, devotion, and selfless sacrifice of America's airmen. Two of our medical technicians were highlighted this last year, one in each category. The first was Staff Sergeant David Velasquez, a technician from Langley Air Force Base, Virginia. Sergeant Velasquez was one of 13 airmen recognized in the "Portraits in Courage." He volunteered for a 365-day tour to Afghanistan as a medical technician and completed more than 90 convoys and numerous missions with the Provincial Reconstruction Team and Quick Response Forces. His team was fired upon virtually every mission and survived eight serious attacks to their convoys. In one instance, Sergeant Velasquez's convoy was enroute to the U.S. Embassy when it was hit by an improvised explosive device. The vehicle directly in front of his was heavily damaged and two of its passengers were killed. His vehicle's turret gunner fell into the vehicle on fire and suffered severe shrapnel wounds to his left arm. Sergeant Velasquez quickly extinguished the flames, stopped the bleeding, and administered life-saving medical aid. This was just one of his many heroic acts. He was quoted as saying, "I was only doing my job, nothing special." Those who have received life-saving medical attention in the heat of battle from him would argue otherwise.

Six airmen received the new Air Force Combat Action Medal on June 12, 2007. This medal was created to recognize Air Force members who engaged in air or ground combat off base in a combat zone. This includes members who were under direct or hostile fire, or who personally engaged hostile forces with direct and lethal fire. One of those six warriors was Staff Sergeant Daniel L. Paxton, an aeromedical technician school instructor, who was assigned to the 42nd Aeromedical Evacuation Squadron at Pope Air Force Base, North Carolina at the time. He is now assigned as a flight instructor using his critical experiences from March 28, 2003. Sergeant Paxton was part of a mission to establish a series of tactical medical units along the border of Kuwait and Iraq. His convoy came under enemy fire from mortars, rocket-propelled grenades, machine guns and small-arms fire. Without the benefit of intra-vehicle communications, Sergeant Paxton and his team reacted to the ambush and returned fire, successfully defending their assets as they executed a co-

ordinated withdrawal. Under the cover of darkness and using night vision devices, the convoy embarked and the enemy again opened fire. During the next 18 hours, the convoy came under fire five subsequent times and Sergeant Paxton successfully engaged the enemy with return fire, defending himself and the convoy as they progressed on their mission.

In addition, I offer these amazing acts of heroism by our Independent-Duty Medical Technicians (IDMT): Staff Sergeant Jason Weiss smiled as he thought of Holly. It was just a year ago he had asked her to marry him. On December 4th they were to be wed. There was only one problem—he was not going to be there. As an IDMT, from the 36th Rescue Flight out of Fairchild Air Force Base, Washington, he was going out to search for three individuals who had been hiking in the mountains when the weather made a sudden change causing an avalanche. Two of them were swallowed up by the snow and the third hiker sustained a shattered limb and had the onset of hypothermia (body core temperature of 93.5 degrees). Weiss and his team arrived to find a critical situation. "Visibility was so poor that I couldn't see a thing out of my side of the Huey," said Sergeant Weiss. The Huey crew found a hole in the trees and lowered Weiss to the ground, roughly 80 yards from the victim. "When I stepped off the rescue hoist, I sank up to my chest in snow. I then crab-crawled for about 40 yards and was able to walk the last 40 yards in waist deep snow." Sergeant Weiss knew before he left the helicopter that there was no time to waste. Low on fuel, with the weather worsening, Sergeant Weiss raced to the victims and placed the 176-pound man over his shoulders in a fireman's carry, and trudged 40 yards through waist deep snow pushing himself to his limits. He then dragged his patient across the snow like a sled for another 40 yards, finally reaching the extraction point. On his hands and knees, huffing and puffing, with steam rising from his sweaty brow, Weiss's head and shoulders suddenly slumped. He could hear the distinctive whir of the Huey's engines, indicating his crew was leaving them behind to refuel. By this time Sergeant Weiss and the victim were in a full-blown whiteout blizzard, and then suddenly he heard the rhythmic sound of "whop, whop, whop," denoting the Huey was returning for another pass. The crew skillfully placed the forest penetrator (hoist) right next to Weiss. He then secured his patient for the ride up to the Huey, and once inside the helicopter, began treating the 38-year-old man for hypothermia, dehydration and a broken leg. He then went on to spend the next 3 days on alert, but on December 7th, Sergeant Weiss and Holly finally exchanged vows. Holly said admiringly, "He does such amazing things that I have to share him."

During a recent outing on the lake with his family, Senior Master Sergeant Michael Stephenson-Pino, Superintendent of the IDMT Course, witnessed a father and son launched 10–12 feet in the air as the cigar shaped tube they were being pulled on behind the boat buckled. This situation was further complicated with both of them being launched in opposite directions 20 feet apart and disappearing simultaneously under the water. As Sergeant Stephenson-Pino immediately sprang into action swimming towards the victims, the 10-year-old boy surfaced screaming as the father laid motionless face down in the water. Upon reaching the father, Sergeant Stephenson-Pino rolled the victim over onto his back, opened and maintained the airway effectively restoring his breathing. With the unconscious adult in tow, he swam towards the child who was panicked and struggling to stay afloat in a life preserver which was too large for him. Without losing control of the unconscious adult, Sergeant Stephenson-Pino positioned himself behind the child and neutralized him as a drowning hazard. Now finding himself stranded in 30 feet of water and with two near drowning victims in tow, Sergeant Stephenson-Pino started swimming towards shore. After having traveled 30 yards while swimming on his back to the point of near exhaustion with both victims, he succeeded in loading them into the boat and then utilized his 11 years as an IDMT to stabilize their injuries. He put into action what he and his staff teaches our enlisted physician extenders and through his advanced training, a humanitarian effort was instrumental in preventing the loss of life for the father and child.

These are just a few stories of many, reflecting the versatility of our medical technicians and the dynamic energy they bring to every situation.

OUR WAY AHEAD

Nursing is the pivotal health care profession, highly valued for its specialized knowledge, skill and care of improving the health status of the airmen in our charge and ensuring safe, effective, quality care. Our profession honors the diverse population we serve and provides officer, enlisted and civilian leadership and clinical proficiency that creates positive changes in health policy and delivery systems within the Air Force Medical Service. Our 5-year top priority plan includes, first and fore-

most, delivering the highest quality of nursing care while concurrently staging for joint operations today and tomorrow. Secondly, we are striving to develop nursing personnel for joint clinical operations and leadership during deployment and in-garrison, while structuring and positioning the Total Nursing Force with the right specialty mix to meet the requirements. Last, but not least, we aim to place priority emphasis on collaborative and professional bedside nursing care.

Mr. Chairman and distinguished members of the Committee, it is an honor to be here with you and to represent a dedicated, strong Total Nursing Force of nearly 18,000 men and women. United we will Win Today's Fight, provide world-class care for our airmen, and Prepare for Tomorrow's Challenges.

Senator INOUYE. As one who has served in the military, over 2 years in hospitals, I'm especially grateful to nurses. Without them, I don't suppose I would be sitting here.

But because of time constraints, I have many questions on recruiting and retention, also questions on incentive pay and bonuses. Also questions on the school of nursing, because I've been told there's some opposition to the establishment of that program, and others. But I will be submitting them to you, if I may, for your response.

And with that, may I recognize Senator Stevens.

Senator STEVENS. Mr. Chairman, I, too will submit my questions. I'm delighted to see you all here, and you do bring back memories for both of us from our days in the service.

So, thank you all for what you do.

Senator INOUYE. And, our special angel.

Senator MIKULSKI. Please, Mr. Chairman, I'll never live this down.

I just don't want the voters ever to clip my wings.

I just really have one question, but a comment. First of all, again, General Pollock, we want to, again, express our gratitude, the way you stepped in, at the request of Secretary Gates, during a very troubled time in military medicine. And we're so pleased to hear that you're heading up the human capital effort. Because it goes to physicians, nurses, social workers, other allied health—I'm sure you and General Schoomaker and others could talk about the need for x-ray technicians, and so on, so we look forward to that.

I found the testimony of all three of you so poignant, and the case examples that you gave, you know, were pretty powerful. And I would hope that my colleagues, as well as our staff, read them.

RECRUITING AND RETENTION

My question—and I've heard the list, now, of programs, and we've talked about this—in a nutshell, what more can we do to crack the nursing retention and recruitment? But the first one is, retain those that we've got and have them as part of the leadership team, and then—what more can we do, what creative ideas, or do I wait for yet one more report?

And just know, Senator Byrd has us at noon, as much as our regrets are with the time.

Admiral BRUZEK-KOHLER. I think we are finding that the incentive plans that we have put in place over the past years have been extremely successful for accessions and the loan repayment for retention has been dramatic. As we are seeing with the incentive specialty pay, that too may have dramatic effects.

Our nurses need to be competitively rewarded financially, as well as through improvements in the quality of life and through educational programs that we offer. We will continue to pursue these kinds of packages through the proper channels.

Senator MIKULSKI. So, can I say in a nutshell that, number one, stay the course in what we've done. That, in other words, we have some great ideas now, we don't need new ideas, what we need to do is stay the course, and don't fiscally wimp out on what we have underway, would that—and that would also go for retention, and also recruitment. Would that be number one? Make sure we stay the course?

Admiral BRUZEK-KOHLER. Yes, ma'am.

Senator MIKULSKI. The second thing is, and this would be another conversation. I believe that one of our ways to promote—first of all, the whole idea, for those who already know the military, to stay and also those to move up—do you feel that this Troops to Nurses, as well as perhaps, getting additional training in an accelerated way with the LPNs would help us crack the code that—because they know, they're in the military. They've served in the military. And for those who are ready to sign up for the culture of the military, as well as the challenges of the military, they would know what they were getting into. In a good way.

General RANK. I'd like to take first crack at responding to that.

I have been supportive of Troops to Nurse Teachers (TNT), and I've been supportive of it because of our retiring nurses, who are at that 20-year juncture, and there is as part of the pick list in TNT that they would go out on a scholarship program, and be able to get their next advanced academic degree and teach on faculty. That is extraordinary and I know we have retiring and retired nurses who are waiting for TNT.

You would be surprised to learn that there are over 855 nurses with time in service of greater than 15 years that never took the Montgomery G.I. bill.

Senator MIKULSKI. And I believe that was something that General Pollock had discussed with us—that you use the nurses who are about to retire to essentially teach the other nurses, which in and of themselves would be role models, mentors, et cetera, to recruit and be a magnet for military medicine. Is that——

General RANK. Ma'am, that is my perspective, and that may differ from my sister service corps chiefs, and I would also like to add to the second portion of your question, where Uniformed Services University of the Health Services (USUHS) is concerned, I believe it is time for the Air Force Nurse Corps, and hopefully our sister services, to offer a Bachelor of Science in Nursing (BSN) program to those that have an associates and diploma degree.

I am a diploma nurse and went out for my own bachelor's working at Baltimore City Hospital. We need this program to open the aperture, and allow an associates degree, and diploma nurses to come to USUHS, get their bachelor's and then assess them as a bachelor's, with a commitment of time out there.

They're out there. They want to join our services.

Senator MIKULSKI. Well, perhaps, then, Mr. Chairman and Senator Stevens, we can follow up on this. What essentially our head

of the Nurse Corps are talking about is that if you have a 3-year program——

General RANK. Two or three, ma'am.

Senator MIKULSKI. Or you've been to a community college——

General RANK. Yes, ma'am.

Senator MIKULSKI. You need to move up to a bachelor's level. There is wide experience in civil nursing programs in an accelerated way. Perhaps we could talk now about USUHS, you know, it's in my State, we're very familiar with it. But this could be one of the tools we could use, and work on.

I have other questions, but again, I'll submit them for the record. Thank you.

General POLLOCK. And I know we'll look forward to providing written responses, or coming down to meet with any of your staffs on your questions.

Thank you very much.

Senator INOUYE. I asked the doctors the question as to whether personnel under their command felt appreciated. Well, I want you to know that in the Army infantry, the person we admire the most and adore the most is the medic. He's the one who keeps us going and live.

ADDITIONAL COMMITTEE QUESTIONS

But unfortunately, the way they give out medals, they give it out for courage, and shooting ability and all of that nonsense. And as a result, nurses and doctors and medics don't get recognized. I hope you will take it upon yourselves to give recognition to the men and women in your command. Because they need a little boost.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL ERIC B. SCHOOMAKER

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

RECRUITING FOR SPECIALISTS

*Question.* General Schoomaker, the Army continues to have critical shortages in areas like family practice physicians, preventative medicine, emergency medicine, and dentists. These specialists are not only critical for our GWOT efforts, but make an enormous difference to the families of our service members. How is the Army addressing these shortfalls in recruiting and retention?

Answer. We continue to explore ways to provide significant incentives to recruit and retain our health care providers. We are currently working with Army leadership to develop the appropriate implementation guidance for the Critical Wartime Skills Accession Bonus for Medical and Dental officers. This bonus will enable us to offer new appointees a significant monetary incentive in exchange for an Active Duty Service Obligation. We are confident that this bonus will bring positive gains to our recruiting efforts. Additionally, we are aggressively utilizing the Health Professions Loan Repayment Program to attract those individuals who have incurred a debt while undergoing training. Finally, we are evaluating the proposed fiscal year 2009 special pay rates and considering potential increases in special pay for certain specialties.

Equally important, the Army continues to explore ways to improve quality of life for our health care providers. As an example, we recently expanded our 180-day provider deployment policy, extending this popular policy to a broader range of health care professionals. This policy reduces the length of deployment for providers, minimizing clinical skill degradation and eliminating the deployment length disparity

that existed between medical personnel of the Army and the other Services, resulting in improved morale and quality of life for our providers and their Families.

RECRUITING

*Question.* General Schoomaker, the Army recently restructured its recruiting command, forming a special brigade tasked to provide for the five medical recruiting battalions. Do you feel that the restructuring of the recruiting command is helping to improve recruiting efforts within the medical field?

Answer. MG Bostick's decision to stand up and resource the Medical Recruiting Brigade has proven to be one of the most significant administrative decisions to benefit medical recruiting in the past decade. I fully support his decision and will continue to assist in ensuring its success is sustained.

Establishment of the Brigade has enhanced medical recruiting by strengthening ownership of the recruiting mission and triggering positive changes in business practices. This new level of mission ownership is characterized by a direct chain of command and a one focus-one voice strategy for health care recruiting. MG Bostick's decision to supplement the recruiting force with 50 direct military overhires has also enhanced the recruiting force, providing more individuals focused on the mission.

The recruiting effort this year continues to improve over the same period last fiscal year. The Medical Recruiting Brigade is currently 461 contracts ahead in comparison to the same time period last fiscal year (249 in Regular Army and 212 in Reserves). For the past four years, recruiting for the Army Reserve Veterinary Corps has fallen short; however, we are postured to exceed the Veterinary Corps mission at an earlier point than any previous fiscal year this decade. The Army Nurse Corps continues to have sustained success in comparison to last fiscal year (ahead 74 Regular Army contracts and 145 Army Reserve contracts). The Brigade is ahead by 84 Medical Corps Health Professions Scholarship Program (HPSP) scholarships and 11 Dental Corps HPSP scholarships compared to this time last year.

SCHOLARSHIPS

*Question.* General Schoomaker, I am always told that the Health Professions Scholarship Program is one of the military's most valuable recruiting tools for health care professionals. However, I am told that the number of applicants per scholarship has substantially dropped over the years. To what do you believe this is attributed to and how can it be improved upon?

Answer. I believe that the drop in the number of applicants is a result of multiple influences. Obviously, the current Global War on Terrorism, coupled with the operational tempo associated with it, has had an effect. The availability of funding for school from other sources has had an impact also.

There have been a number of actions taken which seem to be helping in turning around the downward trend. In the past several years we have increased the monthly stipend we pay the student; it is currently at $1,605, and will increase on July 1, 2008 to $1,906. The authority provided in the National Defense Authorization Act of Fiscal Year 2008 to offer up to a $20,000 bonus to Health Professions Scholarship Program (HPSP) students will also be helpful. The current use of the Critical Skills Accession Bonus in this dollar amount has proven to be very effective, and has enabled us to increase the number of students we have recruited into the program this fiscal year. Continued support and funding for this program are extremely critical.

WARRIOR TRANSITION UNITS (WTUS)

*Question.* General Schoomaker, it is our understanding that the WTUs are almost serving at full capacity. What are some of the solutions you're looking at to ensure that the WTUs are fully equipped and staffed to address our soldiers' needs in the future?

Answer. Achieving the optimal staff-to-patient ratios for the Warrior Transition Units (WTUs) has been a challenge for the Army Medical Department (AMEDD). Army-wide manpower challenges affect our aggressive measures to staff some of the key positions at many of our WTU locations. Despite the challenges, however, we are making strides toward achieving full capacity. As the WTUs have achieved full capacity, we are reducing the level of borrowed military manpower.

The Medical Command is working closely with the Army Human Resources Command and civilian personnel to attract the very best Soldiers and civilians to staff the WTUs. The Medical Command and its subordinate commands are also utilizing multiple recruitment and relocation incentives to staff difficult-to-fill positions. We offer civilians recruitment incentives of up to 25 percent of their basic pay. We also offer a relocation incentive up to 25 percent of the basic pay to current employees

willing to relocate to fill critically short positions. Given the critical importance of attracting the very best Soldiers to fill the squad leader's positions in the WTUs, the Army recently approved special duty pay.

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## QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

### WALTER REED ARMY MEDICAL CENTER

*Question.* (a) The Dole/Shalala report recommended that the Army ensure top quality care at Walter Reed Army Medical Center up till the day it closed. Approximately 1 in 5 wounded soldiers go to Walter Reed. What is the Army doing to ensure continued high quality care at Walter Reed?

(b) What is the Army's plan to maintain civilian medical, administrative and maintenance staff until the last day?

(c) How will the Army maintain staff who cannot count on being reassigned to another DOD facility but are critical to ensuring high quality care?

Answer. (a) Over the past year, Walter Reed staff has very carefully and honestly reviewed every aspect of health care delivery. Where there was room for improvement, the staff quickly developed corrective action and programs to set a new standard for care, compassion and healing. The entire team was very proud last year when, at the height of the controversy generated by media coverage of outpatient problems, Walter Reed was inspected by the Joint Commission and fully accredited for health care delivery. With the core practices intact and validated, they set out to improve other support services that can make a huge difference in the hospital experience of their patients.

Walter Reed initiated action to improve housekeeping, hospitality, and responsiveness to all types of patient comments and issues. They improved in nutrition care, with room service meals and healthier menu choices. They enhanced the handoff with Warriors coming out of Theater by reaching forward with an air evacuation cell here to coordinate movement and receipt of patients. Walter Reed staff designed and purchased and will soon accept delivery of three vastly improved patient evacuation vehicles for transporting patients from Andrews Air Force Base to Walter Reed.

Walter Reed tightened up discharge planning, and the handoff from the ward to the Warrior Transition Brigade. They improved facilities for Warriors and their Families across the Walter Reed campus. To improve the coordination and tracking of Warrior in Transition care, the Walter Reed team developed the Military Medical Tracking System (MMTS). The MMTS automates data pulls from several existing computer systems and securely presents that data to case managers and other health care team members. This homegrown system has enabled them to more closely monitor and coordinate the Warrior healing process and is now set for deployment across the Army Medical Department. They also installed wireless connectivity throughout Heaton Pavilion and will begin deployment early next month of over 1,100 Tablet PCs to enhance provider-patient interaction throughout the medical center.

Recent accreditation site visits by the Accreditation Council of Graduate Medical Education (ACGME) resulted in 5 year accreditation cycle awards to several Walter Reed programs. Resident and fellowship training programs in Neurology, Physical Medicine and Rehabilitation, General Surgery, National Naval Medical Center Internal Medicine, and the internal medicine subspecialties of Gastroenterology, Hematology/Oncology, and Endocrinology have all received the maximum accreditation cycle of 5 years. In addition, Walter Reed and the National Capitol Consortium have an unprecedented 5 physicians on the national Residency Review Committees of ACGME.

Finally, Walter Reed was recognized at the Military Health System Conference for Excellence in Customer Service for 2007, outpacing all other large medical centers in the Continental United States. Walter Reed's current patient satisfaction is above 90 percent according to the Army Provider Level Satisfaction Survey (APLSS).

(b) As a result of Walter Reed Army Medical Center being identified on the Base Realignment and Closure (BRAC) list and given the direction by the Deputy Secretary of Defense in August 2007, the Army has improved its plan to maintain civilian medical, administrative, and maintenance staff until closure. The Army is using all existing authorities to recruit and retain civilian employees. A majority of the authorities have been used in the past successfully, as was a robust incentive awards program directed at the civilian workforce. In order to ensure that management had full knowledge of the available incentives, the Army Medical Command

developed and delivered a comprehensive supervisor training module on the use of the incentives. The Commander will develop a sound business case to seek additional funding to support a more robust implementation plan for the use of the incentives. A foundation for the business case will come from an employee survey that was distributed in mid-April. The survey asked the Walter Reed employees what incentive(s) would cause them to stay through the BRAC period. To date, nearly 2,000 surveys were completed and returned, nearly an 80 percent response rate. The Command is in the process of analyzing that data.

In mid-December, the Walter Reed Army Medical Center and Garrison leadership conducted a comprehensive review of their manpower authorizations and requirements. The review demonstrated the broad scope of Walter Reed's mission. The review also revealed the identification of new and expanded missions, which are in direct correlation with the needs and requirements of the Warrior in Transition Brigade located on the Walter Reed campus. These new missions emerged since the installation was listed as a BRAC activity. The Walter Reed Army Medical Center Commander started more than one year ago to recruit and fill positions associated with these new and expanded missions; however, additional resources are required. The manpower study that is now underway will validate critical human resource requirements and this will allow Walter Reed to increase the recruitment targets to fill these vital positions.

Recruiting new employees and retaining current workforce are top priorities for the Walter Reed Commander. A robust marketing effort, in combination with a strategic recruitment plan, will ensure a dynamic, targeted and focused recruitment effort is maintained. The recruitment plan is continually reviewed and revised as needed to meet the changing recruitment needs that directly support the new and expanded missions of the Walter Reed Army Medical Center.

(c) In August 2007, the Deputy Secretary of Defense directed that the employees at Walter Reed Army Medical Center receive an incentive entitled the Guaranteed Placement Program. The employees will be guaranteed a position at either the new Walter Reed National Military Medical Center or the new DeWitt Army Community Hospital at Fort Belvoir. The Army is coordinating with the Joint Task Force Capital Medicine on the provisions and details of this program. The Commander will brief the Walter Reed civilian workforce on the details as soon as guidelines are finalized.

The Commander will request funding for incentives and personnel overhires through fiscal year 2011. The Army is currently working with the Senior Oversight Committee program on the fiscal year 2010–15 Program Objective Memorandum (POM) submission for civilian medical health authorities and incentives. The Walter Reed civilian employee retention survey is the primary vehicle to obtain specific information regarding the incentives that will cause the workforce to remain until closure. The Commander intends to follow up in about six months with another survey focused on the issues of job satisfaction and communications within the organization.

The Walter Reed commander is aggressively pursuing efforts to ensure current and future Walter Reed employees are retained through the BRAC. On March 14th, the Commander hosted three very well attended and successful Town Hall meetings, which is a component of her "Care of People Plan." This plan reflects a comprehensive approach to the issue of employee retention. A key component of the plan is a very robust communications plan that ensures the flow of information to the workforce. Town Hall meetings, an up-to-date website, the Commander's BLOG and the employee survey are just a few examples of the Commander's efforts to ensure information flow to and from the workforce. The Commander has also hired a communications consultant to ensure that all possible lines of communication are open and functioning at all times and that directed attention is given to the issue of communicating with the workforce through this time of uncertainty.

WOUNDED SOLDIERS' FAMILIES

*Question.* (a) The Dole/Shalala report recommended enhancing care for the families of wounded soldiers throughout the soldier's recovery process. It noted that family members are vital parts of the patient's recovery team. What has the Army done to enhance care for family members of wounded soldiers?

(b) Who on a soldier's care team is primarily responsible for helping families? What training have they received?

(c) What has DOD done to leverage the help the private sector can provide?

Answer. (a) The Army Medical Action Plan (AMAP) represents a total transformation of the way the Army cares for wounded, ill, and injured Soldiers (Warriors in Transition) and their family members. Basic to this transformation is the

recognition that an integral part of caring for the Soldier is the need to also care for and support the Soldier's family. As part of the execution of the AMAP, the Army has established Soldier Family Assistance Centers at installations with Warrior Transition Units to provide both Warriors in Transition and their Families a "one-stop shop" for many services, including: Military personnel processing assistance; Child care and school transition services; Education services; Transition and employment assistance; Legal assistance; Financial counseling; Stress management and Exceptional Family Member support; Substance abuse information and referral; Installation access and vehicle registration; Management of donations made on behalf of Service Members; Coordination of federal, state, and local services; Pastoral care; Coordination for translator services; Renewal and issuance of identification cards; and Lodging assistance.

The AMAP also established a "Triad of Care" concept to manage the care and support of each Warrior in Transition and his or her family. For Soldiers undergoing a Medical Evaluation Board or Physical Evaluation Board proceeding, dedicated physicians, Physical Evaluation Board Liaison Officers, and Legal Counselors are available to help Soldiers and Families navigate the process. Additionally, Ombudsmen are available at Warrior Transition Units to provide Soldiers and Families an individual advocate to assist in resolving concerns.

(b) Under the "Triad of Care" concept, a physician who functions as the Primary Care Manager, a Nurse Case Manager, and a Squad Leader work together to manage the care and support needs of each Soldier and his or her family. These three individuals, like all Warrior Transition Unit staff, complete a tailored training course which prepares them to deal with the issues and concerns of Warriors in Transition and their Families. This training ranges from understanding how to identify behavioral health needs of Warriors in Transition to assisting with transportation and other needs. Additionally, Medical Evaluation Board physicians, Behavioral Health professionals, Physical Evaluation Board Liaison Officers, Legal Counselors, and Ombudsmen receive targeted training to enable them to effectively care for Warriors in Transition and their Families as an integral unit.

(c) As part of the development of the Army Medical Action Plan (AMAP), as well as with the development of performance standards for all Warrior Transition Unit staff, best practices were incorporated from a variety of disciplines, including private practitioners and accreditation bodies. The Comprehensive Care Plan developed by the multi-disciplinary team caring for each Warrior in Transition for the purpose of providing a holistic approach to recovery, rehabilitation, and reintegration was developed in collaboration with the National Rehabilitation Hospital to leverage industry expertise in order that the integral unit of Warriors in Transition and their Families benefit from the most up-to-date approaches possible.

COMPREHENSIVE RECOVERY PLAN

*Question.* (a) Dole /Shalala recommends that every wounded soldier receive a comprehensive recovery plans to coordinate recovery of the whole soldier, including all: Medical care and Rehabilitation, Education and Employment Training, Disability Benefits Managed by a single highly-skilled recovery coordinator so no one gets "lost in the system. Do all patients get a comprehensive recovery plan?

(b) What steps have you taken to train and hire skilled recovery coordinators?

(c) Do soldiers have the single coordinator to provide continuity? What training do recovery coordinators receive?

(d) Are they trained as soldiers, or as case managers?

Answer. (a) Warriors in Transition assigned to Warrior Transition Units have received dedicated planning and management of their care by the care Triad of Primary Care Manager, Nurse Case Manager, and Squad Leader. Warriors in Transition assigned to Warrior Transition Units since March 1, 2008 have further benefited from the development of Comprehensive Care Plans (CCPs). The CCP represents a holistic approach to managing care that addresses physical, mental, spiritual, and emotional healing and provides an integrated approach to recuperation.

(b) The Army Medical Action Plan (AMAP) established the Triad of Care concept for managing care which assigns each Warrior in Transition to a team comprised of a physician who functions as each assigned Soldier's Primary Care Manager, a Nurse Case Manager, and a Squad Leader. Nurse Case Managers are experienced Registered Nurses assigned to manage the care of 18 to 36 Warriors in Transition, depending on the complexity of care required. As with all Warrior Transition Unit staff, these Nurse Case Managers receive specific training in care management.

(c) The Care Triad manages the care of assigned Warriors in Transition throughout their recovery, rehabilitation, and reintegration either back to duty or prepared to be productive civilians. This approach ensures maximum familiarity by the mem-

bers of the Triad with each Warrior in Transition for which they are responsible. In the event Warriors in Transition must transfer to a different Warrior Transition Unit to continue their recovery, the Triad at the losing Warrior Transition Unit coordinates the transfer with the Triad receiving the Soldier at the new location to ensure a smooth transition.

(d) Each member of the Triad receives specific training in the care needs of Warriors in Transition and the processes in place at Warrior Transition Units for accomplishing this care. Specific certification training is provided to all Warrior Transition Unit staff to ensure a common understanding within and between Warrior Transition Units in how to care for Warriors in Transition. The Nurse Case Manager members of the Triad are Registered Nurses with considerable experience in developing and executing care plans. Their mission is to ensure that the care and support Warriors in Transition receive is carried out in the most effective manner possible. This mission both relies on professional training and experience as well as knowledge of the military and how to manage Soldiers.

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## QUESTIONS SUBMITTED BY SENATOR TED STEVENS

### GROW-THE-ARMY

*Question.* The Army is accelerating their Grow-the-Army initiative, and hopes to reach their goal of 547,400 personnel as soon as possible. Is the Army medical community also growing in personnel to address the increased need for combat medics? Do you have the resources to support this growth?

Answer. Each Brigade Combat Team (BCT) includes approximately 250 medical personnel, approximately 200 of which are enlisted health care specialists. With the acceleration of the "Grow-the-Army" initiative and the increase in BCTs, medical structure in the Operational Army will increase. In addition, the "Grow-the-Army" also includes increases in Army medical manpower in the Institutional Army.

In the absence of significant retention incentives, it will take several years to fully man these additional spaces. Our request for additional military medical manpower to support "Grow-the-Army" requirements is still being assessed within Headquarters Department of the Army. Depending on the results of this assessment, additional accession and retention incentives may be required to support this growth. These incentives would need to be developed in coordination with our Sister Services using the authorities provided to the Office of the Secretary of Defense in the fiscal year 2008 National Defense Authorization Act with regard to restructuring Medical Special Pays.

### BRAC DEADLINE

*Question.* The Navy has announced an award for the design-build of the new Walter Reed National Military Medical Center at Bethesda. Do you believe this project is still on track to be completed by the BRAC deadline of 2011?

Answer. The Naval Facilities Engineering Command (NAVFAC) announced on March 3, 2008 the award of a design and construction contract required to establish the new Walter Reed National Military Medical Center (WRNMMC), Bethesda, MD. The construction contract was awarded to Clark/Balfour Beatty, Joint Venture in the amount of $641.4 million. The environmental planning process guided by the National Environmental Policy Act is still ongoing and the final issue of the Record of Decision is pending for May 2008.

The design and construction phases for the new WRNMMC, Bethesda have been closely coordinated between NAVFAC, TRICARE Management Activity and the Joint Task Force, Capital Medical and appears to be on track for completion by September 2011 pending any unforeseen complications. The design build contract allows for the greatest flexibility as we move forward with this project.

*Question.* What challenges still need to be addressed in completing the build out of this facility by the BRAC deadline?

Answer. The design, construction, and transition into the new Walter Reed National Military Medical Center, Bethesda poses many challenges. The Environmental Impact Study and subsequent signing of the Record of Decision must be completed on time. Delays in either of these areas will push back the construction schedule.

The design phase of the new Walter Reed National Military Medical Center is an iterative process requiring ongoing adjustments to the blue prints to ensure the functionality of all clinical areas moving from Walter Reed to the new Walter Reed National Military Medical Center. We must ensure that adequate space has been

provided to meet the mission and deliver world-class care to all beneficiaries entrusted to our care.

Walter Reed's Centers of Excellence must be included in the new Walter Reed National Military Medical Center. These world-class research, teaching, and clinical centers must maintain the same capability and capacity in their new facilities.

MEDICAL CENTER REALIGNMENT

*Question.* Are there Service specific concerns or issues with regards to this realignment that you are working through with your Navy counterpart? What are they?

Answer. The Army and the Navy have separate organizational structures for Walter Reed Army Medical Center (WRAMC) and the National Naval Medical Center (NNMC). Each command contributed to the design of a common organizational structure for the new Walter Reed National Military Medical Center. The newly created organizational structure combines the best of both WRAMC and NNMC and will greatly facilitate the integration of clinical, clinical support and administrative processes.

The Army and Navy have strong health profession education programs. Most of Walter Reed's and National Naval Medical Center's Graduate Medical Education (GME) programs have functioned as fully integrated joint programs since 1997, under the National Capital Consortium. We have worked together to continue to integrate the three remaining GME programs (Transitional Internship, Internal Medicine Residency, and General Surgery Residency programs). Some health profession education programs are unique to the Army (e.g., Licensed Practical Nurse training for medics). We are concerned about the future of these programs in the National Capital Region after realignment.

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QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER S. BOND

BEHAVIORAL HEALTH SPECIALISTS SHORTAGES

*Question.* Thank you for appearing here today. I'd like to start by commending all the services for their selfless service on the front lines of the War on Terror. Our Military, young men and women, young Soldiers, Marines, Sailors and Airmen have performed admirably on an asymmetric battlefield and against an irregular enemy. Thank you.

We are obligated to provide the best support available to our service men and women. Many in our Active and Guard ranks are deploying to Iraq and Afghanistan for the 3rd and 4th times. An increasing number of military personnel are returning from combat duty with varying degrees of Post Traumatic Stress Disorder (PTSD). There is also an alarming spike in military suicide rates. It is clear that there is a relationship between suicide rates and PTSD. We must make sure that our men and women have access to the care they deserve when they return from combat. My staff has been investigating the status of behavioral health care throughout the military and has consistently found that behavioral health care assets remain in short supply. Of those specialists, few have experience working with soldiers returning from combat deployments. I'm also told that the military has had a challenging time trying to convince prospective specialists to relocate to a relatively desolate outpost. Twenty Nine Palms is a great example. If given a choice between working at a military base near an urban area with attractive living conditions, and a base off the beaten path, I believe a potential employee would choose the more lucrative living area 90 percent of the time.

What are you doing to alleviate the shortage?

Answer. The Army Medical Command (MEDCOM) is diligently working to fill 266 new behavioral health positions identified in the continental United States, and has currently filled 168 of those positions for a 63 percent fill rate. MEDCOM will also fill 64 new behavioral health positions in Europe and 8 behavioral health positions in Korea.

The military is competing in a market that suffers from a shortage of qualified mental health professionals. Additional incentives specific to behavioral health providers are needed to recruit and retain these professionals in the Army. Currently, Licensed Clinical Psychologists are offered the Critical Skills Retention Bonus (CSRB) at a rate of $13,000 per year for 2 years or $25,000 per year for 3 years. The Health Professions Loan Repayment Program (HPLRP) is available for the accessions of 5 Clinical Psychologists and the retention of 20 Clinical Psychologists per year at the rate of $38,000 per year. The Health Professions Scholarship Program is available to students pursuing a doctorate in Clinical Psychology in exchange for

an active duty service obligation. Social Workers in the grade of Captain are offered the Army CSRB at the rate of $25,000 per year for a 3-year active duty service obligation. The HPLRP is available for the accessions of 5 Social Workers and the retention of 20 Social Workers per year at the rate of $38,437 per year. A Masters of Social Work program has been established at the U.S. Army Medical Department Center & School in affiliation with Fayetteville State University. The program will accommodate up to 25 students per year starting in Academic Year 2008. Psychiatric Nurses and Psychiatric Nurse Practitioners are authorized to receive Registered Nurse Incentive Special Pay (RNISP) at a rate of $5,000 per year for 1 year, $10,000 per year for 2 years, $15,000 per year for 3 years and $20,000 per year for 4 years. The Uniformed Services University of Health Sciences has introduced a new Adult Psychiatric Mental Health Nurse Practitioner (PMH–NP) program. The PHM–NP program is a 24-month, full-time program beginning in Academic Year 2008; Army allocations are to be determined. Psychiatrists who execute a multi-year special pay contract (extending their active duty service obligation) are paid at the rates of $17,000 per year for a 2-year contract, $25,000 per year for a 3-year contract and $33,000 per year for a 4-year contract. The Critical Wartime Skills Accession Bonus is approved and programmed for future use as a lump sum bonus of $175,000 for 10 Psychiatrists in return for a 4-year active duty service obligation.

BEHAVIORAL HEALTH RESOURCES

*Question.* Thank you. To follow up, I'd ask Army leaders to consider a proposal to allow active duty forces to access the behavioral health care resources available at the nation's Vet Centers. These facilities provide care for PTSD and are manned by veterans and specialists familiar with the needs of veterans and our active duty forces. It seems a tremendous waste in resources to limit eligibility to our Vet Centers to veterans only if there are soldiers who require care but have limited or no assets available to them.

Would you support legislation that allowed active duty forces access to behavioral health resources at the nation's Vet Centers?

Answer. Any proposal that increases a Soldier's ability to access needed care is always welcomed, and we believe this may be a useful option over time.

EYE TRAUMA

*Question.* Switching gears, I'd like to talk about the Centers of Excellence recently developed by the Department of Defense. Congress, in the Wounded Warrior section of the NDAA enacted January 2008, included three military centers of excellence, for TBI, PTSD, and Eye Trauma Center of Excellence. The two Defense Centers of Excellence for TBI and Mental Health PTSD are funded, have a new director and are being staffed with 127 positions, and are going to be placed at Bethesda with ground breaking in June for new Intrepid building for the two centers. I'm sure you are aware that there have been approximately 1,400 combat eye wounded evacuated from OIF and OEF.

Does DOD Health Services Command have current funding support and adequate staffing planned for the new Military Eye Trauma Center of Excellence and Eye Trauma Registry? If not, when can the committee expect to be provided specific details on implementation?

Answer. The Assistant Secretary of Defense for Health Affairs recently directed the Army to take the lead in the joint effort to develop an implementation plan for a Center of Excellence in Prevention, Diagnosis, Mitigation, Treatment, and Rehabilitation of Military Eye Injuries. Currently, no funds are dedicated to the Center of Excellence or the Eye Trauma Registry. The Department of Defense Health Affairs Steering Committee for this Center of Excellence is still finalizing the concept, staffing requirements, central office location, agenda, and timeline. Specific details on implementation should be available by the end of the third quarter, fiscal year 2008.

JOINT MILITARY HEALTH SYSTEM

*Question.* There has been a lot of discussion in recent years about making military medicine more joint. Do you believe changes in the governance of the Military Health System are needed to make military medicine more effective and efficient?

Answer. Absolutely. Our experiences in Operations Iraqi Freedom and Enduring Freedom highlight the necessity for jointness, coalition partnerships, and an appropriate mix of active and reserve component personnel. A Unified Medical Command has the potential to improve delivery of military medical support across the full spectrum of conflict, from combat operations to peacetime family member health care.

The Army Medical Department has looked hard at governance of the Military Health System (MHS) and developed a proposal for a Unified Medical Command that we believe provides the following advantages: a more effective and efficient governance; improved delivery of health care to the beneficiary population; efficiencies gained through elimination of Service stovepipes; a single accounting system; and a single point of accountability. It also ensures the Service medical departments retain their individuality where appropriate, as there are some differences in mission and skill sets that do need to remain.

However the governance ultimately evolves, it is important that it maintains a military command and control structure and that the chain of command be streamlined to maximize responsiveness and optimize outcomes. The recent activation of the Joint Task Force National Capital Region is an opportunity to help inform our efforts and shape the future transformation of MHS governance.

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## QUESTIONS SUBMITTED TO MAJOR GENERAL GALE S. POLLOCK

## QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

### SPECIALTY PAY FOR NURSES

*Question.* General Pollock, the Army initiated a specialty pay (IPS) to retain highly skilled, certified nurses. However, only 50 percent of nurses eligible for the bonus have accepted. Is this due to a difficulty in communicating incentives, or is it just another strong sign at the difficulty to retain Army nurses?

Answer. Since last reported, the Army Nurse Corps is pleased to convey that the percentage of nurses who are eligible for Registered Nurse Incentive Special Pay (RN ISP) and have taken the bonus is up to 74 percent. Additionally, in response to this new incentive program, many Army Nurses are actively pursuing national certification in order to qualify for RN ISP. Therefore, we fully expect both the eligible population and the acceptance rate to steadily increase. In order to help facilitate certification, many Army Medical Treatment Facilities are offering review courses and study groups to assist nurses in preparing for certification exams. In addition, the Federal Nursing Chiefs have partnered with the American Nursing Association and American Nurses Credentialing Center to reinstate certification in several specialties. The RN ISP program has already proven to be an essential retention tool, as evidenced by the surge in Army Nurses pursuing certification to qualify.

### NURSE/PANDEMIC FLU

*Question.* General Pollock, Northcom and Department of Defense Health Affairs office drafted the Department's plan to respond to a pandemic flu, but there is no mention of nurses. What role do you see nurses taking in a pandemic flu scenario?

Answer. The Army Nurse Corps recognizes that, in order for the Department of Defense's plan to be successful, human resources will be necessary to respond to and sustain any pandemic flu scenario. Nurses are an integral part of providing the medical services required in the event of an outbreak. From pre-hospital care, hospital/acute care, palliative care, and alternative care sites, the role of the registered nurse in responding to a pandemic emergency is critical and significant. The strategies for building surge capacity within the health care system to meet the significantly increased demand that a pandemic event would place on the system must include nurses in order to be successful.

### SCHOOL OF NURSING

*Question.* General Pollock, the National Defense Authorization Act for Fiscal Year 2008 directed the Secretary of Defense to establish a school of nursing within the Uniformed Services University of Health Science. Is the Nurse Corps supportive of this effort and what is the timeline for establishing the school?

Answer. The Army Nurse Corps does not support the creation of an undergraduate nursing program at the Uniformed Services University of Health Science (USUHS). The nursing mission of USUHS is to prepare and educate students as advanced practice nurses, scientists, and scholars for service as future leaders in military operational environments, federal health systems and university settings. The Army Nurse Corps recommends that baccalaureate level education remain in the civilian sector, and that the Army continue to improve scholarship opportunities for all accession sources.

A Department of Defense School of Nursing is expected to produce 50 nurses for the first class graduating in fiscal year 2012. However, the Army would only receive

approximately 10–20 new accessions from the program, yet the Army Nurse Corps requires 250–450 accession per year. Therefore, an increased investment in existing civilian Bachelor of Science in Nursing (BSN) completion programs would help us recruit and access a greater number of nurses much faster.

Establishing a BSN degree completion program at USUHS would be more beneficial to the Army. Currently, there are a significant number of junior Army Nurse Corps officers in the U.S. Army Reserves who have not completed their BSN degree. To be promoted and serve in leadership roles, those officers will need to complete their education.

PROMOTION SELECTION

*Question.* General Pollock, the Army has promoted retention of clinical nurse specialists. Do the clinicians have the same promotion selection as nurses on the administrative track?

Answer. All Army Nurses have the same promotion opportunity rate through Lieutenant Colonel (LTC). Army Nurses are given the opportunity to progress in rank as they demonstrate nursing proficiency and effective leadership traits. However, the promotion opportunity to Colonel (COL) is very limited for all Army Nurse officers, regardless of specialty. Some specialties have a better promotion rate to COL because we have requirements-driven promotions for those groups.

The Army Nurse Corps is seeking more LTC and COL authorizations. COL authorizations with emphasis on clinical and leadership acumen are needed to better develop junior and mid-grade Nurse Corps officers to serve in a variety of complex clinical roles. We have a greater demand for more senior officers with a progressive clinical career pathway background to serve as mentors and coaches much like the Medical and Dental Corps now have under Defense Officer Personal Management (DOPMA) exemption. Current retention initiatives have increased retention significantly among field grade clinical nurses who are retirement eligible, despite limited opportunities to serve as a COL in a DOPMA-constrained promotion model. DOPMA exemption for the Army Nurse Corps would provide greater structure at the LTC and COL ranks to meet the needs of more senior and experienced clinicians at the bedside while improving retention rates among officers seeking a progressive clinical career pathway.

NURSE PSYCHOLOGICAL HEALTH

*Question.* General Pollock, the Army has instituted a number of programs to address the increase of psychological health issues among service members. However, nurses are also deploying and are responsible for treating psychological health issues. Are there any specific psychological health programs targeted at our military nurses?

Answer. The Army psychological health programs target all military members. Pre and Post deployment psychological screening, one component of health surveillance, has been used extensively to predict job or illness-related outcomes and to determine risk indicators. In addition, "Battlemind" training has been implemented throughout the Army. The goal of this training is to develop a realistic preview, in the form of a briefing, of the stresses and strains of deployment on Soldiers. Four training briefs have been developed and are available for Soldiers, Leaders, and Families.

The Army Medical Department (AMEDD) recognizes the impact of deployments on our staff, as well as the impact of the high-operational tempo on staff members who are not deployed, but who are taking care of the same injured OEF/OIF patients. Accordingly, AMEDD has implemented Compassion Fatigue and Resiliency program initiatives to target AMEDD staff. All medical treatment facilities have access to a centralized web-based program entitled, "Provider Resiliency Training." The Army Medical Department has also instituted an assessment, education, intervention and treatment program for Provider Fatigue and Burnout. Centralized products for Provider Resiliency Training have been developed, resulting in standardized, efficacy-based education and training that has enhanced resiliency of care providers who have participated and provided attendees who are experiencing Provider Fatigue and Burnout the tools necessary to mitigate their condition. Additionally, Behavioral Health Clinicians, hospital-level Provider Resiliency Champions and Care Team personnel have been trained and certified as Provider Fatigue Educators and/or Therapists. The Army Medical Department (AMEDD) is also establishing Care Teams at our Medical Centers and larger Medical Facilities to focus on provider compassion fatigue intervention. These Care Teams will use a community health model of intervention, taking services to the wards and clinics for providers and other staff in our hospitals.

CONTRACTING FOR NURSES

*Question.* General Pollock, in order to facilitate optimal nurse staffing, contract staffing support companies have been used. Have these companies met your needs for recruiting contract nurses in a timely manner, and providing quality nurse?

Answer. In order to compensate for the nursing deficit and the current operational tempo, we have expanded contract nursing support considerably. For fiscal year 2007, we contracted for 717.6 full-time equivalents in registered nursing across the U.S. Army Medical Command (MEDCOM) at a cost exceeding $53.6 million. The advantage of contract nursing is the ability to bring an individual on board quickly and provide flexibility to meet both short-term and long-term needs. Contract nurses can do this in a matter of a few days as opposed to the weeks/months it takes us to bring a General Schedule (GS) nurse onboard. The educational and credentialing requirements are the same for contract nurses and the overall quality of contract nurses is good.

While contract nursing supports operational needs, it is not a sound long-term strategy. Contract nurses pose additional complications, such as: (1) variance with nursing competencies and training backgrounds affects performance in a military hospital; (2) lack of loyalty to the organization; (3) a "short horizon" mindset; and (4) constant turbulence requires resources to train and orient. Wherever possible, medical treatment facilities throughout MEDCOM are replacing contract nurses with General Schedule (GS) nurses.

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QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

PARTNERSHIP WITH UNIVERSITY OF MARYLAND

*Question.* The Defense Appropriations subcommittee asked each branch to report on the nursing shortage and efforts in which you are currently engaged or see potential.

In your response, you discussed the faculty augmentation program or the Army's partnership with the University of Maryland. In this partnership, you argue that DOD received no direct incentive to begin the partnership, yet the Army still benefits from the project. Can you please speak to these benefits and the future of the partnership?

Answer. The partnership program with the University of Maryland provides the opportunity for detailed Army Nurse Corps officers to acquire unique educational, training, and supervisory skills that better prepare these officers to serve in a variety of positions. Appropriate utilization of these officers could include a variety of educator positions within medical treatment facilities, in a number of phase II clinical training sites, clinical nurse specialists in large teaching facilities, and clinical head nurses who are pivotal in the training and development of junior civilian and military staff nurses. The skills these officers are expected to acquire through this program include developing and implementing curricula, supervising clinical skills of baccalaureate students, building partnerships with academia, evaluating collegiate-level students, developing testing and evaluation instruments, developing evidence-based clinical practice, developing a methodology evaluating critical thinking, integrating medical simulation into the education process, and evaluating scholarly writing.

A significant outcome expected from this program is improved recruiting for Army Nursing. The Army Nurse instructors are in uniform and demonstrate on a daily basis the quality and professionalism of the Army Nurse Corps. They serve as indirect recruiters and are readily available to answer questions from potential accession candidates, not only from the nursing school, but within the clinical settings of area hospitals.

NURSING SHORTAGE

*Question.* The United States is currently facing one of the most severe nursing shortages in its history. While nursing schools have been making a concerted effort to increase enrollments to meet current and projected demand, 40,285 qualified applicants were turned away in 2007 according to the American Association of Colleges of Nursing. The top reason cited was a lack of qualified nurse faculty.

The legislation I introduced earlier this year, The Troops to Nurse Teachers Act of 2008 (S. 2705), creates several avenues by which military nurses can become nurse educators. The subsequent increase in the number of nurse faculty would allow schools of nursing to expand enrollments and alleviate the ongoing nursing shortage in both the civilian and military sectors. Considering the military has a

significantly higher percentage of Masters and Doctorally prepared nurses than in the civilian population—ideal for vacant faculty positions—how does the Army view this program as part of a successful strategy to address the military nurse shortage?

Answer. The Army Nurse Corps supports the Troops to Nurse Teachers Act of 2008 and believes that using the expertise of our retired military nurse population to teach in civilian nursing education programs will help alleviate the national nursing shortage by increasing the civilian nurse instructor pool. Additionally, it will expose nursing students to the benefits of a military career. Finally, programs that detail qualified active duty nurses into collegiate nursing instructor positions could benefit military nurse recruiting and retention efforts. However, since this program addresses the national nursing shortage, the Department of Defense is not the best federal funding partner.

NURSING EDUCATION

*Question.* The Army recruits, in particular, nurses with a baccalaureate degree in nursing. The Agency for Healthcare Research and Quality has found that baccalaureate nurses are the key to providing safe, high quality care that leads to improved patient outcomes. What benefits do these nurses bring to military health care?

Answer. The Army Nurse Corps (ANC) has continued to recognize the quality of clinical care associated with higher-level preparation and seeks to maintain an all professional Corps with a standard entry-level education requirement. Bachelor of Science in Nursing (BSN) programs provide a uniform and standard curriculum accredited by certifying bodies under the auspices of the Department of Education. This accreditation process assures uniformity in the educational and clinical preparation of ANC accessions without significant variance. The BSN is also the minimum educational entry for advanced degree eligibility, professional certification, and post-baccalaureate training.

The research literature strongly supports the conclusion that nursing care provided by nurses with a BSN or higher-level degree results in improved patient outcomes, shorter hospitalization, greater patient satisfaction, and reduced patient mortality. These benefits are brought to the military health care system because all of our Active Component ANC officers have at least a baccalaureate degree in nursing. The Reserve Component has recently adopted this professional nursing model. All officers in the Army are required to have or attain a bachelor's degree, and it is imperative that Nurse Corps officers are educated to this standard to provide both top-quality care and required professional leadership.

*Question.* In your written testimony, you also emphasize the important role of Nurse Practitioners. Can you elaborate on the importance of Advanced Nursing degrees for the military and the importance of partnering with accredited schools of nursing?

Answer. As the Global War on Terrorism continues, the Army requires greater flexibility to meet the primary health care needs of Soldiers. These needs occur primarily at the operational unit level and at troop medical clinics on forward operating bases. Nurse practitioners have provided the Army with highly-qualified primary care providers who are able to offer their expertise at brigade and higher levels while helping to relieve some of the critical shortages faced by the physician and physician assistant communities. Soldiers and leaders are highly satisfied with the care provided by nurse practitioners, which has resulted in increased requests for nurse practitioners on the battlefield.

Health care delivery practices and theory continue to evolve and change. To address this dynamic environment, the Army Nurse Corps has forged professional partnerships with accredited schools of nursing. These partnerships focus on educating nurses and enhancing their ability to practice in a changing environment. Army nursing leaders believe that these formalized cooperative efforts have helped dissolve the traditional barriers between military and civilian education and practice. The partnerships also provide new education and practice opportunities that are vital in promoting nursing professionalism.

NURSING SHORTAGE

*Question.* Can you speak to the increasing demand for nurses in your branch as a result of the ongoing war in Iraq?

Answer. The persistent conflicts in Iraq and Afghanistan have placed increased demands on all military nurses. They serve in clinical and leadership roles in medical treatment facilities in the United States and abroad, in combat divisions, forward surgical teams, combat stress teams, civil affairs teams, combat support hospitals (CSHs), and coalition headquarters.

The Army Nurse Corps' high attrition rates can be attributed to the frequency and length of deployments. Nurses with high-demand specialties deploy more frequently. Based on exit survey results over the past four years, officers choose to leave the Army Nurse Corps after a deployment, rather than potentially deploy again. As a result, more nurses are needed to lower the frequency of deployments and help the Army Nurse Corps' retention efforts.

In addition, our re-deployed nurses are caring for the same Soldiers they cared for on the battlefield—Soldiers who have complex injuries that require more nurses with a higher skill level than ever before. The emotional toll from caring for these severely injured patients in both deployed and non-deployed settings creates a need for more nurses to ameliorate this effect.

NURSING RECRUITING

*Question.* One of the major recruitment strategies for the Army and other Military Nurse Corps is the Reserve Officers' Training Corps or ROTC. In recent years, how effective has this program been in recruiting and preparing nurses for a career in the Army Nurse Corps? How well does this program recruit underrepresented populations to the Army?

Answer. The Army Nurse Corps accesses officers for the Active Component through a variety of programs, including the Reserve Officers' Training Corps (ROTC), the Army Medical Department Enlisted Commissioning Program, the Army Nurse Candidate Program, and direct accession recruiting, with ROTC being the primary accession source. Over the past four years, we have not achieved our annual ROTC mission for 225 nurses; however, each year shows improvement. In an attempt to resolve continued strength shortfalls within the Army Nurse Corps, overproduction of the direct accession mission has been authorized and encouraged.

Demographic data provided by U.S. Army Cadet Command indicate that ROTC nurses are a more diverse population than the national nurse population. 68 percent of ROTC-contracted nurses are Caucasian, 12 percent are Asian-American, 7 percent are African-American, 7 percent are Hispanic, 2 percent are American Indian, and 4 percent are unknown. By comparison, national nursing statistics indicate that 88.4 percent are Caucasian, 3.3 percent are Asian-American, 4.6 percent are African-American, 1.8 percent are Hispanic, and 0.4 percent are American-Indian. Additionally, men represent about one-third of the Corps' strength compared to about 7 percent of civilian nursing professionals.

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QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

INTEGRATED CARE

*Question.* (a) The Dole/Shalala Report recommends DOD and VA develop integrated care teams with physicians, nurses, health professionals, social workers, and vocational rehabilitation professionals. The Army's Warrior Training Unit has physicians, nurse case managers, and squad leaders?

(b) Are we asking our nurses to do the job of social workers?

(c) What training do they receive to do this?

Answer. (a) Each Warrior in Transition (WT) Soldier is now assigned or attached to a Warrior Transition Unit (WTU), with an assigned military squad leader, nurse case manager, and primary care manager (physician). Commonly referred to as the "Triad of Care", this team forms the core of the WTU which is exclusively dedicated to overseeing and managing the healing process for each WT Soldier. At 35 Army hospitals around the world, each WTU serves with the singular purpose of helping each Soldier transition to productive lives, either within the Army as successful Soldiers or outside of the military as respected members of their communities, equipped with all of the Veterans benefits they are entitled.

(b) Nurse Case Managers (NCM) are not being asked to assume the duties normally associated with social workers. In the WTUs, case management is a collaborative process under the population health continuum which assesses, plans, implements, coordinates, monitors, and evaluates options and services to meet each Soldier's health needs through communication and available resources to promote quality, cost-effective outcomes. Clinical case managers are licensed health care professionals with varying levels of education and credentials who practice without direct supervision. All Warrior Transition Unit Case Managers are Registered Nurses. Social Workers are participants of the multi-disciplinary team, but their role and responsibilities are clearly established and distinct from those of nursing personnel. Each WTU has priority access or even exclusive use in some cases to licensed social

workers, behavioral health providers such as psychiatrists and counselors, and vocational rehabilitation professionals such as occupational therapists.

(c) Case Managers are required to complete nine Distance Learning Training Modules and 40 hours of classroom training during their orientation. The Army Medical Department (AMEDD) Center & School (C&S) sponsors this training. The AMEDD C&S is finalizing an agreement with a well known University to offer a 80-hour comprehensive CM training course for the Army's military and civilian NCMs. Completion of the course will prepare the NCM for National Certification in Case Management. As a matter of standing regulation, we require all medical professionals serving within the AMEDD to maintain their respective professional credentials.

NURSE PSYCHOLOGICAL HEALTH

*Question.* (a) The Army nurse corps has the highest attrition of any officer branch of the Army. What are you doing to monitor the stress on our nurses?

(b) What service are we providing them to help deal with that stress?

(c) How many additional nurses do you need to recruit to ensure we can meet our commitment to our wounded soldiers?

(d) What is your plan to meet the growing need?

(e) What are the major obstacles?

Answer. (a) Army Nurse Corps (ANC) leaders monitor stress on nurses in a variety of ways. Supervisors and Deputy Commanders for Nursing, as well as ANC Branch Career Managers talk with officers on a regular basis to address their individual and collective stressors. Deployment equity, length of deployment, shift work, career progression tracks and retention programs have all been modified to alleviate the stress on Army nurses. In addition, the ANC instituted an exit interview in order to study and address attrition variables from the view of those who decided to leave Army service.

(b) Several services have been implemented as part of the Army Medical Department Care Giver Support Program at Walter Reed Army Medical Center (WRAMC), Landstuhl Regional Medical Center (LRMC), and Brooke Army Medical Center (BAMC). BAMC has a formalized stand-alone program for dealing with Provider Fatigue, and BAMC's Department of Behavioral Health responds to staff requests for assistance and provides training and sensing sessions. WRAMC, LRMC and BAMC each have access to a centralized web-based program entitled, "Provider Resiliency Training." The Army Medical Department has also instituted an assessment, education, intervention and treatment program for Provider Fatigue and Burnout. Centralized products for Provider Resiliency Training (PRT) have been developed, resulting in standardized, efficacy-based education and training that has enhanced resiliency of care providers who have participated and provided attendees who are experiencing Provider Fatigue and Burnout the tools necessary to mitigate their condition. Additionally, Behavioral Health Clinicians, hospital-level Provider Resiliency Champions and Care Team personnel have been trained and certified as Provider Fatigue Educators and/or Therapists. The Army Medical Department (AMEDD) is also establishing Care Teams at our Medical Centers and larger Medical Facilities to focus on provider compassion fatigue intervention. These Care Teams will use a community health model of intervention, taking services to the wards and clinics for providers and other staff in our hospitals.

The Army's Institute of Surgical Research (ISR) received $1 million and is in the process of creating a Compassion Fatigue program with a respite room for staff. It will be a prototype. We are already providing services and have a roster of experts who will come to teach and train staff. We have also had an Advanced Practice Psychiatric Nurse working with staff for a year.

(c) In order to meet our commitment to our wounded Soldiers, the Army Nurse Corps recently identified a need for additional budgeted end strength of 300 Army Nurses. The current mission shortfall is 184, and the ANC needs an additional 116 nurses to meet "Grow-the-Army" requirements.

(d) An analysis of current shortfalls has been incorporated into the plan to grow the Army Nurse Corps. The analysis indicates that the following mission areas require additional assets: Warrior Transition/Case Management; Psychological Nursing; Rehabilitation; Intensive Care Mission; Emergency Nursing; Residency for New Graduates; and Training. The plan to meet these needs will be carried out over the next four years and include requests to expand all Army Nurse accession and retention programs.

(e) There are several major obstacles impeding retention of Army Nurses. These include competition with the civilian job market, rising civilian salaries, and poor promotion opportunities for ANC officers. Other factors include the operational

tempo, frequency of deployments, and the emotional burnout of caring for Wounded Warriors.

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QUESTIONS SUBMITTED BY SENATOR TED STEVENS

NURSING SHORTAGE

*Question.* With a shortage of nurses to recruit from, and as the Army continues to grow their end strength by 65,000, how do you maintain the Army Nurse Corps to support a larger force?

Answer. We anticipate that the size of the Army Nurse Corps will grow. The increase in forecasted end strength is based on force projection models that take into consideration current and future workload. In addition, as the Army Nurse Corps increases in size, our civilian nurse work force will also grow to support the expanded medical requirements a larger force will bring. To maintain this Army Nurse force, growth is required throughout the structure to ensure junior clinicians receive appropriate mentoring and coaching, and to allow senior nurses to organize and lead the very dynamic trends in both the Army and nursing.

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QUESTIONS SUBMITTED TO REAR ADMIRAL CHRISTINE M. BRUZEK-KOHLER

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

NURSE CORPS AGE EXEMPTION

*Question.* Admiral Bruzek-Kohler, I have been informed that the Nurse Corps is one of the only medical fields without the ability to recruit individuals who are older than 42 because of a Title 10 restriction which requires a person to be able to complete 20 years of active commissioned service before their 62nd birthday. Currently the Medical Corps, Dental Corps, and Chaplain Corps are exempt from this age requirement. Are there efforts to exempt Nurse Corps officers to also be exempt from this age requirement?

Answer. There are currently no efforts to seek this age exemption for the Nurse Corps. The Nurse Corps met its recruiting goal for fiscal year 2007 for the first time in four years and with recent increases in the Nurse Accession Bonus (an increase to $20,000 for a three-year commitment and $30,000 for a four-year commitment), Navy is projecting to meet its fiscal year 2008 recruiting accession goal within the current age limitations of Title 10.

The Nurse Corps Community Manager closely monitors the changing demographic of individuals entering into the nursing profession, and will consider legislative relief as a possible course of action should the requirement arise.

HUMANITARIAN MISSIONS

*Question.* Admiral Bruzek-Kohler, what role does the Nurse Corps have in drafting the Pandemic Flu plan or other humanitarian missions?

Answer. Navy nurses have been involved in a myriad of activities related to Pandemic Flu (Influenza) Plan at both at the Bureau of Medicine and Surgery (BUMED) level and their local military treatment facilities in which they work.

For example, one of our nurses went to Hawaii to assist a six person planning group for Pacific Fleet Pandemic Influenza plans, carrying over concepts for the Pacific Command Pandemic Influenza plan (some of which originated at the BUMED's Homeland Security code). Navy nurses have availed assistance with the review of the Navy Medicine Pandemic Influenza instruction and offered recommendation on equipment, logistical requirements and medication (Tamiflu) shelf life extension programs in coordination with the Navy Medicine Logistics Command.

Our nurses have also been engaged in Pandemic Influenza planning and training sessions hosted by the Guam Department of Homeland Security.

Navy nursing specialties with backgrounds and training expertise in disaster relief and emergency management are particularly well-suited to assist with planning responses for pandemic influenza and humanitarian missions. These nurses can readily serve as leaders in planning and surveillance issues surrounding patient care and force protection. Navy nurses may also be called upon to serve in the role of Public Health Emergency Officer (based on location of the treatment facility and availability of other health professional resources). Additionally, our nurses may be representatives on command Emergency Management Committees, participating in local Pandemic Influenza tabletop training and exercise.

There are Navy nurses on both of our hospital ships as well as on grey hulls located around the world. While their jobs are more directly aligned with the provision of nursing care in humanitarian missions, they may be involved in the planning stages to ascertain the numbers and types of nursing specialties necessary to meet mission objectives and patient care requirements.

USUHS NURSING SCHOOL

*Question.* Admiral Bruzek-Kohler, the National Defense Authorization Act for Fiscal Year 2008 directed the Secretary of Defense to establish a school of nursing within the Uniformed Services University of Health Science. Are the Nurse Corps supportive of this effort and what is the timeline for establishing the school?

Answer. The Navy Nurse Corps would welcome the exploration of the following possible student populations for admission to a School of Nursing at USU:

—Associate Degree Nurses (ADN) who could pursue BSN or even bridge to MSN. The ADN pool holds an "untapped" recruiting opportunity that has not been fully explored as accessions to the Navy Nurse Corps must hold a BSN. Additionally, this population of candidates possesses greater clinical experience and offers a more mature, dedicated student with finite professional goals.

—Students who have completed liberal arts prerequisites and are seeking admission into programs that are focused on core curriculum leading to degree conferral of BSN/MSN.

—Opportunities for distance education/on line degree completion programs would also be appropriate for the two aforementioned groups and are of interest to the Navy Nurse Corps.

—Non-nursing degree holders (BS or BA) who seek BSN or MSN degrees. The Navy Nurse Corps Community Manager has received calls from officers in the Unrestricted Line Community (Surface Warfare and Nuclear) who were interested in staying in the Navy and acquiring their BSN.

The Navy Nurse Corps understands that the timeline for establishment of the school of nursing will be reported in a report to Congress that is being prepared by the DOD/Uniformed Services University of Health Science in response to Sec. 955 of the fiscal year 2008 National Defense Authorization Act.

NURSE PROMOTION RATES

*Question.* Admiral Bruzek-Kohler, do you see low promotion rates for nurses as a reason for Navy nurses to separate?

Answer. No, I do not see low promotion rates as a reason for Navy Nurses to separate. Navy nursing is DOPMA constrained in the controlled grades and over the last six years from 2002 to 2008 have met DOPMA constraints. Active plans are underway to adjust grade strength to meet promotion needs.

MENTAL HEALTH TREATMENT RESEARCH

*Question.* Admiral Bruzek-Kohler, what role do Navy nurses have in research for post war mental health treatment?

Answer. A Navy Nurse Corps officer has a trajectory of research looking at the mental health needs of Navy Service members—from assimilation at Boot Camp to reintegration. His latest study is developing methods for both the patients and caregivers to cope with anxiety-stress to PTSD. These studies are conducted across the branches. Several Navy nurses are co-investigators on his studies as well as the Army. It is funded via the Tri-Service Nursing Research Program

We also join our colleagues from sister Services in the support of nursing research endeavors related to Stress, and Post Traumatic Stress Disorder vs. Mild Traumatic Brain Injury through the Tri-Service Nursing Research Program. Studies funded in fiscal year 2007 and future fiscal year 2008 studies will be conducted on topics of Deployment and Coping.

CONTRACT NURSE REQUIREMENTS

*Question.* Admiral Bruzek-Kohler, the entry requirement for active duty Navy nurses is a bachelor's in nursing. To provide consistent, quality care, is the same standard applied when hiring contract nurses?

Answer. With rare exception, Navy Medicine contracts allow for Bachelors of Science in Nursing degrees (BSNs), associates degrees, or nursing school diplomas. This is a long standing practice. All of the aforementioned levels of academic preparations meet the requirement for taking the registered nurse licensing exam. We have not had any issues with "consistent, quality care" that are attributable to the educational experience of any one of those groups versus any other. We face an ex-

tremely tight labor markets for nurses at many of our hospitals and do not wish to decrease our overall level or quality of care by trying to limit our recruitment to only BSN nurses at this time.

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QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

MILITARY NURSE RECRUITMENT AND RETENTION

*Question.* What do you consider the most challenging aspects to military nurse recruitment and retention? Can you discuss your most successful nurse recruitment and retention initiatives?

Answer. Last fiscal year, we met our active duty direct accession goals and are on track to do so this fiscal year. Our top three programs which yield the greatest success in recruiting include the Nurse Accession Bonus (NAB), Health Professions Loan Repayment Program (HPLRP) and Nurse Candidate Program (NCP).

The Nurse Accession Bonus is targeted towards civilian nurses who hold bachelors or masters degree in nursing from an accredited school of nursing and avails $20,000 for a three year commitment and $30,000 for a four year commitment.

The Health Professions Loan Repayment Program assists nurses with accumulated nursing school tuition costs. While primarily a retention tool, HPLRP has been used in conjunction with the NAB as a recruiting incentive to yield a five year active commission service obligation.

The Nurse Candidate Program offered only at non-ROTC Colleges and Universities, is directed at students who need financial assistance while in school. NCP students receive a $10,000 sign-on bonus and $1,000 monthly stipend.

The establishment of a Recruiting and Retention cell at the Bureau of Medicine and Surgery (BUMED) with a representative from each professional corps has also been helpful to our recruiting endeavors. These officers act as liaisons among Commander Naval Recruiting Command (CNRC), Naval Recruiting Districts (NRD), recruiters and our military treatment facilities. They also travel to local/national nursing conferences or collegiate recruiting events.

Student Pipeline Programs are very successful in attracting future candidates and ensure a steady supply of trained and qualified Nurse Corps officers. These pipeline programs include Nurse Candidate Program, Medical Enlisted Commissioning Program, Naval Reserve Officer Training Corps (NROTC) Program and the Seaman to Admiral Program.

We have also established mentorship programs to cultivate professional growth while enhancing retention of our Nurse Candidate Program and NROTC students, who are our best recruiters. Other factors contributing to recruiting success: location of duty stations and the opportunity to participate in humanitarian missions.

We have implemented a number of retention initiatives to offset this attrition. Our critical juncture appears to be among nurses at the 6 to 10 year length of service.

The Health Professions Loan Repayment Program Scholarship assists Navy Nurse Corps officers with accumulated nursing school tuition costs. In fiscal year 2008, 42 active duty nurses were selected with average debt load of $27,300 with two years of obligated service. Interest in this program typically exceeds available funding.

Additionally, the Duty under Instruction Program for Nurse Corps Officers provides the Nurse Corps Officer the opportunity for advanced educational degrees in nursing at the Masters and Doctoral levels. For the first time since 1975, this program was made available to nurses within their first tour of duty.

A Tri-Service Registered Nurse Incentive Special Pay (RN ISP) Plan was released for Navy Nurses in February 2008 to target retention of undermanned critical wartime specialties as identified by the Chief, Bureau of Medicine and Surgery. For the Navy Nurse Corps this included: perioperative, critical care, family and pediatric nurse practitioners. This program offered tiered bonuses $5,000/1 year of obligated service, $10,000/2 years of obligated service, $15,000/3 years of obligated service and $20,000/4 years of obligated service. This program requires the nurses to work in their specialty area full-time, maintain national specialty certification and possess either a Masters of Nursing in the concentrated area of practice or have completed a Surgeon General's approved course.

TROOPS TO NURSE TEACHERS

*Question.* If the Troops to Nurse Teachers program were authorized and funds were appropriated, how do you think it would impact the Navy Nurse Corps' recruitment and retention efforts?

Answer. For the second consecutive year, the Navy Nurse Corps is on track to meet direct accession goals.

The Navy Nurse Corps views this program primarily as a retention incentives program that gives Nurse Corps Officers an "off ramp" opportunity to teach for two to three years. They would then accrue obligated service back into the Medical Department with the hope that they would continue a 20 year or longer career.

Should the program be funded, the most appealing provision would be the "off ramp" that gives nurse corps officers the opportunity to teach for two to three years. As a retention tool, it would accrue obligated service back into the Medical Department with the hope that they would continue a 20 year or longer career. It would essentially provide another way to retain nurses who might otherwise be disinclined to remain on active duty.

CASE MANAGEMENT

*Question.* In your written testimony, you discuss the importance of case management and how the Navy works in conjunction with other branches to coordinate care for soldiers' recovery at home. For example, you discussed the Naval Hospital Great Lakes work with the North Chicago VA Medical Center. Can you elaborate on this partnership and how the nursing shortage is affecting the ability to expand the program?

Answer. The collaborative efforts initiated between Naval Hospital Great Lakes and the North Chicago VA Medical Center began in anticipation of the integrated federal health care center. Meetings involving Utilization Management/Case Management departments have occurred and have been most helpful in aligning and coordinating patient services in other parts of the Midwest (particularly in other Veterans Integrated Service Networks—VISNs). These early meetings have also fostered shared use of training resources, enhanced rapport and identified system unique (VA and Navy Military Treatment Facility) processes that must be reviewed and reconciled during the move towards the integration.

At Naval Hospital Great Lakes, there are presently three personnel working in case management roles (two are registered nurses and one is a licensed clinical social worker). They anticipate that by October 2008, they will have two more case managers on board. Case management at Naval Hospital Great Lakes is available not only to returning warriors, but also to their families. Naval Hospital Great Lakes indicated that there should be no challenges with program expansion if the anticipated positions are acquired as planned.

INCREASING DEMAND FOR NURSES

*Question.* Can you speak to the increasing demand for nurses in your branch as a result of the ongoing war in Iraq?

Answer. The Navy Nurse Corps Psychiatric mental health nursing community estimates it will need six additional Psychiatric Mental Health Nurse Practitioners to meet the expected demands of Marine Corps Operational Stress Control and Readiness (OSCAR) teams, but is allowing for up to 18 nurses in this specialty to facilitate rotations. This growth is being built into our future out service training program plan.

We anticipate a requirement for at least 24 critical care nurses (with likely "plus-up" to 36 critical care nurses) based on modifications in USMC growth calculations. These assets will reside in the ICUs of our Military Treatment Facilities during non-deployed phase of rotation cycles. The Registered Nurse Incentive Specialty Pay program will help fortify the inventory of critical care nurses and perhaps actually draw some nurses from our communities of Medical/Surgical or General Nursing to Critical Care. Our ER/Trauma inventory is presently manned at 109 percent, and this specialty group may also avail support to the growing critical care need.

MOUS WITH UNIVERSITIES

*Question.* In your written testimony, you discuss the Memorandums of Understanding that the Navy Nurse Corps has with neighboring universities. You talk about the role of nurses as clinical preceptors, guest lecturers, and the importance of naval medical centers serving as sites for clinical rotations. Can you discuss the benefits that the Navy Nurse Corps Officers receive from these MOUs?

Answer. Teaching has long been a role associated with Navy Nursing. We teach our patients, hospital corpsmen, novice nurses in our Corps, and at times even young interns. Navy nurses serving as faculty, guest lecturers and preceptors for local nursing students via our MOUs reap countless, albeit non-tangible rewards. They have the opportunity to engage with civilian students and faculty, provide a wealth of clinical and operational experiences to nurses who perhaps have never

been exposed to nursing in a wartime environment and serve as ambassadors of the United States Navy. Our young nurses are not too far removed from the days in which they too were going through clinical rotations, thus they are often readily "identified with and looked up too" by students.

Likewise, our nurses are encouraged and mentored by the faculty from these schools of nursing we partner with. The faculty challenges them to pursue advanced education and research opportunities as they recognize the scope of their clinical experience in the military greatly supersedes that of their civilian colleagues.

ROTC

*Question.* One of the major recruitment strategies for the Navy and other Military Nurse Corps is the Reserve Officers' Training Corps or ROTC. In recent years, how effective has this program been in recruiting as well as preparing nurses for a career in the Navy Nurse Corps? How well does this program, or other recruitment programs, recruit underrepresented populations to the Navy?

Answer. Board review of eligible applicants for NROTC scholarships are held throughout the year. Each application is thoroughly reviewed and presented to the board members. In fiscal year 2008 Commander, Navy Recruiting Command (CNRC) was tasked with providing 220 applications for the NROTC Nurse Corps option and attained 250 applications. Of these, 126 were selected and offered a scholarship, equaling a 50 percent selection rate. In fiscal year 2007 the application goal was 220 and 264 applications were attained. Of these, 123 were selected and offered a scholarship, equaling a 46 percent selection rate. The show rate at the schools that year was 75 students (61 percent of those selected).

The NROTC Program has been very effective in attracting applicants for the Nurse Corps. We have a production goal of 60 Nurse Corps officers yearly and with that in mind we select approximately 120–125 applicants each year to meet this goal. Successful preparation for applicants is assured through a strong nursing program at affiliated schools. The programs prepare the Midshipman or Officer Candidate to be successful when taking the National Council Licensure Examination—Registered Nurse (NCLEX–RN). Our pass rate is very high for our nursing graduates, until we achieve nearly all of our production goals.

The NROTC Nurse Corps option does a good job in attracting underrepresented populations. The CNO benchmark for diversity is that 36 percent of the Officer corps in 2037 should be diverse. Applicants for the Nurse Corps option for the 2007–2008 program year were 41 percent diverse. As a comparison, applicants to the four-year NROTC program were 28 percent diverse in 2007–2008. The current board year (fiscal year 2008) data indicates that 50 percent of the diversity nursing applicants were selected for NROTC nursing scholarship offers. We have also placed two Candidate Guidance Officers at the Naval Service Training Command, Pensacola, Florida, for the express purpose of reviewing and assisting diversity applicants with successful application completion and selection for NROTC scholarships.

The Nurse Corps option of the NROTC Program is sought after by applicants, selects and enrolls diverse students, and produces outstanding officers to the Navy's Nurse Corps.

NURSING SHORTAGE

*Question.* The United States is currently facing one of the most severe nursing shortages in its history. While nursing schools have been making a concerted effort to increase enrollments to meet current and projected demand, 40,285 qualified applicants were turned away in 2007 according to the American Association of Colleges of Nursing. The top reason cited was a lack of qualified nurse faculty.

The legislation I introduced earlier this year, The Troops to Nurse Teachers Act of 2008 (S. 2705), creates several avenues by which military nurses can become nurse educators. The subsequent increase in the number of nurse faculty would allow schools of nursing to expand enrollments and alleviate the ongoing nursing shortage in both the civilian and military sectors. Considering the military has a significantly higher percentage of Masters and Doctorally prepared nurses than in the civilian population—ideal for vacant faculty positions—how does the Navy view this program as part of a successful strategy to address the military nurse shortage?

Answer. While retired military nurses as faculty could help assuage the nursing faculty shortage, the impact of military nurse recruiting is difficult to predict. One might hypothesize that by virtue of having a former military nurse as an instructor, the students would be more receptive to military careers.

The most appealing provision of the Troops to Nurse Teachers program is the "off ramp" that would give nurse corps officers an opportunity to teach for two to three years. As a retention tool, it would accrue obligated service back into the Medical

Department with the hope that they would continue a 20 year or longer career. It would essentially provide another way to retain nurses who might otherwise be disinclined to remain on active duty.

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QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

STRESS ON NURSES

*Question.* Military nurses are more stressed than they have been in 40 years, with multiple deployments, heavy loads of wounded soldiers, and time away from their own families and communities? What are you doing to monitor the stress on our nurses? What service are we providing them to help deal with that stress? How many additional nurses do you need to recruit to ensure we can meet our commitment to our wounded soldiers? What is your plan to meet the growing need? What are the major obstacles?

Answer. At the National Naval Medical Center, our psychiatric mental health nurses and others individuals with mental health nursing experience make rounds of the nursing staff and pulse for indications of increased stress. They then provide to the identified staff, education on "Care for the Caregiver." They are available to help with challenging patient care scenarios (increased patient acuity, intense patient/family grief, and staff grief) and offer themselves as attentive, non-judgmental listeners through whom the nurses may vent.

In addition to the classes on "Compassion Fatigue" offered by command chaplains to our nurses and hospital corpsmen, some commands host provider support groups where health professionals meet and discuss particularly emotional or challenging patient cases in which they are or have been involved. Aboard the USNS Comfort, Psychiatric Mental Health Nurses and Technicians were located at the deckplate in the Medical Intensive Care Unit, Ward and Sick Call to help nurses that might not report to sick call with their complaints of stress.

In many of the most stressful deployed locations, our senior nurses are acutely attuned to the psychological and physical well-being of the junior nurses in their charge. They ensure that staffing is sufficient to facilitate rotations through high stress environments. Nurses are encouraged to utilize available resources such as chaplains and psychologists for guidance and support in their deployed roles and responsibilities.

Our deploying nurses have been asked to hold positions requiring new skill sets often in a joint or Tri-Service operational setting. As individual augmentees, they deploy without the familiarity of their Navy unit, which oftentimes may pose greater stress and create special challenges. Our nurses who fulfill these missions require special attention throughout the course and completion of these unique deployments. I have asked our nurses to reach out to their colleagues and pay special attention to their homecomings and re-entries to their parent commands and they have done exactly that.

At U.S. Naval Hospital Okinawa, nurses ensure that deploying staff members and their families are sponsored and assisted as needed throughout the member's deployment. A grassroots organization, Operation Welcome Home, was founded by a Navy Nurse in March 2006 with the goal that all members returning from deployment in theater receive a "Hero's Welcome Home". To date over 5,000 Sailors, Soldiers, Airmen and Marines have been greeted at Baltimore Washington International Airport (BWI) by enthusiastic crowds who indeed care for them as caregivers.

The Navy Nurse Corps Psychiatric mental health nursing community estimates it will need six additional Psychiatric Mental Health Nurse Practitioners to meet the expected demands of Marine Corps Operational Stress Control and Readiness (OSCAR) teams, but is allowing for up to 18 nurses in this specialty to facilitate rotations. This growth is being built into our future out service training program plan.

We also anticipate a requirement for at least 24 critical care nurses (with likely "plus-up" to 36 critical care nurses) based on modifications in USMC growth calculations. These assets will be maintained in the ICUs of our Military Treatment Facilities during non-deployed phase of rotation cycles. Our ER/Trauma inventory is presently manned at 109 percent, and this specialty group may also avail support to the growing critical care need.

QUESTION SUBMITTED BY SENATOR TED STEVENS

NAVY NURSE CORPS SUPPORT TO ARMY AND USMC

*Question.* I am told that the Navy has stepped in to take on additional missions to support the Army and Marine Corps in theater. What ways have the Navy Nurse Corps stepped up to support our deployed service members.

Answer. Navy nurses continue to support joint missions at Expeditionary Medical Facilities (EMFs) in Kuwait and Djibouti, Landstuhl Regional Medical Center and with deployed units in Afghanistan and Iraq.

At EMF Kuwait, our nurses provided care for 3,564 casualties (received and treated over six month period from July-December 2007). They additionally coordinated and supported immunizations for Japanese, British and Korean troops and a Kuwait-staged mass-casualty/interagency drill and Advanced Cardiac Life Support programs with the American Embassy in Kuwait. In addition to EMF Kuwait, Navy nurses serve on a 35 member team at EMF Djibouti, providing medical services to more than 1,800 personnel assigned to Combined Joint Task Force-Horn of Africa and care for an average of 315 patients any given week.

At Landstuhl Regional Medical Center, 98 Navy Reserve Component nurses work alongside their colleagues from the Army and Air Force. During the past two years, Navy nurses from this contingent have also worked in the warrior management center and made great strides in the provision of optimal care to the wounded as they transit on flights from Landstuhl Regional Medical Center to military treatment facilities in the Continental United States.

The preparation of our forward deployed nurses is accomplished with the support of the Navy Individual Augmentee Combat Training (NIACT). Prior to deploying, personnel are sent to NIACT at Fort Jackson, South Carolina, where the training consists of combat, survival, convoy, weapons handling and firing, and land navigation.

The Navy Nurse Corps Psychiatric mental health nursing community requires six additional Psychiatric Mental Health Nurse Practitioners to meet the Operational Stress Control and Readiness team, but is allowing for up to 18 nurses in this specialty to facilitate rotations. This growth is being built into our future out service training program plan.

We anticipate a requirement for at least 24 critical care nurses (with likely "plus-up" to 36 critical care nurses) based on modifications in USMC growth calculations. These assets will be maintained in the ICUs of our Military Treatment Facilities during non-deployed phase of rotation cycles. The Registered Nurse Incentive Specialty Pay program will help fortify the inventory of critical care nurses and perhaps actually draw some nurses from our communities of Medical/Surgical or General Nursing to Critical Care. Our ER/Trauma inventory is presently manned at 109 percent, and this specialty group may also avail support to the growing critical care need.

Navy nurses at U.S. Naval Hospital Okinawa ensure that deploying staff members and their families are sponsored and assisted as needed throughout the member's deployment. A grassroots organization, Operation Welcome Home, was founded by a Navy Nurse in March 2006 with the goal that all members returning from deployment in theater receive a "Hero's Welcome Home". To date over 5,000 Sailors, Soldiers, Airmen and Marines have been greeted at Baltimore Washington International Airport (BWI) by enthusiastic crowds who indeed care for them as caregivers.

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QUESTIONS SUBMITTED TO VICE ADMIRAL ADAM M. ROBINSON

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

SAFE HARBOR PROGRAM

*Question.* Admiral Robinson, the Navy operates the Safe Harbor program to provide case management for injured sailors and marine. Are there lessons learned from the Army WTUs that should be incorporated in the Navy and vice versa for the Army?

Answer. The Department of the Navy operates two programs, Navy Safe Harbor for wounded, injured and ill Sailors, and the Marine Corps Wounded Warrior Regiment to care for wounded, injured and ill Marines. The Bureau of Medicine & Surgery provides medical case management for all members of the Department of the Navy but relies on Safe Harbor and the Wounded Warrior Regiment to provide effective and timely non-clinical case management for its members. These two tightly

aligned programs also work very closely with the Army's Warrior Transition Unit (WTU)/Army Wounded Warrior (AW2) programs, as well as the Air Force Wounded Warrior program. Through numerous venues, the Services collaborate on new initiatives and institutionalizing best practices, including: Wounded, Injured and Ill Senior Oversight Committee Lines of Action Working Groups; Quarterly Wounded Warrior Program Commanders meetings; Working Group meetings on the fiscal year 2008 National Defense Authorization Act; and Joint/Interagency Federal Recovery Coordinator Training Sessions.

While the focus of these forums are primarily non-medical case management issues there is an inextricable link between the medical and non-medical needs of a recovering service member and their family. Although the delivery mechanisms and organizations providing service and support are different among the services the commonality across the DOD enterprise is to ensure the most consistent level of high quality of care and assistance to those recovering.

RECRUITING AND RETENTION

*Question.* Admiral Robinson, what are your top constraints to recruiting and retaining the appropriate levels and quality of military medical personnel? Is legislative or financial relief being sought to address these concerns?

Answer. The top constraint to Medical Recruiting is, generally, medical professionals do not consider military service as a first option for employment. Civilian salaries are more lucrative than military pay and continue to outpace the offer of financial incentives (bonuses and loan repayment) to our target market. We are also limited by the size of the pool of Medical and Dental School graduates. Over the last ten years the percentage of females in Medical school has increased. Females tend to have a lower propensity to join the military. Other challenges include concerns over excessive deployments and mobilizations, both of which impact on Navy's ability to meet Reserve Medical Officer Recruiting goals. Some Medical Professionals fear the potential loss of their private practices.

Navy Recruiting continually evaluates areas where we need help meeting recruiting requirements for health professionals, and as we identify new tools and incentives, we would request new legislative and/or financial relief.

All services work with Assistant of Secretary of Defense (Health Affairs) to develop compensation levels for all Health Service professionals in the military.

The medical communities work within the Navy's budgetary process to address financial issues related to compensation.

Navy has implemented significant increases in retention bonuses across all Medical and Dental specialties in recent years.

The top constraint for retention for medical department officers is pay disparity between military compensation and civilian compensation. Military compensation, especially for the certain specialties, lags their civilian counterparts.

Recently enacted legislation in NDAA fiscal year 2008 consolidating the special and incentive pays of the health care field will provide the Navy flexibility for special and incentive pays.

The Medical and Dental Corps was approved for a Critical Skills Retention Bonus (CSRB) in February 2007, and received an increase to their special pays in October 2007.

The Medical Service Corps enacted CSRB in September 2007 for clinical psychologists at the first retention decision point.

Several Nurse Corps undermanned specialties were recently granted an incentive special pay to boost retention. This is the first time the Nurse Corps received a special pay to increase retention in undermanned specialties.

For non-monetary issues, the Navy has a Task Force looking at qualitative retention initiatives (i.e., sabbatical, telecommuting and increasing child care availability).

SPECIALIST POOL

*Question.* Admiral Robinson, all three Services are having difficulty recruiting and retaining in medical fields such as psychology and psychiatry because you are competing for the same individuals in many instances and because there is a national shortage in these specialties. Is there anything that the military can do to increase these pools of specialists?

Answer. To improve recruiting success, the Navy can either improve our penetration into the existing pool of specialists or try to increase the pool. We can improve our penetration by offering accession bonuses to attract existing mental health providers, and we can increase the pool of specialists by offering scholarships, internships, fellowships or collegiate programs as an incentive for new students to enter

these fields with a military commitment. Furthermore, section 604 of the 2009 National Defense Authorization Request contains a provision for an accession bonus for fully trained clinical psychologists.

The Navy has developed the following initiatives to increase the number of mental health specialists.

—The Navy has recently developed a Post-doctoral Clinical Psychology One Year Fellowship program to reduce the inventory deficit by tapping the demand for post-doctoral training in the civilian community. This program provides the opportunity to obtain supervised training hours, and become licensed within their first year of active duty. The Navy has also increased the number of clinical psychology internship seats for 2009, and is in the process of further expanding the clinical psychology internship program at Naval Medical Center, Portsmouth VA.

—The Navy recently implemented a Critical Skills Retention Bonus for Clinical Psychologists. The incentive is $60,000 ($15,000/year) for 4-year contract at MSR. Clinical Psychology Officers with 3–8 years of commissioned service are eligible.

—The Navy has recently established a Critical Wartime Skills Accession Bonus for accessing fully trained Psychiatrists, and has increased the number of psychiatry residency seats for training new Psychiatrists.

—In order to retain Psychiatrists on active duty the Navy increased the 4 year Psychiatry Multi-Year Special Pay (MSP) from $17,000/year in fiscal year 2006 to $25,000/year in fiscal year 2007 and increased it again to $33,000 in fiscal year 2008. There is discussion at DOD Health Affairs to increase this retention bonus again in fiscal year 2009.

—The Navy has also initiated a Nurse Corps graduate program at the Uniformed Services University of the Health Sciences (USUHS) to educate psychiatric/mental health nurse practitioners to support mental health requirements.

HPSP

*Question.* Admiral Robinson, I have been made aware that the Navy has had difficulty utilizing the HPSP as a recruiting vehicle. If this program doesn't work for the Navy, what will?

Answer. In fiscal year 2008, Navy funded a $20,000 accession bonus for Health Professions Scholarship Program (HPSP) participants in addition to the scholarship and stipend. Additionally, DOD increased the HPSP monthly stipend amount significantly from $1,349 to $1,605. The stipend will increase again effective July 1, 2008 to $1,907. Together, with a renewed focus on medical recruiting, these monetary incentives have positively impacted interest in the HPSP program. To date, in fiscal year 2008, we recruited 38 percent of our annual goal compared to 27 percent at this point last year. Also, an increase of tuition for Dental School has helped in recruiting of HPSP. Additionally, in fiscal year 2008 and fiscal year 2009 we are offering the Health Services Collegiate Program (HSCP) for the Medical Corps for the first time. We will evaluate the impact of this new program and determine if we should continue it in fiscal year 2010 and beyond.

We will continue to evaluate areas where we can improve this program or identify other programs to meet our recruiting requirements for health professionals.

MILITARY TO CIVILIAN CONVERSIONS

*Question.* Admiral Robinson, Navy medicine has been hardest hit by the military to civilian conversions. I understand that the Department's guidance is still under review and the Navy had planned additional conversions in fiscal year 2009. What are your anticipated personnel and financial shortfalls in fiscal year 2009?

Answer. Navy Medicine is not planning to convert additional billets in fiscal year 2009, as per section 721 of the fiscal year 2008 National Defense Authorization Act which prohibits the conversion of military medical and dental positions to civilian positions. Under this section there are 4,216 military medical positions that will be restored during the period 2010 to 2015. The Navy's projected fiscal year 2009 Mil-Civ plan, which is dependant on our access to military personnel funds, calls for 282 restorations (200 enlisted, 42 physicians and 40 nurses) at a cost of approximately $26.75 million. The Navy's recruiting accession plans have been modified to accommodate these increases.

## QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

### INTEGRATED HEALTH CARE TEAMS

*Question.* The Dole/Shalala Report recommends DOD and VA develop integrated care teams with physicians, nurses, health professionals, social workers, and vocational rehabilitation professionals. What is the Navy doing to implement this recommendation? Are we asking our medical personnel to do the job of social workers? To the extent that medical personnel are assigned in case manager or social worker, what training do they receive to do this?

Answer. Per Navy Medicine's policy, the multi-disciplinary teams meet each week for inpatients and every other week for outpatients to discuss the care and coordination services for all severely injured or ill service members. The multi-disciplinary team consists of physicians, nurses, discharge planners/social workers, clinical and non-clinical case managers, therapists, chaplains, VA representatives to include Federal Recovery Coordinators, medical board and wounded warrior program personnel.

The role of the social worker may overlap with other members of the health care team, for the identification of needs and referrals to appropriate resources; this process is multidisciplinary. Clinical case managers may be either nurses or social workers. Each individual must have 2–3 years of experience in the related field. Certification in case management is expected within 3 years of hire. Each individual receives orientation and training on case management at that facility before engaging with a patient. Training opportunities via teleconferencing are also provided on a biweekly basis. Non-clinical case managers are involved in the planning, formulation, administration, evaluation, consultation and coordination of actions and services dealing with the continued care and support of wounded, ill and injured Sailors and their families. They are trained and have significant experience in assisting injured Sailors and family members in understanding and dealing with current life events through information and referral, as well as, guiding them through the maze of bureaucracy during a time of stress and transition.

### FAMILIES OF WOUNDED WARRIORS

*Question.* The Dole/Shalala report recommended enhancing care for the families of wounded soldiers throughout the soldier's recovery process. It noted that family members are vital parts of the patient's recovery team. What has the Navy done to enhance care for family members of wounded service members in its care? Who on a service member's care team is primarily responsible for helping families? What training have they received? What has DOD done to leverage the help the private sector can provide?

Answer. Navy military treatment facilities (MTF) use social workers, health benefit advisors (HBA) and administrative support personnel to provide assistance and answer questions to all beneficiaries, particularly families, about healthcare benefits and medical support services available as a TRICARE benefit or in the civilian sector. Multidisciplinary teams consisting of medical providers, nurses, clinical case managers, non-clinical case managers from the Navy's Safe Harbor Program and the USMC's Wounded Warrior Regiment, ancillary service personnel, pastoral care personnel, social workers and patient administration officers assist family members of wounded, ill and injured service members in understanding treatment regimens, administering after-care requirements and providing appropriate/timely disability evaluation counseling throughout the continuum of care. Management and coordination of the service member's care is a "team" effort which includes the treating provider, MTF support personnel (i.e. social workers, patient administration) and the family. Clinical and non-clinical case managers and social workers are responsible for helping families. DOD and Navy Medicine is committed to providing resources and programs for families of all wounded, ill and injured services members. There are a number of family support programs that are successfully contributing to the well-being of the family.

Navy's Fleet and Family Centers provides comprehensive, 24/7 information and referral services to family members through the Military One Source links and center support programs.

Navy Safe Harbor Program provides proactive non-clinical case management to Sailors and their families in dealing with personal challenges from the time of injury through transition from the Navy and beyond. The Navy's commitment is to provide wounded, ill, and injured Sailors personalized non-medical support and assistance and guide them through the existing support structure. This is accomplished through addressing the non-medical needs and reinforcing the message that they, our heroes, deserve the very best attention and care of a grateful nation.

The Ombudsman Program promotes healthy and self-reliant families. The Ombudsman serves as a critical information link between command leadership and Navy families. They are trained to disseminate information both up and down the chain of command, including official Department of the Navy and command information, command climate issues and local quality of life (QOL) improvement opportunities. The Ombudsman provides the family a command level advocate to ensure the family understands and is engaged in determining best course of medical care and recovery for the service member.

The Navy Morale, Welfare and Recreation (MWR) administers a varied program of recreation, social and community support activities on U.S. Navy facilities worldwide. Their mission is to provide quality support and recreational services that contribute to retention, readiness and mental, physical and emotional well-being of Sailors and their family members. Many of these programs provide recreational relief for family member responsible for the long-term rehabilitation and recovery of wounded, ill and injured service members.

Naval Service Family Line is a volunteer, non-profit organization dedicated to improving the quality of life for every Sea Service family. This is achieved by answering questions form spouses about the military lifestyle, referring spouses to organizations which may be able to assist them, publishing and distributing free booklets and brochures which contain very helpful information, and developing successful educational programs for the Sea Service spouse.

Marine Corps Community Services (MCCS) exists to serve Marines and their families wherever they are stationed. MCCS programs and services provide for basic life needs, such as food and clothing, social and recreational needs and even prevention and intervention programs to combat societal ills that inhibit positive development and growth.

Wounded Warrior Regiment currently has Patient Affairs Teams (PATs) located at strategic Medical Treatment Facilities to assist and support families of wounded, injured, and ill Marines and Sailors with any requirements they may have. These teams are located at the following sites: Landstuhl Regional Medical Center, Germany; National Naval Medical Center, Bethesda, MD; Walter Reed Army Medical Center, Washington, DC; Portsmouth Naval Hospital, Portsmouth, VA; Richmond VA Polytrauma Center, Richmond, VA; Tampa VA Polytrauma Center, Tampa, FL; Minneapolis VA Polytrauma Center, Minneapolis, MN; Camp Lejeune Naval Hospital, Camp Lejeune, NC; Brooke Army Medical Center, San Antonio, TX; Balboa Naval Hospital, San Diego, CA; Camp Pendleton Naval Hospital, Camp Pendleton, CA; Naval Hospital Twenty-nine Palms, Twenty-nine Palms, CA; Tripler Army Medical Center, Honolulu, HI; and Palo Alto VA Polytrauma Center, Palo Alto, CA.

These PATs assist family members with numerous administrative and logistic issues such as: lodging, travel arrangements, in-and-around travel, Invitational Travel Orders, Bed-side Orders, charitable organizations support, travel advances, travel claims, service intermediaries with hospitals, benefits assistance, Department of Veterans Affairs liaison, Social Security Administration Claims processing, and any other requirements they may have.

Military One Source provides both a web site and toll-free number for service members and their families to locate information and resources dealing with deployment planning, family support resources and referral to private sector agencies supporting the military family.

COMPREHENSIVE RECOVERY PLAN

*Question.* Dole/Shalala recommends that every wounded soldier or Marine receive a comprehensive recovery plan to coordinate recovery of the whole soldier, including all Medical care and Rehabilitation, Education and Employment Training, and Disability Benefits Managed by a single highly-skilled recovery coordinator so no one gets "lost in the system."

Do all patients get a comprehensive recovery plan?

Answer. The Senior Oversight Committee, Co-Chaired by Deputy Secretary of Defense (DEPSECDEF) and Deputy Secretary of the Veterans Administration (DEPSECVA), Line of Action (LOA) #3 (Case Management), is currently working to address Recovery Care Coordinator functions, responsibilities, workload, and resources. DON Representatives from Navy Safe Harbor, Marine Corps Wounded Warrior Regiment and Navy Medicine are actively engaged in this LOA 3 effort. LOA #3 is identifying Recovering Service Members based on a tiered approach by acuity of wound, illness, or injury and psychosocial needs that would benefit from a comprehensive recovery plan.

*Question.* What steps have you taken to train and hire skilled recovery coordinators?

Answer. LOA #3 is working towards a unified training solution with standardized curriculum modules for all services, allowing for some service unique required training.

*Question.* Do service members in the Navy's care have the single coordinator to provide continuity?

Answer. The identification of a recovery care coordinator who will oversee the completion of a comprehensive recovery plan as recommended by Dole/Shalala, will be a further enhancement to the Navy's already robust care management program. The Navy's comprehensive casualty care program provides support and assistance to all wounded, ill and injured Sailors and their family members throughout their phases of recovery to reintegration or to transition from the service.

*Question.* What training do recovery coordinators receive?

Answer. Standardized training is currently under development.

*Question.* Are they trained as soldiers, or as case managers?

Answer. Training will focus on non-medical case/care management with modules on how to access medical support if presented with clinical issues.

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## QUESTIONS SUBMITTED BY SENATOR TED STEVENS

### SUPPORT TO USMC GROWTH

*Question.* The Marines are growing an additional 27,000 personnel in end strength, while the Navy has planned a reduction in forces. What steps are you taking to try and meet the need of a larger Marine Corps ground force for deployments while maintaining the right size force in the Navy?

Answer. President's Budget 2008 included a top line funding and 922 end strength increase for Navy in support of the USMC's growth of 27,000 personnel. The Navy increase includes approximately 800 discrete billets, with the remainder comprised of student training billets. Out of the 800 specific billets, the majority are Hospital Corpsmen and medical officers. The billet requirements were provided by USMC Total Force Structure Division, Deputy Commandant for Combat Development and Integration.

In addition to the manpower funding, Navy was also allocated a funding increase for general skills and flight training.

Sailors and Naval Officers are being assigned to the new billets in a phased manner in parallel with the ramp up of the USMC growth. The assignment of the first several hundred personnel is underway, and Navy foresees no obstacles in filling the remaining billets.

### WRNMMC BETHESDA DEADLINE

*Question.* The Navy has announced an award for the design-build of the new Walter Reed National Military Medical Center at Bethesda. Do you believe this project is still on track to be completed by the BRAC deadline of 2011?

Answer. Barring any unforeseen site conditions or major design changes, the Navy believes that the schedule for this project is on track to meet the BRAC 2005 deadline of September 2011.

### WRNMMC DEADLINE CHALLENGES

*Question.* What challenges still need to be addressed in completing the build out of this facility by the BRAC deadline?

Answer. Challenges can arise from several areas including the timely receipt of funding, completion of traffic flow improvements, equipment installation, unforeseen conditions found during building renovation work and unknowns encountered in the field such as lead, mercury, and asbestos. The coordination of several contractors concurrently working on site and the movement of staff from Walter Reed to Bethesda will also be challenging. All these challenges must be successfully managed in order to meet the deadline of September 2011.

### WRNMMC REALIGNMENT

*Question.* Are there Service specific concerns or issues with regards to this realignment that you are working through with your Army counterpart? What are they?

Answer. There are issues of governance and operational efficiencies that are presently being worked by Navy and Army for the new Walter Reed National Military Medical Center. I am diligently working with the Commander, Joint Task Force National Capital Region Medical and the Surgeon General of the Army to ensure that

the planning, construction and future governance of the state of the art military medical center in the National Capital Region fully complies with the BRAC requirements, best serves our warriors and military beneficiaries and is an icon for world class medical care when completed in 2011.

MILITARY TO CIVILIAN CONVERSION STANDSTILL

*Question.* I understand that all medical military to civilian conversions are at a standstill as directed by the fiscal year 2008 Defense Authorization Act that was signed into law this past January. Can you tell us how this will impact care in the Medical Treatment Facilities? Do you have a plan in place to fill the slots that were originally supposed to be converted?

Answer. There will be some shortfalls in staffing for the next several years. However, the reversal of the military to civilian conversions is not the sole reason for the shortfalls. Certain health professional specialties are very difficult to access and retain for both military and civilian positions.

Depending on our access to military personnel funds, the Navy is planning to restore 282 military billets in fiscal year 2009, with the remaining military positions being bought back between fiscal year 2010 and fiscal year 2015. The plan is to use contract personnel and term government service employees to alleviate this gaps caused by the time lag until the military endstrength can be completely restored and filled.

MILITARY TO CIVILIAN CONVERSION—BENEFITS OF MILITARY PERSONNEL

*Question.* What are the benefits to having military personnel in these medical professions?

Answer. More medical professionals in uniform increases Navy medicine's ability to surge when necessary during extended conflicts. The increased uniform medical personnel reduces the stress on the force during high-tempo periods of operations thus causing a trickle down effect increasing retention and allowing a healthy operational rotation of medical professionals.

MILITARY TO CIVILIAN REVERSAL CHALLENGES

*Question.* Despite funding challenges, what other challenges do you foresee in the coming year with regards to a reversal of Military to Civilian conversions?

Answer. The recruiting and retention of medical professionals will be increasingly difficult for the foreseeable future. There is a growing national shortage of medical professionals in the United States and there will be an increased competition to recruit health care professionals in both the military and civilian sector. The military's best strategy to recruit and retain medical specialists is to grow our own specialists through strong graduate and resident education programs coupled with competitive incentive packages after training obligations have expired.

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QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER S. BOND

BEHAVIORAL HEALTH CARE ASSETS

*Question.* Army and Navy Surgeon General Question. What are you doing to alleviate the shortage?

Answer. Currently the Services have numerous incentives to attract and retain behavioral health specialists. Some have been recently enacted from the fiscal years 2007 and 2008 NDAA and we are monitoring the effects on recruiting and retention.

*Psychiatry (Medical Corps)*

Eligible for the following entitlements: Variable Special Pay, Additional Special Pay, and Board Certified Pay.

Eligible for the following discretionary special pays: Incentive Special Pay (ISP) $15,000/year and Multiyear Special Pay (MSP) 2 year—$17,000/year, 3 year—$25,000/year, and 4 year—$33,000/year. The 4 year MSP for Psychiatrist has increased from $17,000/year in fiscal year 2006 to $25,000/year in fiscal year 2007 to $33,000 in fiscal year 2008. The Health Professional Incentive Work Groups (HPIWG), a tri-service work group run by DOD Health Affairs, is contemplating another increase in fiscal year 2009.

The NDAA 2008 allows up to $400,000 Critical Wartime Skills Accession Bonus (CWSAB) for board certified direct accessions. DOD/HA has authorized $175,000 accession bonus for psychiatrists who accept a 4 year commitment. The HPIWG will be increasing the CWASB amounts in fiscal year 2009.

Psychiatrists are eligible for the Health Profession Loan Repayment Program (HPLRP) if they meet eligibility requirements. HPLRP can be used as an accession incentive and as a retention incentive. This program provides up to $38,300 per year to repay qualified school loans. HPLRP obligation runs consecutively with other obligations.

*Clinical Psychologists (Medical Service Corps)*

The Navy recently implemented a Critical Skills Retention Bonus for Clinical Psychologists. The incentive pays $60,000 ($15,000/year) for 4-year contract at MSR. Clinical Psychology Officers with 3–8 years of commissioned service are eligible.

Psychologists are eligible for the Health Profession Loan Repayment Program (HPLRP) if they meet eligibility requirements. HPLRP can be used as an accession incentive and as a retention incentive. This program provides up to $38,300 per year to repay qualified school loans. HPLRP obligation runs consecutively with other obligations.

Clinical Psychologists are eligible for Board Certified Pay.

The HPIWG is currently working on implementing an accession bonus and retention bonus for Clinical Psychologists in fiscal year 2009 using the new consolidated medical special pay authority in NDAA 2008.

*Social Workers*

Social Workers are also eligible for Health Professionals Loan Repayment Program (HPLRP) as an accession and retention tool.

Social Workers are eligible for Board Certified Pay.

The HPIWG is currently working on implementing an accession bonus and retention bonus for Social Workers in fiscal year 2009 using the new consolidated medical special pay authority in NDAA 2008.

*Mental Health Nurse Practitioners*

Nurse Corps recently recognized Registered Nurse Mental Health Nurse Practitioners with subspecialty code.

Once approved by Assistant Secretary of Health Affairs Mental Health Nurse Practitioners will be eligible for board certified pay.

Mental Health Nurse Practitioners are eligible for the Health Profession Loan Repayment Program (HPLRP) if they meet eligibility requirements. HPLRP can be used as an accession incentive and as a retention incentive. This program provides up to $38,300 per year to repay qualified school loans. HPLRP obligation runs consecutively with other obligations.

Fully qualified Mental Health Nurse Practitioner entering the Navy would qualify for the Nurse Accession Bonus (NAB), $20,000 for a 3 year commitment or $30,000 for a 4 year commitment. This bonus can be combined with the HPLRP as a 3 year NAB accession incentive requiring a 5 year commitment.

Starting in fiscal year 09 Mental Health Nurse Practitioners will be eligible for the Registered Nurse Incentive special Pay. This is a multi-year special pay up to $20,000 per year for a 4 year contract.

VET CENTERS

*Question.* Thank you. To follow up, I'd ask Army leaders to consider a proposal to allow active duty forces to access the behavioral health care resources available at the nation's Vet Centers. These facilities provide care for PTSD and are manned by veterans and specialists familiar with the needs of veterans and our active duty forces. It seems a tremendous waste in resources to limit eligibility to our Vet Centers to veterans only if there are soldiers who require care but have limited or no assets available to them.

Would you support legislation that allowed active duty forces access to behavioral health resources at the nation's Vet Centers?

Answer. Yes, Navy Medicine would support legislation for this; however, we already have authority to share resources and have some agreements in place where mental health services are exchanged, primarily the VA providing the mental health services to DOD. Our main concern would be whether the VA has the capacity to provide mental health services to active duty service members.

MILITARY EYE TRAUMA CENTER OF EXCELLENCE AND EYE TRAUMA REGISTRY

*Question.* Switching gears, I'd like to talk about the Centers of Excellence recently developed by the Department of Defense. Congress, in the Wounded Warrior section of the NDAA enacted January 2008, included three military centers of excellence, for TBI, PTSD, and Eye Trauma Center of Excellence. The two Defense Centers of Excellence for TBI and Mental Health PTSD are funded, have a new director and

are being staffed with 127 positions, and are going to be placed at Bethesda with ground breaking in June for new Intrepid building for the two centers. I'm sure you are aware that there have been approximately 1,400 combat eye wounded evacuated from OIF and OEF.

Does DOD Health Services Command have current funding support and adequate staffing planned for the new Military Eye Trauma Center of Excellence and Eye Trauma Registry? If not, when can the committee expect to be provided specific details on implementation?

Answer. The Office of the Secretary of Defense (Health Affairs) is coordinating the implementation of the Military Eye Trauma Center of Excellence.

MILITARY HEALTH SYSTEM GOVERNANCE

*Question.* There has been a lot of discussion in recent years about making military medicine more joint. Do you believe changes in the governance of the Military Health System are needed to make military medicine more effective and efficient?

Answer. Navy Medicine supports a governance structure where the three Surgeon's Generals participate collaboratively. The current governance structure allows for services to address issues in a "joint-like" environment thereby ensuring effective and efficient use of resources. The structure also recognizes unique service requirements, such as health services training to support the future agility of the Marine Corps, where there may be no overlapping service capability. There is no need to change the governance structure at this time, however, Navy Medicine will continue to foster participation in Joint requirements and acquisition projects to ensure interoperability between services.

SUBCOMMITTEE RECESS

Senator INOUYE. And with that, I thank you very much for your testimony, and the subcommittee will stand in recess until April 23, and at that time, we'll receive testimony on the Missile Defense Agency.

Thank you very much.

[Whereupon, at 11:48 a.m., Wednesday, April 16, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2009

**WEDNESDAY, APRIL 23, 2008**

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.*

The subcommittee met at 10:33 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Stevens, Cochran, Domenici, and Shelby.

## DEPARTMENT OF DEFENSE

### MISSILE DEFENSE AGENCY

**STATEMENT OF LIEUTENANT GENERAL HENRY A. OBERING III, UNITED STATES AIR FORCE, DIRECTOR**

OPENING STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. On behalf of the subcommittee, I'm very pleased to welcome Lieutenant General Obering, Director of the Missile Defense Agency, and Lieutenant General Campbell, who wears three hats, Commanding General of the U.S. Army Space and Missile Defense Command, the U.S. Army Forces Strategic Command, and the Joint Functional Component Command for Integrated Missile Defense.

These distinguished gentlemen are here before the subcommittee to discuss the fiscal year 2009 budget request for missile defense.

General Obering, I've been informed that this will very likely be your last time to testify before this subcommittee as Director of the Missile Defense Agency, and I wish to thank you for your tireless service and dedication to the mission and congratulations on the many accomplishments achieved during your tenure as head of the agency.

This has been a good year for missile defense. After 25 years and over $100 billion spent, the United States finally has a system in place that could be operational, if necessary.

Now that systems like the terminal high altitude area defense (THAAD) the aegis sea-based missile defense, and the ground-based system (GMD) are showing promise, it is time to get these missile defense capabilities fielded and operational. It's time to move from research and development to fielding systems that are fully tested and capable.

We have the pillars in place to do this with GMD, aegis and THAAD. These programs require our full attention. They'll start as the basis of our missile defense capability for decades to come.

There are many issues that I hope you'll address today regarding the $9.3 billion budget request before the subcommittee, including the status of negotiations for the European Third Site, shortfalls in the target inventory, and progress in overcoming countermeasures.

And I wish to thank you both for appearing before the subcommittee and I look forward to hearing your remarks.

May I now call upon the vice chairman of the subcommittee?

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much, Mr. Chairman. I join you in welcoming our witnesses this morning and look forward to their testimony.

This gives us an opportunity to really catch up and be up to date with regard to the missile defense policies and changes in the program. The threat continues to increase and I think that providing combatant commanders with the defensive weapons they need to deter an attack against our homeland deployed forces is absolutely essential to our national security.

Our subcommittee has consistently supported missile defense programs with an emphasis on development, testing, fielding and improvement of effective near-term missile capability, and missile defense capabilities. I believe the subcommittee will continue to support these near-term capabilities as well as enhancing our Nation's ability to defeat the future missile threats. So we look forward to your testimony and I understand there may be a small video.

Thank you.

Senator INOUYE. Thank you very much. Senator Cochran.

STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. Mr. Chairman, thank you. I'm pleased to join you and Senator Stevens in welcoming General Obering and General Campbell to this hearing.

We're all well aware of the fact that ballistic missiles pose an increasing threat to our Nation, to our military forces and to our interests throughout the world. It is a disturbing reality that North Korea and Iran continue to pursue mobile solid fuel missiles capable of being launched on short notice and capable of carrying warheads with the potential for mass destruction. North Korea continues its efforts to export missiles and missile technology.

In the face of these realities, it is imperative that we provide the Department of Defense and the Missile Defense Agency in particular the resources necessary for the defense of our country and our interests against these threats.

We deeply appreciate General Obering's and General Campbell's leadership in this effort and we welcome you to the hearing.

Senator INOUYE. Senator Shelby.

Senator SHELBY. Mr. Chairman, I'd just like to echo what you've been saying here.

Welcome, General Obering, General Campbell, and tell them I believe you're on the right track. You're working hard and you've got a lot to share today and I look forward to hearing it.

Senator COCHRAN. Thank you, sir.

Senator INOUYE. Senator Domenici.

Senator DOMENICI. Mr. Chairman, I have no comments.

Senator INOUYE. Thank you, sir. And now it's my pleasure to introduce General Obering.

General OBERING. Thank you very much, sir.

Good morning, Mr. Chairman, Senator Stevens, distinguished members of the subcommittee.

I want to thank this subcommittee personally for the tremendous support that we have indeed received from you over the years. As the Director of the Missile Defense Agency, it is my role to develop, test, and initially field an integrated layered ballistic missile defense system.

For 2009, we are requesting $9.3 billion for this mission. I want to point out that approximately 75 percent is for near-term capabilities with the remainder budgeted for longer-term elements that we think are prudent to address an uncertain future.

To lay the foundation for our budget request, I would like to point out why missile defense is so critically needed. There were approximately 120 foreign missile launches last year around the world. Two countries in particular, North Korea and Iran, continue to be very troubling with their pace of missile development, testing and proliferation.

Iran's pursuit of missiles with ranges exceeding what they would need in a regional conflict, coupled with their continuing uranium enrichment, emphasizes why it's so important that we field and integrate long-range defenses with shorter-range North Atlantic Treaty Organization (NATO) capabilities in the European Theater.

Our request for 2009 builds on our record of continuing success. I am happy to report that 2007 was the best year ever in missile defense and it reflects the hard work of thousands of men and women around the country. We have now fielded two dozen interceptors between Alaska and California to address the long-range threat. We've modified 17 aegis ships for the long-range tracking mission, 12 of which are also capable of launching the 25 standard missile (SM–3) sea-based interceptors to address short-range threats that we've deployed.

We've expanded our center network and deployed additional command and control capabilities to the combatant commanders, and with NATO's recent recognition of the emerging missile threat, its endorsement of our long-range defense proposals and its tasking to propose options for shorter-range protection, we will be able to defend our deployed forces and allies in that important theater in the future with your support.

Our success is also reflected in our increasingly complex and realistic test program. With the 10 of 10 successful intercepts in 2007, we have now achieved 34 of 42 successful hit-to-kill intercepts since 2001. We have not had a major system failure in our flight test program now in over 3 years.

Two relatively recent milestones are also worth highlighting. One was the success of our allied partner Japan in their first intercept

flight test off the coast of Hawaii in December of which we and the Japanese are extremely proud; and two, we were able to modify our sea-based element to shoot down the errant satellite in February with just 6 weeks' notice. While this was not a test of our missile defense system, it does powerfully demonstrate why we need tools for an uncertain future.

Now, sir, with your permission, I would like to show you video of our test and our satellite intercept, if that's okay. What you're going to see, first of all, is the test, the terminal high altitude air defense test (THAAD), that we conducted off the coast of California—I mean, off Hawaii. Go ahead.

This occurred in April 2007 and what you're going to see is the target missile here is launched from a ship off the coast, about 250 miles off the coast of Hawaii. This was done very easily, in terms of being able to do this off a ship and that's something I'd be happy to address in questioning, and then we launched the interceptor from the island of Kauai and, Senator Inouye, I know you're very familiar with that.

This is our land-based mobile that can operate just inside and just outside the atmosphere. Here's a close up of the interceptor as it egresses the canister. Now this interceptor consists of a kill vehicle and a single booster and you'll see the fly-out of the interceptor here, a couple of different angles, and then you'll also see the separation between the booster and the kill vehicle in this next frame.

Now I want you to see how energetic this is. There's the separation and the debris. There goes the kill vehicle on its way. If you look very closely, you'll see two pieces come off the kill vehicle which are the shroud that protects its sensor and then next you'll see the kill vehicle rockets that are adjusting as the target comes into the picture from the left.

Now this intercept occurred just on the edges of space and we totally destroyed that unitary target.

Now if you go back, the next one I want to show you is our long-range test that we conducted last September. In this situation, we're trying to replicate a long-range shot from North Korea into the United States and an intercept from Alaska.

So to replicate that, we launch a target from Alaska, from Kodiak Island, that I know Senator Stevens is very familiar with, and then we launch the interceptor from California. That gives us the replication of the operational conditions that we're looking for.

This is a camera that's mounted on the aft of the target as we launch. It's part of our data collection opportunities. Now in this case, we had an operationally realistic target. We had an operational radar that gave us the initial weapons control, fire control plan. We used soldiers at the console that were not connected to the test net and we used an operationally configured interceptor that we flew out of California.

In the next shot, you're going to see the location of the interceptor on the west coast. This is identical to the configuration that we have deployed in Alaska as well as in Vandenburg. You'll notice in the close up, there's the clam shell doors of the silo opening and the egress of the interceptor.

Now this is a three-stage interceptor. It is the largest that we have in our inventory and it is the only interceptor capable of engaging the long-range missiles because of the speed involved.

We propose a two-stage version of this in which we just remove the third stage for the Poland and the European environment.

Here's the staging of the first stage and the altitude of this intercept will be hundreds of kilometers in space and, of course, that is also important when you're trying to minimize any effects on the ground.

The first thing you're going to see is the infrared of the intercept in both real and slow motion and then, very interestingly, you're going to see exactly what the kill vehicle sees and I'll walk you through that and that is, you're going to see three boxes come up and those are sensors on the kill vehicle and it's going through and if you remember that debris from the interceptor separation, we get that also with the target.

So little boxes will come up and start tracking those objects. They could be debris. They could be a third stage, et cetera. It's going through and determining what is the warhead invading on it and then you'll see the warhead come up in these two frames just before we intercept right there and right there.

So that demonstrates the ability, for example, to sort through different objects it sees and go after the warhead as part of the logic.

SATELLITE INTERCEPTOR

If you go back and then finally to the next slide, I just want to walk you through this. About 7 to 10 days before Christmas, I was called by the National Reconnaissance Office Director Scott Large and he asked for help in destroying the satellite that they had lost communication with and was coming back in with a very toxic payload that could have been potentially hazardous to humans.

It took us a couple weeks to analyze and it turned out that both the ground-based midcourse and aegis all had capability—if they were modified to go do this mission. The aegis was the easiest to modify and also represented the most flexibility and the minimum impact to our program overall, so that's why we chose that.

We didn't modify the ship system, the radar and the kill vehicle to be able to do this mission, and then on the 20th of February we launched one just north of Hawaii on the U.S.S. *Lake Erie*.

Now what I want to point out here at the bottom, we had to hit that tank. We had to hit and destroy that hydrazine tank on the satellite and so we ran through our modeling simulation, we wanted to see what happened, what were the risk of that, what were the potential possibilities of being successful.

What you see in the bottom left is a picture of the radar image. If we hit the satellite but did not hit that tank, that would not have been a success, and then if you see this, this is the prediction from our modeling and simulation of what it would look like if we hit the tank.

Now if you go ahead and click, Steve, that's the real picture that we got. So our models and sims did a pretty good job of predicting what it would look like were we successful, and if you go ahead and click on it, I'll show you very quickly, this is the video.

This was done by aegis. It was a *Lake Erie* sea-based interceptor that we had modified. One thing that's important to point out, the ship could not do this by itself. We had to feed it offboard information because the satellite was traveling too fast for that ship to be able to engage it. So we had a whole sensor network that we were using data from to inject it offboard, from offboard the ship.

There's the staging of the interceptor and then you'll see the video that we have. The first one is a Halo aircraft. That's focused on the satellite and there's the intercept and the next one is another Halo aircraft that was focused on the interceptor and I'll show you one of the real tell-tale signs we were looking for in the intercept was the presence of hydrazine right here.

This is focused on the interceptor and as you see, there will be a half-moon shape that comes up here and that was exactly what we were looking for in terms of the atmospheric interaction with the hydrazine. So from different phenomenology, we confirmed that we were successful.

Now concerning closing, I just wanted to point out that we've been able to put all of this critical capability into the hands of the warfighters so effectively and so quickly over the past several years because of the authorities that have been given to the Missile Defense Agency and the nontraditional defense acquisition approach that you have allowed us to pursue.

PREPARED STATEMENT

I want to thank you and all of you and I look forward to your questions.

Thank you.

Senator INOUYE. I thank you very much, General Obering.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL HENRY A. OBERING III

Good morning, Chairman Inouye, Senator Stevens, distinguished Members of the Committee. Thank you for this opportunity to discuss the Department of Defense's fiscal year 2009 Missile Defense program and budget. As Director of the Missile Defense Agency (MDA), I have the privilege of leading an outstanding group of thousands of men and women who are working hard every day to develop, test and field an integrated, layered ballistic missile defense system to defend the United States, our deployed forces, and our allies and friends against ballistic missiles of all ranges in all phases of their flight. I want to thank this Committee for the support we have received for this critical defense program.

We are requesting $9.3 billion in fiscal year 2009 for missile defense. Roughly 75 percent of this request, or $7 billion, will be allocated to the near-term development and fielding of missile defense capabilities. Of this amount, $715 million is for sustaining the capabilities we already have in the field today. I also want to highlight that, as has been the pattern for several years now, we will be spending about $2 billion of the funding in fiscal year 2009 (more than 20 percent of the missile defense budget) on test activities.

The Ballistic Missile Defense System (BMDS) is daily becoming more integrated, robust, and global. The BMDS already includes fielded assets operated by Air Force, Army, and Navy units under the integrated control of Combatant Commanders. Our current, limited homeland defense against long-range ballistic missiles will soon be bolstered by additional interceptors in Alaska and the upgrade of an existing radar in Greenland to protect against enemy launches from the Middle East.

The defense of deployed forces, allies, and friends against short- to medium-range ballistic missiles in one region/theater will be buttressed by additional Standard Missile (SM)-3 interceptors, more Aegis BMD engagement-capable warships, the initial Terminal High Altitude Area Defense (THAAD) fire units, and additional sea-

based terminal interceptors. Tying these assets together will be a global command, control, battle management and communications capability.

In the near future, MDA's capability development program is expected to yield enhanced capabilities to discriminate between enemy warheads and countermeasures and options for "multiple kill" capabilities to meet future challenges. In the longer term, we will complete the development of a boost phase defense capability.

Recent flight tests are confirming technological progress and operational effectiveness for short-, medium-, and long-range defensive capabilities. In 2007, MDA and the military services executed 10 of 10 successful intercepts across all ranges of our missile defense elements.

As missile defense capabilities expand worldwide, international cooperation with allies and friends is dramatically increasing. Earlier this month the United States and the Czech Republic completed negotiations on a missile defense agreement to station a midcourse X-band radar in the Czech Republic to track ballistic missiles. Assuming we conclude an agreement with Poland and obtain congressional approval to proceed with the European Site Initiative, MDA intends to begin site construction for additional long range interceptors and the fixed-site radar to defend allies and deployed forces in Europe and expand the U.S. homeland defense against limited Iranian long-range threats. On April 3, 2008, in recognition of the increasing threat posed by ballistic missiles, all 26 nations of the North Atlantic Treaty Organization (NATO) formally endorsed the deployment of the European-based U.S. missile defense assets. NATO also committed to working with the United States to link this capability to any future NATO-wide missile defense architecture.

Also, we have undertaken substantive cooperative efforts with European, Middle Eastern, and Asian nations. With the purchase of Aegis BMD and Patriot Advanced Capability-3 assets, and with our fielding of a transportable X-band radar at Shariki, Japan is in the process of fielding a multilayered system interoperable with the U.S. system. Further, with MDA's support, the Department of Defense participated with Israel to develop an Israeli missile defense architecture that can meet threats expected in the next decade. We also held meetings with senior Russian officials and technical experts to discuss both threat perceptions and missile defense cooperation, including the potential for partnering with Russia in a joint regional architecture.

Mr. Chairman, one last point before I continue. In February the Department of Defense called on our country's missile defenses to destroy a large tank of toxic fuel onboard an out-of-control U.S. satellite about to reenter the Earth's atmosphere. The uncertainty of when and where the satellite would reenter, and the near certainty that the fuel tank would survive reentry and possibly break up on Earth, drove the urgency of this mission. Using an extensively modified SM–3 interceptor and a modified Aegis Weapon System onboard the U.S.S. *Lake Erie*, the Navy successfully destroyed the tank. The Department undertook this operation, carefully choosing an intercept altitude that would not add to the debris currently in orbit, to protect against the possible risk to life that a natural reentry of the satellite could have posed. After engagement, the toxic hydrazine dissipated in space, and, by now, most of the debris from the satellite body has burned up in the Earth's atmosphere.

This was a very successful joint mission involving the Navy, U.S. Strategic Command, the Missile Defense Agency, the National Aeronautics and Space Administration, the National Reconnaissance Office, and other national security offices. Missile Defense Agency engineers worked closely with the Navy to modify the interceptor and the Aegis weapon system for this one-time engagement. This was a case where the missile defense system was unexpectedly pushed into service and performed exceptionally well. While this stands as an example of what the nation received for its investment in missile defense, I want to be clear that it does not represent an operational anti-satellite capability. The time and level of technical expertise it took to plan and orchestrate this mission, the split-second fragility of the once-per-day shot opportunities, and the relatively low altitude of the satellite's decaying orbit did not approach the responsive and robust capability that would be needed to attack enemy space assets in wartime.

THREAT UPDATE

To lay the foundation for our budget request, let me review why missile defense is so critically needed. There remains intense interest in several foreign countries to develop ballistic missile capabilities. In fact, there were over 120 foreign ballistic missile launches in 2007, significantly exceeding what we observed in previous years. This comes on the heels of a very active 2006, during which time both North Korea and Iran demonstrated an ability to orchestrate campaigns involving multiple and simultaneous launches using missiles of different ranges. Currently, North

Korea has hundreds of deployable short- and medium-range ballistic missiles and is developing a new intermediate-range ballistic missile and a new short-range, solid-propellant ballistic missile, which it test-launched in June 2007. Iran has the largest force of ballistic missiles in the Middle East (several hundred short- and medium-range ballistic missiles), and its highly publicized missile exercise training has enabled Iranian ballistic missile forces to hone wartime skills and new tactics.

North Korea's ballistic missile development and export activities remain especially troubling. Pyongyang continues to press forward with the development of a nuclear-capable ICBM. While the firing of the Taepo Dong 2 in July 2006, launched together with six shorter-range ballistic missiles, failed shortly after launch, North Korean engineers probably learned enough to make modifications, not only to its long-range ballistic missiles, but also to its shorter-range systems. North Korea's advances in missile system development, particularly its development of new, solid fuel intermediate-range and short-range ballistic missiles, could allow it to deploy a more accurate, mobile, and responsive force. North Korea's nuclear weapons program makes these advances even more troubling to our allies and the commanders of our forces in that region.[1]

In addition to its uranium enrichment activity, Iran continues to pursue newer and longer-range missile systems and advanced warhead designs. Iran is developing an extended-range version of the Shahab-3 that could strike our allies and friends in the Middle East and Europe as well as our deployed forces. It is developing a new Ashura medium-range ballistic missile capable of reaching Israel and U.S. bases in Eastern Europe.[2] Iranian public statements also indicate that its solid-propellant technology is maturing; with its significantly faster launch sequence, this new missile is an improvement over the liquid-fuel Shahab-3.[3] Iran has reportedly bought a new intermediate-range ballistic missile (IRBM) under development by North Korea;[4] this underscores the urgent need to work with our allies in the North Atlantic Treaty Organization (NATO) to field and integrate long-range missile defenses in Europe. Moreover, Iran's development of a space launch vehicle using technologies and designs from its ballistic missiles means Iran could have an ICBM capable of reaching the United States by 2015.[5]

Syria is working to improve its ballistic missile capabilities and production infrastructure. Today Syria is capable of striking targets in Israel and Turkey, our southern NATO partner, using rockets and ballistic missiles. Syria can produce longer-range Scud variant missiles using considerable foreign assistance from countries such as North Korea and Iran.[6] So our vigilance must extend well out into the future, when the threats we face today have grown and new threats may have emerged.

NEW MISSILE DEFENSE PROGRAM STRUCTURE

We have established a new block structure to organize our program of work and present our budget. The Agency has made this change to address concerns about transparency, accountability, and oversight and to better communicate to Congress and other key stakeholders. The new approach has several key tenets:

—Blocks will be based on fielded missile defense capabilities that address particular threats and represent a discrete program of work—not on biennial time periods.

—When MDA believes a firm commitment can be made to the Congress, the Agency will establish schedule, budget, and performance baselines for a block. Block schedule, budget, and performance variances will be reported.

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[1] Oral Statement by the Director of the Defense Intelligence Agency, Lieutenant General Michael D. Maples to the Senate Select Committee on Intelligence Annual Threat Assessment Hearing, 5 Feb 2008 http://www.dia.mil/publicaffairs/Testimonies/Statement29.pdf; Current and Projected National Security Threats to the United States, Lieutenant General Michael D. Maples, U.S. Army, Director, Defense Intelligence Agency, Statement for the Record, Senate Armed Services Committee, 27 February 2007 http://www.dia.mil/publicaffairs/Testimonies/statement28.html.

[2] Statement of Lieutenant General Michael D. Maples, 5 February 2008.

[3] Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 January to 31 December 2005, Central Intelligence Agency, http://dni.gov/reports/CDA%2011-14-2006.pdf.

[4] Statement of Lieutenant General Michael D. Maples, 5 February 2008.

[5] Current and Projected National Security Threats to the United States Vice Admiral Lowell E. Jacoby, U.S. Navy Director, Defense Intelligence Agency Statement For the Record Senate Armed Services Committee, 17 March 2005 http://www.dia.mil/publicaffairs/Testimonies/statement17.html.

[6] Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 January to 31 December 2005, Central Intelligence Agency.

—Once baselines are defined, work cannot be moved from one block to another.

Based on the above tenets, MDA has currently defined five blocks (see figure 1). Blocks 1.0, 3.0, and 4.0 deliver capabilities for long-range defenses, while Blocks 2.0 and 5.0 deliver capabilities to address the short- and medium/intermediate-range threats.

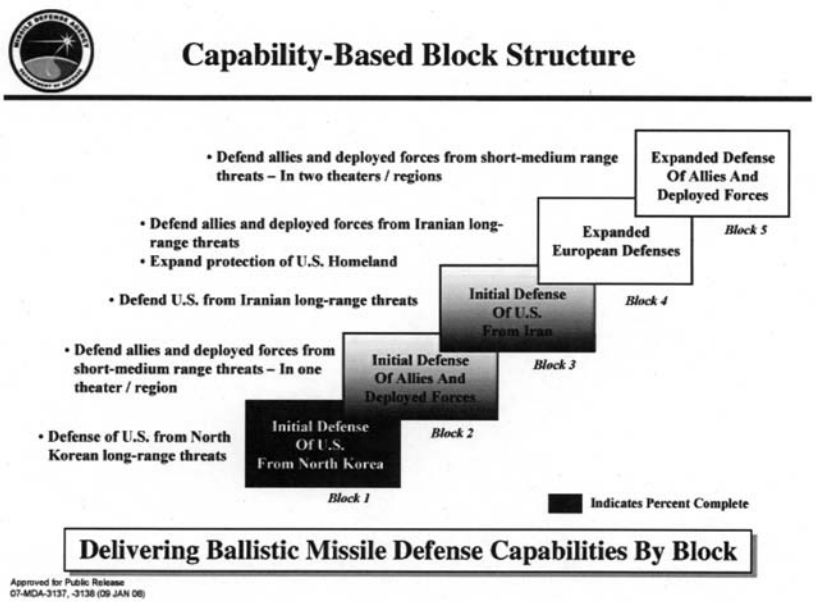


*Figure 1: Capability-Based Block Structure*

Future blocks (Block 6.0, etc.) will be added when significant new capabilities are expected to be fielded based on technological maturity, affordability, and need. For example, a new Block 6.0 might include enhanced defense of the United States against complex countermeasures, drawing on volume kill capabilities from the multiple kill vehicle (MKV) program, improved discrimination capabilities on our integrated sensor, command and fire control network as well as upgraded hardware and software on our weapon systems.

MDA's budget is organized through the period of the Future Years Defense Program based on the new block structure. Also, program funding that does not fit into Blocks 1.0 through 5.0 is assigned to four general categories:

—*Capability Development*.—Technologies such as the Airborne Laser, Multiple Kill Vehicle, Kinetic Energy Interceptor, Far-Term Sea Based Terminal, Project Hercules and the Space Tracking and Surveillance System, which address future challenges and uncertainties.

—S*ustainment*.—Operations and support of weapon systems, sensors, and command and fire control components.

—*Mission Area Investment*.—Activities that support multiple efforts and cannot be reasonably assigned to a specific block or capability development program (e.g., intelligence and security; modeling and simulation; systems engineering and testing cores; safety, and mission assurance).

—*MDA Operations*.—Activities that support the Agency, such as Management Headquarters and Base Realignment and Closure (BRAC).

HIGHLIGHTS OF BUDGET SUBMISSION FOR FISCAL YEAR 2009

Our priorities in the fiscal year 2009 budget submission include near-term development, fielding, integration and sustainment of Blocks 1.0 through 5.0; increasingly robust testing; and a knowledge-based Capability Development program.

*Block 1.0*

We are nearing completion of the work in Block 1.0. We are requesting $59 million for fiscal year 2009, mostly to conduct additional system ground and flight tests to support a final Block 1.0 capability declaration.

This past year we saw an unprecedented pace of fielding of an integrated missile defense capability, much of it related to Block 1.0. In 2007 we emplaced 10 additional GBIs, for a total of 24 interceptors in missile fields at Fort Greely, Alaska, and Vandenberg Air Force Base, California. In 2008 we plan to increase interceptor inventories up to a total of 30 at the two sites. By the end of 2008, we will complete work installing the Long-Range Surveillance and Track (LRS&T) capability on 18 Aegis BMD ships. These ships will contribute to long-range defense by passing early detection, cueing, and tracking data across communications lines into BMD system communication and battle manager nodes located at Fort Greely and in Colorado Springs.

This past year we transitioned the transportable forward-based X-band radar at Shariki Air Base, Japan, from the interim site to a permanent location. This radar provides precise early detection and tracking to increase the probability we will destroy any lethal target launched by North Korea. The Sea-Based X-band radar (SBX) completed crew training and testing off the coast of Hawaii and transited to the North Pacific to conduct a cold weather shakedown off Adak, Alaska, where it will be home-ported in 2009. The SBX participated in system flight tests this past year, including the September 28 long-range intercept test and the December 17 engagement of a medium-range separating target at sea by our ally, Japan. This summer the radar will again participate in a long-range intercept test.

In 2007, we completed the fielding of C2BMC infrastructure to improve our ability to operate with Japan and receive direct feed from the Space-based Infrared System. We moved communications equipment and shelters to support the forward based X-band radar at Shariki and installed a second server suite at U.S. Pacific Command. We also began fielding enhanced C2BMC displays and improvements to our communications capabilities. The Parallel Staging Network we installed at U.S. Strategic, Northern, and Pacific Commands as part of the Concurrent Test, Training and Operations (CTTO) capability, will be completed this year. Without impeding the operational readiness of the system, CTTO allows the warfighter to conduct training and the Missile Defense Agency to continue with spiral upgrades, testing and development.

By 2009 we plan to install additional planning and situational awareness capabilities to facilitate executive decision-making in the European Command. C2BMC capabilities also provide our senior Government leadership situational awareness of hostile ballistic missile activities and updates on the performance of the ballistic missile defense system.

*Block 2.0*

Since 2002 we have expanded and improved terminal and midcourse defenses to defeat short- and medium-range threats from land and sea. We are requesting about $1.3 billion for fiscal year 2009 for Block 2.0 fielding, development, and integration. This block represents the foundation of the capabilities required to protect forces we deploy abroad and our allies and friends, initially in a single region or theater of combat.

We began fielding SM–3 interceptors in 2004. Block 2.0 comprises 71 SM–3 Block I and IA interceptors (we will have 38 in inventory by the end of 2008). To date, we have converted 12 Aegis BMD LRS&T ships to engagement-capable ships. By year's end, we will have 18 Aegis BMD ships—15 destroyers and 3 cruisers—all of which will have surveillance and track as well as engagement capabilities. For the past three years, the Navy and MDA have collaborated on plans for a Sea-Based Terminal defensive layer. We are upgrading the Aegis BMD weapon system, and the Navy is upgrading the SM–2 Block IV missile, the goal being to deploy up to 100 interceptors to provide a near-term terminal engagement capability on 18 Aegis BMD ships beginning in 2009.

We are working closely with the Army to begin developing and fielding in 2009 two Terminal High Altitude Area Defense fire units, with full delivery in 2010 and 2011. THAAD is uniquely designed to intercept targets both inside and outside the Earth's atmosphere. Consisting of 48 interceptors and the associated radars and C2BMC, THAAD will provide transportable terminal protection from short- to medium-range ballistic missiles for our troops and our allies.

*Block 3.0*

We are requesting about $1.7 billion for fiscal year 2009 to expand the defense of the United States to include limited Iranian long-range threats. Block 3.0 builds

on the foundation established by Block 1.0. Block 3.0 provides 14 additional GBIs above what we plan to deploy by 2008, along with two key radars needed for protection of the United States—the upgraded early warning radars at Fylingdales in the United Kingdom and at Thule in Greenland.

This past year we completed operational testing of the Royal Air Force Fylingdales radar and made the radar available to the warfighter for emergency situations. In 2007 we began upgrades to the Thule radar and will continue to integrate it into the system by 2009. Together with the early warning radars in California, Alaska, and the United Kingdom, the Thule radar will ensure coverage of the United States against threats from the Middle East. In the Pacific theater, we will continue to enhance additional forward-based X-band radar capabilities in Japan and at other operating locations to meet warfighter needs.

Block 3.0 also provides capabilities to defeat more sophisticated midcourse countermeasures. We are pursuing two parallel and complimentary approaches to counter complex countermeasures: first, more sophisticated sensors and algorithms to discriminate the threat reentry vehicle in the presence of countermeasures; and second, a multiple kill capability to intercept the objects identified by the discrimination systems as potential threat reentry vehicles. Block 3.0 will focus on the first of these approaches. It includes upgrades to the Ground-Based Interceptors, sensors, and the C2BMC system. The full implementation of this approach will be conducted in phases, with the first phase referred to as "Near Term Discrimination" and the second phase as "Improved Discrimination and System Track."

*Block 4.0*

We are requesting about $720 million for fiscal year 2009 for Block 4.0 fielding, development, and integration. Block 4.0 fields sensors, interceptors, and the C2BMC infrastructure needed to improve protection of the United States and, for the first time, extend coverage to all European NATO allies vulnerable to long-range ballistic missile attack from Iran. This block focuses on deployment of the midcourse X-band radar, currently located at the Kwajalein test site, to the Czech Republic and the establishment of an interceptor field in Poland. By devaluing Iran's longer-range missile force, European missile defenses could help dissuade the Iranian Government from further investing in ballistic missiles and deter it from using those weapons in a conflict. We believe that the long-range defense assets we are planning to deploy to Central Europe offer the most effective capability for defeating this threat.

The European Midcourse Radar would complement sensor assets deployed in the United Kingdom and Greenland and provide critical midcourse tracking data on threats launched out of the Middle East. The radar also would operate synergistically with the planned forward-based transportable X-band radar, jointly providing early threat detection and discrimination of the reentry vehicles.

A European Interceptor Site will consist of up to 10 interceptors, the two-stage configuration of our flight-proven 3-stage GBI. A 2-stage interceptor has less burn time than the 3-stage version, which allows it to operate within the shorter engagement timelines expected. Nearly all of the components used in the 2-stage interceptor are identical to those already tested and fielded in the 3-stage interceptor, which means modifications required to design, develop and produce a 2-stage variant are minimal. Nor are such modifications unprecedented. In fact, the first 10 Ground-based Midcourse Defense integrated flight tests, conducted between January 1997 and December 2002, successfully utilized a 2-stage variant of the 3-stage Minuteman missile. As we do with all system elements and components, we have planned a rigorous qualification, integration, ground and flight testing program for the 2-stage interceptor.

Several countries in southern Europe do not face threats from Iranian long-range missiles. Yet these same countries are vulnerable to the shorter-range ballistic missiles currently fielded by Iran and Syria. Mobile system sensors for Aegis BMD, THAAD, and Patriot are designed to be augmented by other sensors, like the European Midcourse Radar, and their interceptors are designed to engage slower short- to medium-range ballistic missiles systems. Together with other NATO missile defense assets, these missile defense forces will protect European countries vulnerable to short- and medium-range ballistic missiles when integrated into the NATO command and control structure.

*Block 5.0*

We are requesting $835 million for Block 5.0 for fiscal year 2009. This block builds on Block 2.0 to expand the defense of allies and deployed U.S. forces from short- to intermediate-range ballistic missile threats in two theaters. Block 5.0 will increase the number of SM–3 and THAAD interceptors and improve the performance of the Aegis BMD Weapons System and the SM–3 interceptor.

The SM–3 Block IB interceptor, a critical Block 5.0 development effort, will have major modifications to include a much improved seeker and a Throttleable Divert and Attitude Control System (TDACS). When combined with processing upgrades to the Aegis BMD Weapons System, the more capable Block IB interceptor will more readily distinguish between threat reentry vehicles and countermeasures. The Block IB expands the battle space and enables more effective and reliable engagements of more diverse and longer-range ballistic missiles. This year we look forward to completing design and testing for the two-color seeker and TDACS and commencing the element integration of the SM–3 Block IB missile in 2009.

Block 5.0 includes delivery of 23 SM–3 Block IA interceptors, 53 SM–3 Block IB interceptors, 2 additional THAAD fire units with an additional 48 interceptors, one X-band transportable radar for forward deployment, and the associated C2BMC support.

*Development/Operational Testing*

Testing under operationally realistic conditions is an important part of maturing the BMDS in all five blocks. We have been fielding test assets in operational configurations in order to conduct increasingly complex and end-to-end tests of the system. Our testing to date has given us confidence in the BMD system's basic design, hit-to-kill effectiveness, and operational capability. While the system is developmental, it is available today to our leadership to meet real world threats.

Our flight tests are increasing in operational realism, limited only by environmental and safety concerns. Each system test builds on knowledge gained from previous tests and adds increasingly challenging objectives. The Director, Operational Test and Evaluation, the Operational Test Agencies, and the warfighting community are very active in all phases of test planning, execution, and post-test analysis. Using criteria established by the war fighter and the Agency's system engineers, all ground and flight tests provide data that we and the operational test community use to anchor our models and simulations and verify system functionality and operational effectiveness.

In 2007, we conducted many system ground and flight tests. As stated earlier, last year we executed successfully a long-range ground-based intercept, six SM–3 intercepts of separating and unitary targets, and three THAAD intercepts of unitary targets. As of today, we have demonstrated hit-to-kill in 34 of 42 attempts since 2001.

After a legacy target failure in May 2007, we successfully completed Ground-based Midcourse Defense Flight Test-03a on September 28, 2007. In this test, an operationally configured GBI launched from Vandenberg Air Force Base engaged a threat representative intermediate-range target fired from Kodiak Island, Alaska, using sensor information from the operational upgraded early warning radar at Beale Air Force Base in California. Trained crews manning fire control consoles reacted within a specified window under limited-notice launch conditions. This test leveraged fielded hardware and fire control software as well as operational communications, tracking, and reporting paths. The Exo-atmospheric Kill Vehicle successfully collided with the target near the predicted point of impact, destroying it. This was our most operationally realistic, end-to-end test of the long-range defenses to date. Though they were not official participants of the test, the Sea-Based X-band radar and an Aegis BMD ship using its onboard SPY–1 radar also tracked the target and gathered data for post-test analysis.

We also had enormous success with our integrated ground tests, which involve the operational long-range defense elements and employ the actual operational hardware. We test the system end-to-end by simulating engagements. These ground tests, conducted in a lab environment and in the field, involve the wider missile defense system community, to include the National Military Command Center, the Operational Test Agencies, and U.S. Northern Command. They teach us a great deal and give us confidence to move forward with our intercept tests. The most comprehensive to date, these tests demonstrated the ability of the system to execute multiple, simultaneous engagements using operational networks and communications and fielded system elements in different combinations. The war fighter also was able to evaluate tactics, techniques and procedures. In 2008 and 2009 we will continue our integrated ground test campaigns.

We completed four U.S. sea-based tests and one allied sea-based intercept test in 2007. In all Aegis BMD tests, we do not notify the ship's crew of the target launch time, forcing crew members to react to a dynamic situation. This past year we successfully used Aegis BMD cruisers and destroyers to engage threat-representative short-range ballistic missiles and medium-range separating targets. We conducted a test with the U.S. Navy involving simultaneous engagements of a short-range ballistic missile and a hostile air target, demonstrating an ability to engage a ballistic missile threat as the ship conducts self-defense operations. In November, we simu-

lated a raid attack on an Aegis BMD cruiser using two short-range ballistic missiles. The cruiser destroyed both targets.

The December 2007 test off the coast of Kauai in Hawaii marked the first time an allied Navy ship successfully intercepted a ballistic missile target with the Aegis BMD midcourse engagement capability. The SM–3 successfully intercepted the medium-range separating target in space, verifying the engagement capability of the upgraded Japanese destroyer. It also marked a major milestone in the growing missile defense cooperative relationship between Japan and the United States.

Terminal High Altitude Area Defense completed three intercept flight tests against threat-representative short-range unitary targets in the atmosphere and in space. In addition, the THAAD radar and fire control participated in two Aegis BMD flight tests to demonstrate THAAD-Aegis interoperability. These initial THAAD intercept tests at the Pacific Missile Range Facility in Hawaii demonstrated integrated operation of the system, including radar, launcher, fire control equipment and procedures, and the ability of the interceptor to detect, track and destroy the target. Soldiers of the 6th Air Defense Artillery Brigade stationed at Fort Bliss, Texas, operated all THAAD equipment during the tests, which contributed to operational realism.

In 2007, the Missile Defense Agency conducted 25 major tests and successfully met our primary test objectives in 18 of 20 flight tests. In doing so, we used the test ranges available to us today to maximum capacity. These totals include three Patriot tests, two Arrow tests, and the U.S.-Japan cooperative test. Our test plans for 2008 and 2009 will continue to use more complex and realistic scenarios for system-level flight tests and demonstrate interceptor capabilities against more stressing targets.

In 2008, we are planning two system-level long-range intercept tests, and two more in 2009, all of which will push the edge of the envelope in testing complexity. The tests in 2008 will involve targets launched from Kodiak, Alaska, and missile defense assets separated by thousands of miles. We are expanding the number of sensors available to cue the system and engage targets. In our next long-range test, we will involve the early warning radar at Beale and the forward-based X-band radar, temporarily sited at Juneau, Alaska. This test also will demonstrate integration of the Sea-Based X-band radar into the sensor support system. The intermediate-range target will have countermeasures. Later in 2008 Ground-based Midcourse Defense will attempt to defeat a longer-range threat-representative target and demonstrate the ability of the SBX to send tracking and discrimination data through Ground-based Midcourse Defense Fire Control and Communications to the Exo-atmospheric Kill Vehicle prior to engagement.

We plan three Aegis BMD intercept tests in 2008 and 2009. In 2008 we will demonstrate an intercept of a unitary, short-range ballistic missile target in the terminal phase of flight using a SM–2 Block IV interceptor. Later this year we will conduct the second Japanese intercept test against a medium-range target warhead. And in 2009 we will conduct an intercept flight test against a medium-range target to demonstrate an expanded battle space.

The first test of THAAD this year will involve engagement of a separating target low in the atmosphere. In the fall we plan to demonstrate THAAD's salvo-launch capability against a separating target. In late spring 2009 THAAD will engage a complex separating target in space. And in 2009 we will increase test complexity by demonstrating THAAD's ability to destroy two separating targets in the atmosphere.

In addition to our system flight- and ground-test campaigns, the Missile Defense Agency will continue to participate in Patriot combined developmental/operational tests as well as Air Force Glory Trip flight tests.

*Knowledge-Based Capability Development*

The proliferation of ballistic missile technologies and systems means we will face unexpected and more challenging threats in the future. We are requesting about $2.5 billion in fiscal year 2009 for capability development work to deliver advanced capabilities that will help ensure America's ballistic missile defense system remains effective and reliable and a major element in our national defense strategy well into this century.

Destroying ballistic missiles in boost phase will deprive the adversary of opportunities to deploy in midcourse multiple reentry vehicles, sub-munitions, and countermeasures, thereby reducing the number of missiles and reentry vehicles having to be countered by our midcourse and terminal defenses. Success in the boost phase will increase the probability we will be successful in defeating an attack in the other defensive phases. As part of this layered defense strategy, we are developing the Airborne Laser (ABL) and Kinetic Energy Interceptors (KEI).

ABL is being developed to destroy ballistic missiles of all ranges. In 2007, the ABL program met all of our knowledge point expectations and cleared the way for the installation of the high-power laser on the aircraft by the end of 2008. We completed in-flight atmospheric compensation demonstrations and conducted low power systems integration testing, successfully demonstrating ABL's ability to detect, track, target, and engage non-cooperative airborne targets. Next we will integrate the high power systems and gear up for a series of flight tests leading to a full demonstration and lethal shoot-down in 2009 of a threat-representative boosting target.

The KEI program will provide mobile capabilities to intercept ballistic missiles in the boost, ascent or midcourse phases of flight. This multi-platform, multi-payload, rapidly deployable capability could not only extend the reach of the missile defense system, but it also will add another defense layer. In 2007, we completed hypersonic wind tunnel testing of the booster and successfully conducted static firings of the first- and second-stage motors. This year we are focusing on preparations for the 2009 flight test of the KEI booster, which, if successful, will demonstrate we are ready to proceed to intercept testing and integration into the system.

We are pursuing parallel and complementary efforts to counter complex countermeasures. Project Hercules is developing a series of algorithms to exploit physical phenomenology associated with threat reentry vehicles to counter on-the-horizon advanced threats and counter-countermeasures for employment in system sensors, kill vehicles, and C2BMC. The algorithms will improve sensor and weapon element tracking and discrimination via data integration and multi-sensor fusion data integration.

In the years ahead we expect our adversaries to have midcourse countermeasures. The MKV program is developing a payload for integration on midcourse interceptors to address complex countermeasures by identifying and destroying all lethal objects in a cluster using a single interceptor. This past year we delivered the initial models and simulation framework for testing sophisticated battle management algorithms and developed the liquid fuel divert and attitude control system.

Our strategy is to manage all future kill vehicle development under a single program office and acquire MKV payloads using a parallel path approach with two payload providers pursuing different technologies and designs. This strategy will allow us to better leverage industry experience and talent. The MKV approach leverages commonality and modularity of kill vehicle components on various land- and sea-based interceptors, to include KEIs, GBIs, and a Block IIB version of the SM–3. The goal is to demonstrate a multiple kill capability in 2011 through a series of component development and test events.

We are undertaking significant upgrades to the BMD Signal Processor in the Aegis BMD weapons system. Through our cooperative program with Japan, we are upgrading the SM–3 Block I interceptor with the SM–3 Block II to engage longer-range ballistic missiles. This faster interceptor will feature an advanced kinetic warhead with increased seeker sensitivity and divert capability. We also will implement upgrades to the Aegis BMD Weapons System. The first flight test is scheduled for 2012. The Far-Term Sea-Based Terminal program will expand upon the near-term capability provided by the SM–2 Block IV blast-fragmentation interceptor by engaging longer-range threats. This year and next we will define weapons system requirements as we work toward initial fielding as early as 2015.

We are developing the Space Tracking and Surveillance System (STSS) to enable worldwide acquisition and tracking of threat missiles. Sensors on STSS satellites will provide fire control data for engagements of threat reentry vehicles and, when combined with radar data, will provide improved threat object discrimination. In 2008 we will deliver two demonstration satellites scheduled for launch later in the year and a common ground station. We plan to use both targets of opportunity and dedicated targets to demonstrate STSS capabilities from lift-off through midcourse to reentry. The knowledge gained from these demonstrations will guide our decisions on the development of a follow-on space sensor constellation.

I believe the performance of the BMD system could be greatly enhanced someday by an integrated, space-based interceptor layer. Space systems could provide on-demand, near global access to ballistic missile threats, minimizing limitations imposed by geography, absence of strategic warning, and the politics of international basing rights. I would like to begin concept analysis and preparation for small-scale experiments. These experiments would provide real data to answer a number of technical questions and help the leadership make a more informed decision about adding this capability.

We have had to restructure some development activities and cancel others as a result of reductions in our fiscal year 2008 budget. Reductions in funding for the European Site Initiative, STSS, ABL, and MKV programs will result in some schedule delays. Cuts in the system engineering work, including modeling and simula-

tions, undermine our ability to develop and field an integrated system, which requires a collaborative effort by MDA and our industry partners that cuts across many disciplines and specialties. The ability to do this cross-cutting engineering work will become increasingly important as we move, for example, towards developing common kill vehicles and common interceptors.

I remain deeply concerned about the future threat environment, and consequently believe each one of these efforts is critical to maintaining our defenses in the uncertain years ahead.

SETBACKS IN 2007

With our unprecedented success in 2007 came several setbacks. We experienced a target failure in our first attempt for FTG–03 as mentioned earlier. While this was only the second complete target failure in 42 intercept flight tests, it was a signal that we needed to revamp our target program, which is underway. We are at a critical juncture in the target program transitioning from the legacy booster motors to the more modern Flexible Target Family, and I intend to make this a high priority in 2008.

In addition, we are investigating a nozzle failure that occurred in the second static firing of the KEI second stage. While investigation is underway, we plan to execute the first booster flight in 2009.

We also experienced some cost growth in the THAAD, Aegis and GMD programs which is being addressed within the overall missile defense portfolio. The THAAD cost growth was due to test delays, additional insensitive munitions testing and its deployment to the Juniper Cobra 09 exercise in Israel. Aegis cost growth was generated from extended work on the SM–3 Third Stage Rocket Motor and the Divert and Attitude Control System. This work also delays the delivery of the Block 1B interceptors by 1 year. GMD cost growth was due to the modifications required for the 2-stage version, the additional missile field in Alaska, and repair of the water damage silos.

RETAINING INTEGRATED DECISION AUTHORITY

I would now like to turn to a topic very near and dear to me. I urge the Committee to continue its support of the integrated decision authority that the MDA Director has been given for the missile defense portfolio. As you know, working with the USSTRATCOM Commander, I have the ability to propose the evolution of the missile defense system based on all relevant requirements, acquisition, and budget information. This authority was necessary in light of the President's 2002 directive to begin deployment in 2004 of a set of missile defense capabilities that would serve as a starting point for improved and expanded missile defense capabilities later.

I present to you two telling quotes from the 2006 Defense Acquisition Performance Assessment (DAPA) report chartered by the Department.

"[T]he budget, acquisition, and requirements processes are not connected organizationally at any level below the Deputy Secretary of Defense. This induces instability and erodes accountability. Segregation of requirements, budget and acquisition processes create barriers to efficient program execution."

"Acquisition programs need to deliver timely products. Our assessment is that the culture of the Department is to strive initially for the 100 percent solution in the first article delivered to the field. Further, the "Conspiracy of Hope" causes the Department to consistently underestimate what it would cost to get the 100 percent solution. Therefore, products take tens of years to deliver and cost far more than originally estimated."

Well, the DAPA report could have cited the one place in the Defense Department below the Deputy Secretary where requirements, acquisition, and budget authority comes together—the Missile Defense Agency. This authority has given me the trade space to make a balanced recommendation to the Deputy Secretary that has paid dividends for defense of our homeland, deployed forces, allies, and friends.

MDA has fielded an initial capability consisting of 24 Ground-Based Interceptors; 17 Aegis BMD warships capable of long-range surveillance and tracking, of which 12 are also capable of missile intercepts; 25 Standard Missile-3 interceptors for Aegis BMD warships; 18 SM–2 Block IV interceptors; an upgraded Cobra Dane radar; two upgraded early warning radars; a transportable X-band radar; a command and control, battle management, and communications capability, and a sea-based X-band radar. None of this capability existed as recently as June 2004. This rapid fielding would never have been possible unless I had the integrated decision authority over requirements, acquisition, and budget. I think it is fair to say that

this capability would have taken 2 to 3 times longer to field under standard Department practices—if not the "tens of years" cited by DAPA.

Should this integrated decision authority be continued now that we have successfully met the President's injunction to quickly field an initial capability where no capability had previously existed? I would make four key points in favor of retaining this authority.

First, the Director of MDA is in the best position to know the program's progress and challenges. This does not mean that I make decisions in a vacuum. We work closely with the intelligence community, the war fighter, and the Services on the threat, capability needs, and available resources. In addition to the external oversight from your committee and others in Congress and, of course, the Government Accountability Office, I also receive significant Department-level oversight from Under Secretary AT&L, the Office of the Secretary of Defense Comptroller, and the Missile Defense Executive Board. However, it does mean that I have a degree of control and trade space that is not available to the managers of other major defense acquisition programs.

Second, because the ballistic missile threat is always evolving, we need to be as agile as possible in getting the latest capabilities to the war fighter. The integrated requirements, acquisition, and budget authority granted MDA's Director inevitably enables us to deliver a capability more quickly to meet the evolving missile threat.

Third, while some see MDA's flexibilities as undeserved special treatment, others view MDA's integrated decision authority as, in effect, a "test lab" for the Under Secretary of Defense AT&L to examine alternative, creative approaches to acquiring joint capabilities.

Fourth, ballistic missile defense is and always will be the quintessential joint program. No one Service could easily or naturally take responsibility for developing, testing, integrating, and fielding the BMDS. The trade space offered me as portfolio manager of the entire BMD program is considerably wider than it would be if MDA were wedded to one Service or merely an advocate within the Office of the Secretary or joint staff who is trying to negotiate with a myriad of individual program managers protecting their own turf.

On a personal level, I take my stewardship responsibilities very seriously. I will not be in this position forever, and I know how vitally important it is to put my successor in the best position to give the war fighter the capabilities needed to negate the threats to our homeland, deployed forces, allies and friends. The integrated decision authority granted me as MDA Director does just that, and I urge your continued support.

ORGANIZATIONAL REENGINEERING

MDA's reengineering goal is to transform the organization into a single, integrated high-performance team capable of sustaining its development and test successes and maximizing its efficiency and effectiveness in acquiring, fielding, and supporting an integrated, operational BMDS. To accomplish this goal, I have established policies and defined responsibilities for providing qualified matrix support to the program directors/managers (PD/PM) responsible for delivering BMDS capabilities to the COCOMs. Matrixing is an organizational concept that consolidates skills and resources under a functional manager who, in turn, allocates persons and resources among executing organizations needing these skills. Matrixed support includes such functions as engineering, contracts, business/financial management, cost estimating, acquisition management, logistics, test, safety quality and mission assurance, security, administrative services, information assurance, and international affairs. The matrix management process aims to strengthen PD/PM capabilities by assuring their accessibility to all expertise available to MDA; increasing accountability for quality of functional staff work; and allocating personnel resources according to the Agency's needs.

MDA has established the following objectives to focus the reengineering efforts:

—Implement a full matrix management construct to strengthen functional responsibilities at both the BMDS and element level of program execution

—Establish key new or restructured organizations and centers to strengthen the implementation of an integrated system

—Establish key knowledge centers to focus MDA resources on and within critical mission technical areas [7]

—Complete an organizational alignment assessment to improve agency efficiency and effectiveness through elimination of redundancy of functions and infrastruc-

[7] Knowledge centers for Interceptors, C2BMC, and Sensors were established in January 2008. Centers for Space and Directed Energy will be established later in 2008.

ture, multiple layers of management and non-critical functions, and a verification that resources are aligned with MDA priorities

—Relocate MDA offices from the National Capital Region (NCR) to Huntsville and selected other locations to realize the benefits of a centralized control/decentralized execution strategy, facilitate leveraging all resources available in MDA and propagate better cross-flow of expertise and information.

BASE REALIGNMENT AND CLOSURE (BRAC)

The 2005 Defense Base Realignment and Closure Commission approved recommendations directing the realignment of several MDA directorates from the NCR to Government facilities at Fort Belvoir, Virginia, and the Redstone Arsenal in Huntsville, Alabama. Specifically, a Headquarters Command Center for MDA will be located at Fort Belvoir, while most other MDA functions will be realigned to Redstone Arsenal. The transfer of Government and contractor personnel from the NCR is already in progress; by the end of 2008, we will have transitioned some 1,100 personnel positions to the Arsenal. Also, construction will start in fiscal year 2008 on additional facilities to be opened in two phases in fiscal year 2010 and fiscal year 2011. Construction of the MDA Headquarters Command Center (HQCC) is also scheduled to begin in late fiscal year 2008, with occupancy in fiscal year 2010.

MISSILE DEFENSE AGENCY ENGINEERING AND SUPPORT SERVICES

Consistent with the Agency's reengineering, MDA has undertaken the task of improving how it procures contractor support services (CSS). The objectives of the change are to improve oversight, enable matrix management so the Agency can benefit more from cross-flow of information among different offices, enhance efficiency and transparency, and more accurately account for our cost of doing business. I have determined that the best path forward is to develop a new Agency-wide procurement; the designation for this procurement is Missile Defense Agency Engineering and Support Services (MiDAESS).

We currently receive contractor support through a variety of different avenues, such as contracts, other Government agencies, and General Services Administration orders. Over the next few years, the MiDAESS procurement will allow us to consolidate the CSS into a more efficient procurement, focused on the primary areas of technical, administrative, financial, and other support that our agency requires.

Beginning in March 2007, we began discussions with our industry partners regarding MiDAESS. Throughout 2007, MDA has received industry feedback and continues to refine the details of how competition and contracting within MiDAESS will function. We plan to begin initial contract awards under MiDAESS in 2008.

CLOSING

Mr. Chairman and members of the Committee, in closing, I again want to thank you for your strong support of our program. Since 2002 we have achieved dramatic program efficiencies and effectiveness because we have been able to consolidate missile defense expertise and integrate all missile defense elements into a single, synergistic system. We have made tremendous progress deploying missile defenses to protect our homeland, our troops deployed and our allies and friends. I also believe we have the right program in place to address more advanced threats we may face in the future.

Our investment in missile defense is significant, but our expenditures would pale in comparison to the overwhelming price this nation could pay from a single missile impacting America or one of our allies. We need your continued support to carry on the tough engineering and integration task of developing and enhancing worldwide ballistic missile defenses.

This concludes my statement. I look forward to your questions.

Senator INOUYE. We now recognize General Campbell.

**STATEMENT OF LIEUTENANT GENERAL KEVIN T. CAMPBELL, UNITED STATES ARMY, COMMANDING GENERAL, UNITED STATES ARMY SPACE AND MISSILE DEFENSE COMMAND, UNITED STATES ARMY STRATEGIC FORCES COMMAND AND JOINT FUNCTIONAL COMPONENT COMMAND FOR INTEGRATED MISSILE DEFENSE**

General CAMPBELL. Mr. Chairman, Senator Stevens, distinguished members of the subcommittee, thank you for your ongoing support to missile defense.

Today, I'll give you the user's perspective of these capabilities. I'm able to report with confidence the combatant commanders' input into the ballistic missile defense system (BMDS) continues to expand.

Last year I outlined a process named the warfighter involvement process. As a result of the continued maturity of the program, we're seeing substantial warfighter-requested modifications incorporated into the ballistic missile defense system.

The operators remain fully integrated into the Missile Defense Agency's test program. Our involvement spans from the development of test objectives to operators sitting at the consoles and executing the engagements that you just witnessed in Trey's film.

The flight tests attract the most attention but they are only one aspect of a comprehensive testing campaign. Our operators also participate in frequent ground testing and hardware in-the-loop testing. The warfighters are able to identify more effective methods for employing the systems and assist the testing cadre and developers in identifying problems long before we move to flight test. These tests in turn influence further program developments.

The operational commands clearly recognize the threat we face today from both short- and medium-range missiles. Today we can't meet all of the combatant commanders' needs. We must continue our close coordination with the Missile Defense Agency to ensure the missile defense portfolio addresses the warfighter needs for the near-term threats as well as the mid- to the far-term threats.

Maintaining a balanced investment portfolio is critical. Although we understand the potential adversaries' inventories of short- and medium-range missiles today are significant, we cannot lose sight of the qualitative improvements nations are making in their ballistic missile systems.

Our investments for both the near and far term must be informed by both the quantitative and qualitative advancements our adversaries are making in their programs.

PREPARED STATEMENT

Mr. Chairman, provided congressional support, we will continue to develop, field and improve an integrated missile defense for our Nation and our deployed forces and our friends and allies.

I look forward to your questions.

Senator INOUYE. Thank you very much, General Campbell.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL KEVIN T. CAMPBELL

INTRODUCTION

Chairman Inouye, Ranking Member Stevens, and Members of the Committee, thank you for your ongoing support of our military and for the opportunity to appear again before this panel. As I shared last year, I do believe that this Committee is a strong supporter of the Army and the missile defense community. This is especially important as we continue to field missile defense capabilities and to continue development of future capabilities for the Nation and our allies. Along with those testifying today, I am an advocate for a strong global missile defense capability.

The Committee is no doubt familiar with my duties and responsibilities as the Army's senior commander for space and missile defense as well as my position as the Commander of the Joint Functional Component Command for Integrated Missile Defense, a part of the U.S. Strategic Command (USSTRATCOM). In this role, I serve as the Joint user representative working closely with the Missile Defense

Agency (MDA), other services, and Combatant Commanders to ensure that our national goals of developing, testing, and deploying an integrated missile defense system are met in an operationally sound configuration.

Mr. Chairman, please rest assured that America's Army stands on point to defend our Nation against an intercontinental ballistic missile attack. Our soldiers continue to be trained and ready to operate the Ground-based Midcourse Defense (GMD) Element of the Ballistic Missile Defense System (BMDS) at Fort Greely, Alaska, Vandenburg Air Force Base, California, and the 100th GMD Brigade's Missile Defense Element at Schriever Air Force Base, Colorado. These soldiers, as part of the Joint team, continue to serve as our Nation's first line of defense against any launch of an intercontinental ballistic missile toward our shores. I am proud to represent them along with the other members of the Army and Joint integrated missile defense community.

UNITED STATES STRATEGIC COMMAND JFCC–IMD: PLANNING, INTEGRATING AND COORDINATING MISSILE DEFENSE

The Joint Functional Component Command for Integrated Missile Defense (JFCC–IMD), U.S. Strategic Command's global missile defense integrating element, has been operational for 3 years. The JFCC–IMD continues to be manned by very capable Army, Navy, Air Force, Marine Corps, and civilian personnel.

USSTRATCOM, through the JFCC–IMD, continues to aggressively execute its mission to globally plan, integrate, and coordinate missile defense operations. Through a deliberate training and exercise program, the JFCC–IMD has improved our collective ability to defend this Nation. While the organization is still maturing, JFCC–IMD continues to lead the Department's transformation toward more robust integrated missile defense capabilities. The soldiers, sailors, airmen, marines, and civilians of this Joint warfighting organization execute our mission to plan, integrate, and coordinate global missile defense operations and support by operationalizing new capabilities from MDA, developing global missile defense plans in collaboration with the Geographical Combatant Commanders, and conducting cross-geographical combatant commander exercises to eliminate seams and gaps in order to maintain a strong defense against advancing threats. In summary, JFCC–IMD continues to build operational competence and warfighter confidence in the execution of our mission.

*Continued Ballistic Missile Defense System Progress*

This past year has been another year of operational achievement for integrated missile defense. Since the last time I addressed this Committee, the Global Ballistic Missile Defense System has gone from test-bed operations to a system configured to support continuous defensive operations. Whether a test bed with a residual operational capability, or an operational system that supports research and development activities, it is understood that our efforts and decisions must be entirely focused along two lines—operational capability and spiral development of the BMDS system. We balance both fielding of near-term and development of long-term capabilities to meet the evolving threat to the homeland. This balance cannot be achieved without comprehensive dialogue between MDA, the services, and the warfighters—dialogue that is ongoing today and dialogue that must continue in the future.

We are continuing to expand the current ballistic missile defense operational configuration. This past year, the early warning radar at Fylingdales Royal Air Force Base was upgraded to perform the missile defense mission. This radar is a key element of the BMDS for providing the initial limited defense capabilities to counter the emerging ballistic missile threat from Southwest Asia. The radar will also continue to perform its traditional role as an early warning radar. The addition of this radar marks the beginning of the integration of BMDS capabilities across five Combatant Commands to counter simultaneous ballistic missile threats from two ends of the globe. We expect the warfighting capability provided by such integration of platforms, doctrine, and personnel to continue to grow in the coming years to address emerging threats.

*Continued Warfighter Contributions to BMDS System Development*

As warfighters, we continue to participate in key BMDS tests to build confidence in the system's capabilities and provide input to future capabilities. For example, the 100th Missile Defense Brigade provided a trained and certified crew in support of a successful GMD flight test on September 28, 2007. Their support started with participation in pre-mission training conducted in both Huntsville, Alabama, and at their GMD Fire Control (GFC) consoles at the Missile Defense Element (MDE) at Schriever Air Force Base, Colorado. The crew provided critical expertise that enhanced system performance, assisting the engineers with validation of pre-mission

parameters. These pre-mission events culminated with the conduct of the flight test, where the crew provided the Human-In-Control actions necessary for a successful launch and intercept. The Brigade will also support the upcoming GMD flight test. For this flight test, the AN/TPY–2 Forward Based X-Band and Sea Based X-band (SBX) radars will be integrated into the GMD system to validate their operational utility and to provide data for anchoring our modeling and simulation efforts.

Since last year's testimony to this Committee, we successfully intercepted ballistic missiles at low and high altitudes; in midcourse and terminal phases; and in endo- and exo-atmospheric environments with our long-range ground-based interceptor, the Terminal High Altitude Area Defense (THAAD), and several AEGIS Standard Missile-3s (SM–3s). We supported an International BMD Partner with a successful exo-atmospheric intercept from a Japanese Maritime Self Defense Force Destroyer. Conducting these system-level flight and ground tests required the use of operational assets, the same assets that would be used to defend this Nation and our allies against a possible rogue state missile attack. JFCC–IMD worked closely with the Combatant Commanders and MDA to coordinate the availability of these assets to ensure sustained operational readiness during the conduct of the system-level tests.

The JFCC–IMD was able to balance the requirements of both operations and tests. This period of robust achievements underscored the warfighter's requirement to expedite development and deployment of a concurrent testing, training, and operations (CTTO) capability. We have made strides but we still have a ways to go. CTTO will permit developers and operators to maintain an operational capability of the BMDS while simultaneously developing, testing, or training on the system. Absent a mature CTTO capability, JFCC–IMD aggressively conducts an asset management process to ensure the highest level of operational readiness during the conduct of materiel development and tests.

*Continued Advancements in System Capability*

JFCC–IMD, in partnership with MDA and the services, has integrated additional missile defense sensors and shooters to enhance theater and strategic mission capabilities. We have institutionalized the Operational Readiness and Acceptance (OR&A) process to deliberately activate capabilities by baselining the known capabilities and limitations. Through this process, activation criteria, which are critical to establishing and maintaining capabilities, are clearly defined to ensure sustainable systems are provided to the warfighter.

We continue to refine our processes to ensure the warfighters' desired operational capabilities are considered by the materiel developer. Since I last appeared, the Warfighter Involvement Process, known as the WIP, has matured significantly. Warfighter inputs and subsequent changes to the overall BMD system of systems started slowly but are steadily increasing in effectiveness. After 2 years of operator generated input, we are now seeing changes incorporated in the BMDS. More significantly, capability requests are being reflected in USSTRATCOM's Prioritized Capability List submissions and in MDA's corresponding Achievable Capabilities List.

A success story in the WIP process is our partnership with MDA, the services, and the Combatant Commanders in the expansion of the BMD capability into the European theater. In my role as the JFCC–IMD Commander, I have held discussions with the European Command to build stronger partnerships with our Allies should our Government conclude agreements for hosting a midcourse radar and interceptor site in Europe. If approved, the expansion of the BMDS into Europe will greatly increase the security of the United States as well as provide a measure of protection to our forward deployed forces and European allies that currently does not exist.

Looking forward, we are engaged with the Department to balance the missile defense portfolio to ensure we are addressing both the threats of today and tomorrow. With more than 20 countries, several of which have an adversarial relationship with the United States, now possessing ballistic missile capability and technology, the threat to the United States and our allies is growing. The missile defense investment portfolio must address the warfighter needs for the near-term threats from these countries while developing new technologies to deter potential adversaries from their continued investment in ballistic missile technologies.

To guide the planning of a near-term and long-term investment portfolio, the Department is conducting a number of studies, including the latest iteration of the Joint Capability Mix (JCM) Study. The intent of the JCM II Study was to explore and assess aggregate BMDS capabilities and provide analysis in support of determining the appropriate BMDS weapon and sensor mix to address the ballistic missile threat for two near simultaneous major combat operations in the 2015 timeframe. The results of the recently completed study indicate a future need for addi-

tional THAAD and SM–3 inventory. With the warfighter analysis, MDA is seeking to identify and allocate sufficient resources to address the requirement during the upcoming Program Objective Memorandum cycle. In addition to the JCM effort, JFCC–IMD is also coordinating an employment strategy of the AN/TPY–2 (aka Forward Based X-Band Radar) to enhance global and regional missile defense capabilities. This employment strategy considers various aspects of military utility and geopolitical concerns to inform leadership toward a decision. Other efforts that impact force structure and inventory requirements include various wargames and exercises to define the future operational concepts, including wargames with our allies.

*Taking Care of our Warfighters*

If we receive approval to proceed with a European capability, we need to ensure we provide quality facilities and services to our soldiers. If built, the European capability will most certainly be an enduring mission. The mission support infrastructure (barracks and morale and welfare facilities) is just as important to mission success as the hardware the soldiers will operate. We believe that the mission support facilities "outside the wire" are an integral part of the overall system. The investment in mission support infrastructure contributes immensely to the overall reliability of the system and the cost represents a very low percentage of the overall system construction and fielding cost.

We should continue to work to improve the quality of life at our missile defense garrison at Fort Greely, Alaska. Soldiers in the 49th Missile Defense Battalion of the Alaska Army National Guard continue to defend the United States from ballistic missile attack from the remoteness of Fort Greely, Alaska. They continue to do so in an outstanding manner, without complaint, in an environment with infrastructure that does not meet current standards. While the Army is taking proactive steps to improve the quality of life at Fort Greely, the isolation of this remote location cannot be overstated. On the positive front, the Army recently awarded a contract to privatize the family housing at Fort Greely—soldiers and their families should start to realize significant housing improvements in the near future. Also, the Army is currently planning to replace an existing substandard fire station with one that will provide adequate coverage for Fort Greely's population and infrastructure. Challenges still remain as there is very limited support in the local community with respect to medical and dental care, special education needs, higher education opportunities, restaurant establishments, and other services that the vast majority of us take for granted. For example, the nearest medical specialist is over 2 hours away. This is very problematic, especially when one considers the extreme weather during the winter months. Our soldiers and their families deserve more—we need to provide the adequate facilities and the services they need. The Army will continue to address these challenges to ensure better living conditions are realized for our soldiers and their families.

ARMY INFRASTRUCTURE CONTRIBUTIONS

The Army also provides key test range assets for BMDS research and development. In addition to providing other vital Department capabilities, these unique facilities continue to serve as key BMDS system enhancers for MDA. The United States Army Kwajalein Atoll/Reagan Test Site (USAKA/RTS) in the Republic of the Marshall Islands has been instrumental in the development and testing of the GMD system. USAKA/RTS will continue to serve as a significant test bed for future BMDS technology development. Also, within the BMDS arena, the High Energy Laser Systems Test Facility on White Sands Missile Range, New Mexico, is serving as a key lethality test bed for MDA's Airborne Laser Program. We ask for your continued support to ensure these vital testing ranges are postured to perform necessary BMDS testing.

AIR AND MISSILE DEFENSE—AN OVERVIEW OF THE FISCAL YEAR 2009 ARMY BUDGET SUBMISSION

In addition to deploying the BMDS, MDA, the services, and the Combatant Commanders continue to focus on improving theater air and missile defense capabilities. GMD and Theater Air and Missile Defense Systems are vital for the protection of our homeland, deployed forces, friends, and allies. Air and missile defense is a key component in support of the Army's core competency of providing relevant and ready land power to Combatant Commanders.

As the Secretary and Chief of Staff of the Army have previously testified, the Army is stretched after years of operating at war. To relieve the stress on the force, the Army is embarking on a path to restore balance. The Army's plan centers on four imperatives—sustain, prepare, reset and transform. As we have seen with

other Army combat capabilities, the requirement for air and missile defense units continues to grow, stretching the force. Operation Iraqi Freedom consumes significant quantities of our key missile defense capabilities, leaving other worldwide commitments under-resourced.

Already well underway, the Army has created composite air and missile defense battalions to transform the Air Defense Artillery into a more responsive and agile organization. These battalions address capability gaps, permitting us to defeat cruise missiles and unmanned aerial vehicles while maintaining our ability to defend critical assets from the ballistic missile threat. Composite air and missile defense battalions will capitalize on the synergies of two previously separate disciplines—short-range air and missile defense and high-to-medium altitude air and missile defense. Additionally, the Army has pooled air defense artillery battalions at the theater-level to provide air and missile defense protection based on the situation and mission requirements. This pooling concept supports the Army's effort to move to modular designs that allow force tailoring of units better sized to meet the Combatant Commander's needs.

With that as a brief background, let me now focus on the Army's fiscal year 2009 budget submission for air and missile defense systems. The recently submitted President's Budget includes approximately $2.23 billion with which the Army proposes to execute current Army air and missile defense responsibilities and focus on future development and enhancements of both terminal phase and short-range air and missile defense systems. In short, the Army is continuing major efforts to improve the ability to provide warning, acquire, track, intercept, and destroy theater air and missile threats.

*Army Integrated Air and Missile Defense (IAMD) System of Systems (SoS)*

In order to enhance its ability to destroy theater air and missile threats, the Army is continuing to transform its air and missile defense force from its traditional system-centric architecture to an integrated, component-based, IAMD SoS. The Army IAMD SoS Program provides full, network-centric, plug-and-flight integration of existing and future air and missile defense systems and enables their full technical, functional, and procedural integration into the Joint IAMD arena. This modularization of air and missile defense capabilities will allow Joint Force Commanders to scale and tailor air and missile defense components functioning interdependently to deliver operational capabilities not achievable by the individual elements of the system. Given the diversified air and missile threat set and the limited resources to address the threat, development of IAMD SoS is the Army's top air and missile defense priority.

In addition to the IAMD SoS interdependent capabilities, the Army's air defense community has initiated plans to meet the future challenges and demands, taking steps to sustain, prepare, reset, and transform our forces and equipment. These plans entail three main component areas of the Army's air and missile defense construct—terminal phase ballistic missile defense, cruise missile defense, and force protection.

*Terminal Phase Ballistic Missile Defenses*

The PATRIOT/Medium Extended Air Defense System (MEADS) capability is designed to counter theater ballistic missile threats in their terminal phase in addition to cruise missiles and other air-breathing threats. Combining these systems with the soon to be deployed Terminal High Attitude Area Defense (THAAD) system brings an unprecedented level of protection against missile attacks to deployed U.S. forces, friends, and allies well into the future.

*PATRIOT/PATRIOT Advanced Capability-3 (PAC 3) Overview*

PATRIOT is the world's only battle-proven theater AMD system and will be a key AMD element for the next two decades, providing Combatant Commanders with modular, scalable, mission-tailored capabilities to greatly enhance operational force protection in support of the Joint team. The PATRIOT is the Nation's only deployed, land-based, short-to-medium range BMDS capability.

The Army recognized that the PATRIOT force was heavily stressed and therefore developed a strategy to Grow-the-Force through a combination of pure-fleeting the existing PATRIOT force to PAC–3 capability and standing up two additional PAC–3 battalions. This strategy will increase our capacity to handle today's threat and alleviate logistical and training challenges of maintaining two separate PATRIOT configurations. Pure-fleeting of the PATRIOT force with PAC–3 will allow for improved capability and higher lethality against the Theater Ballistic Missile (TBM) and non-TBM threat as well as enable commonality across all Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel and Facilities (known as DOTMLPF) domains in the PATRIOT force. Also, the additional two battalions

of PATRIOT PAC–3 capability will meet the growing demands of the Combatant Commanders to provide global AMD against the entire threat set. Fiscal year 2007 reprogramming actions and fiscal year 2008 funding initiated this strategy—funding in the amount of $492.8 million in the fiscal year 2009 budget request will complete these initiatives and continue PATRIOT modifications.

Last year, my statement addressed the ongoing PATRIOT fixes to operational deficiencies that were deemed necessary as a result of friendly fire incidents. The Army has taken steps to address lessons learned and correct the deficiencies. Based on the current fielding schedule, all Operation Iraqi Freedom fixes will be completed during fiscal year 2009.

*Medium Extended Air Defense System (MEADS) Overview*

A top Army priority system for defense against short- and medium-range tactical ballistic missiles and air breathing threats, the MEADS system will be an integral part of the Army Integrated AMD System of Systems and capable of operating within a Joint and coalition operational environment. The system will provide wide-area protection at strategic, operational, and tactical levels.

MEADS, a cooperative development program with Germany and Italy, will provide a lighter, more deployable, maneuverable, lethal, network-centric AMD capability. The program also includes development of the PAC–3 Missile Segment Enhancement (MSE) as the objective tri-national MEADS missile. The PAC–3 MSE is currently under development and will be integrated into the MEADS program. The MSE missile will provide a more agile and lethal interceptor that expands the engagement envelope of this system. The fiscal year 2009 budget request includes funding for MSE initial production facilities—production of the MSE is scheduled to begin in 2010. Fielding of MEADS is scheduled to begin in 2015 and be completed by 2028. We are confident that this path will provide our forces, allies, friends, and our Nation with the most capable air and missile defense system possible.

*Terminal High Attitude Area Defense System Overview (THAAD) Overview*

The Department of Defense is committed to fielding an advanced capability to defend against tactical ballistic missiles as soon as possible. THAAD is designed to provide a layered theater ballistic missile defense in support of the short and medium range ballistic missile threat. MDA is funding and manufacturing four THAAD batteries for the Army in an accelerated fielding that will commence in 2009. THAAD capabilities will begin to transfer to the Army in 2009. Synchronization between the Army and MDA is crucial in both the development and funding areas in order to ensure that the transition delivers a supportable warfighting system.

To fully optimize the performance of the PATRIOT, MEADS, and THAAD defense systems, effective personnel training and development is essential. The United States Army Fires Center of Excellence at Fort Sill, Oklahoma, will provide our Nation with the best trained, organized, and equipped Air Defense Artillery leaders and units in response to current operational needs and future force warfighting concepts.

*Joint Tactical Ground Station (JTAGS)*

JTAGS is a transportable information processing system that receives and processes in-theater, direct down-linked data from Defense Support Program satellites. JTAGS provides our commanders with early warning of ballistic missile attack and essential information to defeat TBMs. The system disseminates warning, alerting, and cueing information on TBMs, and other tactical events of interest throughout the theater using existing communications networks. JTAGS determines the TBM source by identifying missile launch point and time and provides an estimation of impact point and time. Since the system is located in-theater, it reduces the possibility of single-point-failure in long-haul communication systems and is responsive to the theater commander. JTAGS also fulfills the in-theater role of USSTRATCOM's Theater Event System (TES). It is imperative that JTAGS be funded to integrate and evolve to use the next generation of Space Based Infrared System sensors. This will significantly enhance warning accuracy and timeliness while improving all aspects of theater missile defense. We request your continued support of this essential capability.

*Cruise Missile Defense*

Our adversaries understand the value of cruise missiles. They are inherently very difficult targets to detect, engage, and destroy, and when armed with a weapon of mass destruction warhead, the effects from a cruise missile are catastrophic. The Army's Cruise Missile Defense Program is an integral element of the Joint cruise missile defense architecture. We are also working closely with the Joint community

to assure development of doctrine that synchronizes our military's full capabilities against the cruise missile threat. Critical Army components of the Joint cruise missile defense architecture are provided by the Joint Land Attack Cruise Missile Defense Elevated Netted Sensor System (JLENS), the Surface-Launched Advanced Medium Range Air-to-Air Missile (SLAMRAAM), and the PATRIOT MSE missile. These systems are on schedule to provide an initial operational capability by 2012. Additionally, these systems will be networked within the IAMD SoS architecture, have an integrated fire control capability and operate within a common command and control system. Initial operational capability is planned for 2014.

*Force Protection*

In the conduct of Operation Iraqi Freedom, insurgents continue to pose serious dangers by employing indirect-fire tactics of quick-attack, low-trajectory, urban-terrain-masked rocket, artillery, and mortar (RAM) strikes against U.S. forward operating bases in Iraq. To combat this threat, the Army developed a Counter-Rocket, Artillery, Mortar (C–RAM) capability—an integrated set of capabilities to provide warning and intercept of RAM threats. The primary mission of the C–RAM project is to develop, procure, field, and maintain a capability that can detect RAM launches; warn the defended area with sufficient time for personnel to take cover; intercept rounds in flight, thus preventing damage to ground forces or facilities; and enhance response to and defeat of enemy forces. C–RAM utilizes a system of systems approach and is comprised of a combination of multi-service fielded and non-developmental item sensors, command and control elements, and a modified U.S. Navy intercept system. The system utilizes a low cost commercial off-the-shelf warning system and a wireless local area network. Advances in the C–RAM capability will continue with funding that is requested in the fiscal year 2009 budget submit.

Efforts are also underway to use the benefits of directed energy to potentially counter the RAM threat. Developmental work by joint entities within the Department is producing results that are promising. Within the next few years, through the Army's High Energy Laser Technology Demonstration Program, we are very hopeful we will produce a mobile solid state laser weapon system that will serve as a complementary resource to the present and future kinetic energy capability in countering RAM projectiles. Your continued support in this area will ensure we advance indirect fire protection capabilities.

CONCLUSION

Mr. Chairman, the Army is a member of the Joint team fighting an adaptive enemy in a persistent conflict while transforming to meet future threats. We have responsibility for GMD, THAAD, PATRIOT, and MEADS and will continue developing and fielding an integrated missile defense for our Nation, deployed forces, friends, and allies. USSTRATCOM, through the JFCC–IMD, will continue to develop a Joint BMDS capability to protect our Nation, deployed forces, friends, and allies. The fiscal year 2009 budget proposal supports the transformation of the Army's air, space, and missile defense force to support the Army's future force, the Joint Integrated AMD System, and our global BMDS. We will continue to work with MDA, the services, and Component Commanders to define the characteristics of the emerging air, space, and missile defense force and determine how it can best support the warfighter and our Nation.

I appreciate having the opportunity to speak on these important matters and look forward to addressing any questions you or the other Committee members may have.

Senator INOUYE. I'd like to now recognize for questioning our in-house expert on missiles, Senator Stevens.

Senator STEVENS. You're very gracious. Thank you very much, Mr. Chairman.

General Campbell, you've been up to Fort Greely several times and we've got the Alaska Guard taking over additional roles there on that site.

Are you satisfied with the progress that's being made, and can you tell us, do you have any change in plans in mind?

General CAMPBELL. Senator Stevens, I'm satisfied that we're moving in the right direction in terms of progress.

The missile defense system itself is a great system, a lot of significant investment has been put into the missile system, and I pay

a lot of attention to the mission support infrastructure; that is, Fort Greely itself, it supports our soldiers.

With your help, we've made some significant improvements but there's still more to be made in the future to support the spouses and the children that are at Fort Greely, but I'm satisfied that we're moving in the right direction.

Senator STEVENS. Well, I'm worried about this new paradigm on earmarks, General. We've got a situation and Fort Greely was subject to base realignment and closure (BRAC), and then we decided to put the missile defense system right adjacent to it and now we have the Guard and their families living at the old Fort Greely, but that has not really been upgraded to meet the situation of a permanent facility for those people.

Are you going to be able to make a request through the budget process to get that or are we going to be forced to have an earmark again?

General CAMPBELL. Well, I think it may be a mixture of both, but we have programs already in place. For example, on the mission support side, recently it was approved that we'll go ahead and privatize all the housing at Fort Greely, along with Fort Wainwright. So that is a major step forward, sir, that solves one of the most pressing problems at Fort Greely.

The Installation Management Command is also helping us with the community activities center that they're going to build for us over the next couple years.

So I think we have the major programs in place. I'm not saying we don't need additional help, but we're pushing on the right programs to get them into the budget so Fort Greely can be modernized.

Senator STEVENS. Well, I'm worried about the adequacy of medical facilities not only for the eventuality of any kind of emergency there but also for family medical care. That clinic has really, you know, never been upgraded.

Are you looking into that?

General CAMPBELL. Yes, sir, we are. In fact, my chief of staff just returned Friday night. We had the medical command with us in Alaska. In fact, Lieutenant General Eric Schoomaker will visit next month. They have already initiated a contract to actually improve the Delta Junction Family Medical Clinic which our spouses and children will be able to use. So that's an initial step which will put new equipment into his facility. We'll be able to conduct telemedicine out of his facility.

And the Fort Wainwright medical commander also sends a physician to Fort Greely once a month. It's a different type of specialist, based on the needs. So we're making progress. I don't think we're at the end state yet, but we've made the right moves immediately to solve some of that pressure on the families.

EUROPEAN MISSILE DEFENSE SITE NEGOTIATIONS

Senator STEVENS. General, we've got in this request, I understand, $712 million to develop the area for 10 ground-based interceptors in Slupsk, Poland, and a missile tracking radar in the Czech Republic.

Can you tell us how are those negotiations going on? Will you be able to spend that money this year, fiscal 2009?

General OBERING. Yes, sir. First of all, the negotiations with the Czech Republic have basically come to a conclusion and we do expect an agreement to be signed in the very near future with the Czech Government and then that will go into their parliamentary ratification process.

When the Polish Government changed out several months ago, there was a pause in the discussions with the Poles as the new government basically got in place. We resumed negotiations with the Poles. That's been lagging behind the progress that we made with the Czechs, but I believe that at this point, I'm still optimistic that we will get an agreement that we can work through by the end of this year and then that will set us up to where in 2009, we're able to go through all of the contractor selections and that type of thing to begin the construction in late 2009 for the missile field and for the radar site.

EUROPEAN MISSILE DEFENSE SITE

Included in the $712 million, just to make sure that we're encompassing, is the request for the money for the radar site, the money for the interceptor site, as well as the long lead that we would need for a portable radar that is part of this overall construct.

Senator STEVENS. Will that new site provide any protection for the United States from Poland?

General OBERING. Yes, sir, it will. The reason that we selected Poland and the Czech Republic as the primary midcourse radar and the interceptor sites was very simple. We looked at all the trajectories from Iran, all the launch points and all the possible impact points in Europe and in the United States that forms a trajectory of fans, a fan trajectory, and in order to cover those, Poland the Czech Republic provided the optimum solution for that coverage.

In addition, you have to worry about being too close or being too far back. If you're too close to the launch point, since we don't have a boost phase capability today, then you would not be able to engage all of the threats that we would need to, and also if you're too far back, you begin to roll back the coverage that you need for some nations that could be put at risk from a longer-range threat.

So the range considerations as well as the azimuth is why we selected Poland and the Czech Republic. That means we can engage threats from Iran to Europe obviously as well as from Iran into the United States.

Senator STEVENS. Well, Mr. Chairman, I think we ought to have a classified briefing on that in terms of the interface of that system with our side. I don't think many Members of Congress realize that there is that collateral benefit for this location and it's something we should maybe even take a group over to look at and understand.

AIRBORNE LASER

My last question would be about the airborne laser. We have had, you know, total confidence in that system and it seems to be

on track, but are you going to be able to demonstrate that system soon and how soon?

General OBERING. Sir, the airborne laser has met all of its knowledge points to date and the tremendous success last year, was that we demonstrated the capability that we need to shoot down a ballistic missile.

Now that means that we were able to fire the high-energy laser for a total of over 70 times in a 747 fuselage at Edwards Air Force Base. In parallel, we took the heavily modified 747 that also has a tracking laser and an atmospheric compensation laser on board, along with a surrogate of that high-energy laser. We fired the tracking laser, and the atmospheric compensation laser last year and the surrogate and we were able to track a target in the atmosphere, a boosting fighter as well as the big crow target that we used to emulate an early version of a target of a boosting missile.

We achieved all of those knowledge points, as I said, which means that today the aircraft is down on the ground. We have it opened up. We have installed all six of the large laser modules onboard the aircraft now. We're in the process of finishing up the installation, the plumbing and all of that. We're doing some refurbishment on the optical train and making some adjustments that we learned from our testing and then we plan to get back in the air early next year and shoot down, about midyear, a boosting missile.

Senator STEVENS. And when will that have emergency boost phase capability?

General OBERING. Well, sir, the aircraft itself, in an absolute emergency, could provide that, we would be demonstrating that next year. But then what we would anticipate is that we're going to take all of our lessons learned and put that into a transition period, continue to fly the aircraft and continue to learn from it and then determine how we can make the second and third and fourth aircraft affordable and as operationally affordable as we can make it.

Senator STEVENS. Thank you very much. I'll have some additional questions I'll submit for the record, Mr. Chairman.

Senator INOUYE. Senator Cochran.

MISSILE DEFENSE SYSTEM CAPABILITIES

Senator COCHRAN. Mr. Chairman, we understand that there are critics of our missile defense efforts. Some say it costs way too much, more than is necessary to spend, that the systems we're deploying or developing are vulnerable to decoys and other interference that would cause them to not work properly, and that it really spurs an international missile race and missile defense race, provoking other nation states to try to deal with the reality of threats that they may face.

I know that there's always going to be somebody, a naysayer, with criticism. From the very beginning, missile defense has been controversial in that regard because there's always more than one witness available to testify at hearings and cast doubt upon our capabilities.

But it seems to me that this recent experience we just had and the video you showed us is very strong and compelling evidence

that we have developed a sophisticated and capable system to defeat missile attacks, even though that wasn't what we were trying to defeat then, but it's very clear it was quite similar.

Is it an overstatement or an exaggeration to say that this is good solid evidence of the capability of missile defense systems that we are now developing and deploying?

General OBERING. Sir, I would tell you that I'm confident in the capabilities of the systems that we've deployed to address the threats that we anticipate we would face.

I will tell you that what most of the critics ignore, frankly, if I could zero in on a couple of things, number one, they ignore the fact that we are building an integrated layered system. They overlook that and so there are a lot of facets to this that allow us to handle increasing complexity as we move to the future.

For example, when you often talk about can you handle decoys or countermeasures, and I tried to point out in the video that we have an inherent ability on the kill vehicle itself, just by itself, to handle what we call simple countermeasures, and in fact we have flown against simple countermeasures in our past test program with a prototype of that kill vehicle.

But they ignore the other components that we're bringing into this fight, the very powerful X-band radars, similar to what we have now in test off the coast of Hawaii, the sea-based X-band radar. They ignore the forward-deployed X-band radar, like we have in Japan. They ignore the combination of sensors that we can bring to bear with all the advanced algorithms to help us sort through what those threats would be.

And then for the future, we are bringing two other critical components. One is to be able to track these threats from the very birth to their intercept and that's what we want to use with our space tracking and surveillance system that we plan to launch with two different satellites this year, and the second critical component is once we sort through these threat sweeps to be able to kill more than one object and we do that with our multiple kill vehicle program.

So when you take that in combination, it is, I think, prudent to think that we can keep up with the emerging threats that we may face for the future.

In terms of costs, if I could, and you've probably heard me say this, it is expensive, but it is certainly not as expensive as withstanding an impact of a weapon of mass destruction on an American city or one of our allied cities. That would be far more expensive and far more tragic and far more devastating.

So if we can prevent just one of those, we will have paid for this program many, many times over for every penny that's been appropriated for it, and it's even better than insurance because it actually prevents the event from occurring as opposed to being reimbursed for it.

And finally, in international, there is already a missile race, so to speak. That's for offensive missiles. We've seen that spreading across the world for these past several years and decades, and it's gotten to the point now where access is getting easier and easier to these missiles.

Frankly, I would like to see a missile defense race because what I'd like to see us do is join together between United States, NATO, Russia and others to field effective missile defenses because I think that would have an effect on the proliferation of the offensive missiles, because I think one of the reasons they've been so proliferated is—historically there's been no defense against them.

If we can show there is a defense against them, that we can destroy them, it may make countries think twice about heavily investing in those systems.

MISSILE DEFENSE AND NATO

Senator COCHRAN. One concern is whether or not our NATO allies are cooperating and helping as part of our agreement for joint defense activities, whether they're doing enough.

I'm aware of the fact that we're trying to deploy a radar system and I think the discussions are ongoing with the Czech Republic and others on that subject.

What is the level of cooperation and support that we have among our NATO and other allies?

General OBERING. Well, sir, just recently, there's been a couple of significant major milestones.

Number one, the most important probably is that at the recent NATO Summit in Bucharest, there was a communiqué that was signed by all NATO members that strongly endorsed the idea, the concept that there is an emerging missile threat that we have to concern ourselves with; second, that the United States proposals bring merit and are valid and useful in addressing that threat; and third, they tasked their own NATO members to come back with options as to how they build shorter-range defenses to integrate with the longer-range capabilities that we're proposing.

Now NATO has what they call an active layer theater missile defense program, they've had for several years, in which they're building the backbone of the command and control network that would then integrate the various member nations' components and several of the member nations are pursuing missile defense efforts from Patriot PAC–3 to sea-based to different sensors and other capabilities.

If they're doing enough, that's not my call in terms of the policy determination, but they certainly are stepping up to the plate, based on the recent developments, and the last thing I want to tell you very quickly is in January, we did a demonstration of taking U.S. information from our command and control and battle management system and running that on the NATO system, the NATO command and control system for missile defense and we did vice versa.

We took NATO data and ran that on the U.S. system and we showed how we can begin to integrate these capabilities to form basically a regional architecture in that theater.

Senator COCHRAN. Thank you very much. Thanks, Mr. Chairman.

Senator INOUYE. Senator Shelby.

KINETIC ENERGY INTERCEPTOR

Senator SHELBY. Thank you, Mr. Chairman. General Obering, the kinetic energy interceptor (KEI) received a funding boost in 2008 with Congress, I thought, demonstrating that this program should move forward.

What steps are you taking to ensure that the KEI is restored to a fully mobile weapon system, and do you have adequate resources to achieve this?

General OBERING. Well, sir, first of all, yes, sir, the Congress did appropriate and plussed-up the KEI Program. We view that as a very, very critical and valuable program to the overall portfolio. Not only does it serve as an alternative if the airborne laser trips up in its technical risk, but it also provides an option for a mobile midcourse capability.

Now, just like all of our programs, though, we hold them to our knowledge points that they have to meet. What they have to specifically meet is a very high acceleration booster flight in 2009 because that is the critical component of what they bring to the table.

Senator SHELBY. They have to perform, in other words?

General OBERING. Yes, sir, they have to perform, and so we are measuring that program's progress in being able to achieve that.

Now this year, there's a couple of setbacks; while we had successful static fires in the past, we were going to an optimized design for flight, and we had a couple setbacks in the second stage static fire. We had burn-throughs in the nozzle. We think that we do have root cause for that, what occurred and why, and the folks are working to correct that.

Senator SHELBY. Think you can fix that?

General OBERING. Yes, sir, and that should put us or keep us on track for that flight in 2009. I've already given them the direction to begin to expand their system engineering work and they're to begin that ramp-up in anticipation of that success, but we are going to still hold them to that knowledge point.

ADVANCED HYPERSONIC WEAPON

Senator SHELBY. Sure. General Campbell, advanced hypersonic weapon (AHW). Last year Congress appropriated, I believe, $41.7 million for the advanced hypersonic weapon. Shouldn't AHW, the advanced hypersonic weapon, continue to be included as part of the prompt global strike (PGS) initiative? In addition to working with the Air Force, what is the Army and the Space and Missile Defense Command (SMDC) doing to ensure that the advanced hypersonic weapon continues to receive congressional backing? In other words, where are you on this?

General CAMPBELL. Yes, sir. We're working closely with U.S. Strategic Command and General Chilton and the U.S. Air Force's Space and Missile Center. We're trying to reach agreement, particularly with the Air Force, where the technologies we're working on AHW, would be used in their particular program. Their PGS, their Precision——

Senator SHELBY. How do you feel about that? Is that good?

General CAMPBELL. I feel that's very good, and I think there's technologies there that are valuable in the development of their

system. So that's the path we've taken with General Chilton and the Air Force, is to contribute to the development of their particular program.

Senator SHELBY. Do you think that weapon system is very important then?

General CAMPBELL. I think that the technologies are going to be very important for a prompt global strike weapon system in the future.

Senator SHELBY. General Obering, the Missile Defense Agency Engineering and Support Services (MiDAESS)—is that what we call it—contract, the MDA Engineering Services, I think, is very important.

A number of small businesses have expressed concern that they were not being afforded the opportunity to compete for a lot of the technical work. I've mentioned this to you in our last meeting.

What are you doing to ensure that small businesses will be able to compete for this work, and when do you expect a final RFP to be released? You're very familiar with this.

General OBERING. Oh, yes, sir. For context, the reason MiDAESS is so important is that as we move those nearly 2,300 people from the Washington area into Huntsville, and as we consolidate and integrate more and more of our capabilities across the agency, it became obvious to us that we had an unnecessary overhead burden, so to speak, in contract management. We had many, many, many contracts of engineering and support services from a variety of locations that, when we consolidate, we can streamline and be able to eliminate some of that.

We issued a draft request for proposals because we wanted industry engagement on that. We are—we want and encourage small business to participate in that and we will ensure that occurs, and I believe that after this next round of comments that we get from industry, we can anticipate the request for proposal (RFP) to be released in the next several months.

Senator SHELBY. Thank you. Thank you, Mr. Chairman.

Senator INOUYE. Senator Domenici.

Senator DOMENICI. Thank you very much, Mr. Chairman. I wanted to tell you, I haven't publicly been able to congratulate you, and I do that today, on your recent marriage and I look forward to meeting your spouse. We're going to have her up here pretty soon, right?

AMERICAN TECHNICAL EXPERTISE

Senator INOUYE. I'll be having her here.

Senator DOMENICI. We hope so. Thank you. Well, let me—I have a parochial question regarding the High-Energy Laser System Test Facility (HELSTF), but let me ask General Obering a general question regarding the status of the American economy and economic potential as it applies to your work.

I'm involved right now in my waning months as a Senator in trying to finish up some of the things that we need to do to make sure that the nuclear powerplants and nuclear power gets really firmly placed and that we have a civilian waste disposal recycling program. You probably understand that because it's part of general science.

But what we're finding as we get new proposals to build, there are seven full applications for nuclear powerplants and we had 27 years without any. We passed a new law with the help of everyone. I was chairman when we did it. A great law. That's what brought seven. It looks like we'll have 25 within a year—new applications at the Nuclear Regulatory Commission.

General, what they're finding as they look at the very first one and second one is that America has lost its manpower base and they can't find 2,600 workers, steelworkers and ironworkers, to go work on a powerplant, even at $40 an hour, which is what they're starting.

The whole build-up of nuclear powerplants is now looking at the fact that American industry doesn't have the capability of providing the infrastructure that it used to. So we have to go overseas and wait in line and we don't have anybody that makes the steel things that we need, believe it or not. We used to be the giant and it looks like we're hurting.

Now as the overseer of what you do for the Air Force and therefore for America in space, could you give us a quick assessment? Is there ample supply of—are there ample people qualified and trained to do the kind of sophisticated work that you're doing in behalf of the American people or are you finding it more difficult to find scientists, engineers and the like out of college and women and the like to join you? Could you address that for us, please?

General OBERING. Yes, sir. First of all, what we have noticed is that do we have enough people to accomplish what we need to get accomplished, the answer is yes. However, is it an ongoing task to make sure that we are continuing to find trained people and that we are continuing to pass on, frankly, information from generations of my age or older to the younger generations and that's what's become problematic, is making sure that has been occurring because there was a period in which we lost the recipe in some of that transformation and we're beginning to see some of the—I think some of the initiatives that many companies have taken to try to readdress that.

I'll give you a couple of examples. As you remember, we suffered from some mission assurance problems in late 2004/early 2005 in our long-range program, and we discovered that the ability to bring to bear the adequate systems engineering resources to that problem was one of the contributing factors leading up to that.

We made adjustments and Boeing made adjustments to be able to address that and they really imported some of the knowledge from some of the graybeards, so to speak, and some of the other areas of their particular company.

DIRECTED ENERGY AND LASERS

There are areas that we're on the edge. I think the directed energy is one of them and being able to have and continue to concentrate enough talent to be able to keep that ongoing and that's why I think the airborne laser is also one of the reasons it's such an important program to focus their talents and their capabilities.

Senator DOMENICI. What is directed energy? Tell me.

General OBERING. Directed energy is the use, for example, of lasers.

Senator DOMENICI. Yes.

General OBERING. There's other applications, but that's the primary one that we use. Products——

Senator DOMENICI. So you're not alone in using that. That's used—lasers are used by the Department of Energy in——

MISSILE DEFENSE PRODUCTS

General OBERING. Yes, sir. But the megawatt class that we're using and we're pushing the state of the art in terms of beam control, fire control, being able to control the jitter in these and the power itself.

Senator DOMENICI. Okay.

General OBERING. Products, we have to concern ourselves in some areas. For example, batteries has always been a major concern. The thermal batteries and to get the battery efficiency that we need. We monitor that all the time, being able to address that in our industrial base.

The thermal coatings and protections for our nozzles is another major problem in terms of rayon has always been the material of choice but we are running out of the supplies of rayon across not only the defense but the space industry as well and so we concern ourselves with how we address that.

So we have—I have a group that's solely dedicated to monitoring the production and the industrial base for missile defense so that we can try to lead turn those problems and try to address those.

HIGH ENERGY LASER SYSTEM

Senator DOMENICI. Thank you very much. Let me ask, General Campbell, with reference to High Energy Laser System Test Facility, HELSTF. On page 10 of your statement, I found it here, you mention that "within the Ballistic Missile Defense System, BDMS, arena, the high-energy laser system on White Sands Missile Range is serving as a key lethality test bed for MDA airborne laser program."

Those are your words. What's the Army current 2009 spending plan for HELSTF, and, second, if HELSTF is conducting key tests, why have you proposed budget cuts of almost $13 million?

General CAMPBELL. Yes, sir. The budget for 2009 will look as the budget is in 2008. It was approximately $2.9 million.

In our discussions that we had more than 1 month ago, sir, you know my sense of this, that it's an important national facility. The issue became affordability for us and having customers pay for some indirect costs.

Since our meeting, I've worked with the Missile Defense Agency on specific tests and the Missile Defense Agency has invested some dollars into the continuation of HELSTF, and I've addressed this back with the testing personnel at OSD, that we have to take a relook at this for continuing that particular contract.

But the bottom line, even if the contract were to go away, we want to preserve the facility. We'll have to mothball the MIRACL laser, but we see value as the solid state lasers come on to use that facility for the development of those tactical level systems.

MDA NEED FOR MIRACL LASER

Senator DOMENICI. All right. General Obering, in your memo, you gave me a memo on March 5 related to MDA and using a mid-infrared advanced chemical laser, MIRACL, at HELSTF for high-energy laser testing for our airborne laser program.

The Army's decision to close HELSTF adversely affects our ability to conduct testing that will ultimately increase program costs and risks.

Can you elaborate on this need in this setting, and you also wrote of a potential requirement to use HELSTF in the fiscal year 2010? Would you please explain that?

General OBERING. Yes, sir. We really need to be able to use that MIRACL laser as part of a parallel testing effort to continually look at the effectiveness of what different modes of lethality that we can employ to understand the phenomenology of the interaction between the laser and various materials, that type of thing. That is the instant requirement and it is a program in the near term that we need to get wrapped up this year for our testing and I think we just released an additional $2 million, if I recall, to the facility.

I'm to the point, sir, where I will fund that to get that testing done because it's that critical to us and so that is my intent for this year.

As we look to the future, as General Campbell said, it would be nice to have that option available, should we have to revisit some of this testing and ongoing evaluations of lethality, and I think that's important.

Senator DOMENICI. Should we consider transferring HELSTF to the Missile Defense Agency since it seems to me they're interested in all of HELSTF's capabilities?

General OBERING. Sir, I get accused of taking too much stuff under our wing enough, but it is part of a larger national range structure that General Campbell alluded to in his comments, and I'd like to be able to work with those folks to see if we can't do better in supporting that overall.

Senator DOMENICI. Thank you very much. Thank you, Mr. Chairman.

Senator INOUYE. Thank you, sir. General Campbell, I'm encouraged and impressed by the success of the Aegis Program.

Assuming that the program continues to enjoy successes, when do you believe more interceptors will be deployed to aegis ships, and when will the program be turned over to the Navy?

General CAMPBELL. Let me first address the missiles and it's difficult for me to speak for the Navy when the aegis system itself is in the Navy today and Trey may be able to talk to that with a little more detail.

But in terms of missiles, as you know, we completed a joint capabilities mix study recently and that study suggested that we should double the number of SM–3 missiles for our deployed forces.

The Missile Defense Agency has taken that recommendation and they're now putting those numbers into the program objective memorandum (POM) so that we can purchase those missiles in the out-years. So I don't see it occurring over the next 2 or 3 or 4 years.

That will be later in the POM period for doubling, nearly doubling the SM–3s.

MDA JOINT PROGRAMS—JAPAN

Senator INOUYE. General Obering, Japan is a significant partner in missile defense and we've been advised that they appropriated $6.7 billion since 2004 for these cooperative programs.

Can you provide us with an update on the status of these joint programs and assure us that the agency's committed to full development of the standard missile block 2–A with the Japanese?

General OBERING. Absolutely, sir. They are among the 18 nations that we have some type of relationship around the globe. They are clearly the most energetic and also the one nation that is bringing as much as they can to bear with respect to their own resources.

We have a program in which we are developing and delivering the current version of the aegis missile, the block 1–A that we talk about, that's what was used in the recent test in December off the Hawaii coast, to be able to be deployed eventually on four Japanese ships. They are in the process also of procuring and have deployed the PAC–3 in their country.

We have ongoing efforts with respect to the ability to share information between our systems and their systems by being able to connect our command and control systems so that we can provide, for example, radar data from the radar in Shariki to the Japanese systems and then vice versa some of their radar data. We'd like to have access to some of the radars they're developing around their nation.

Of course, the cornerstone going into the future is this very solid cooperation between the Japanese and ourselves on the block 2–A. We've had a series of reviews this year on the U.S. side as well as on the Japanese side. We get together for the combined system review this year as well. So that program is well on its way. They have my commitment to be able to meet our schedule for that program, to be able to develop a unitary kill vehicle for what we call the block 2–A version, and so far, I think that we're doing very well.

Now, there will be challenges because there's challenges with any major development program. You're going to have setbacks here and there. You're going to have unforeseen events that are going to happen as we go through this development, but I feel very strongly and I feel very good that we have good working relationships on both sides of the Pacific and good processes by which we can evaluate these trades as we move forward.

MDA TARGETS SHORTFALL AND FAILURES

Senator INOUYE. General Obering, the availability of targets seems to be the pacing element for missile defense tests. Take for example the THAAD Program. It slipped, I believe I've been told, by 6 months because of shortage of targets.

What are you doing to respond to the target shortfalls?

General OBERING. Yes, sir. First of all, if I can again put this in perspective, in our 42 flight intercept tests that I referred to earlier since 2001, we've had target failures in two of those. One of those was a THAAD target. That was a HERA target that THAAD was

to fly against. We also had two other target failures in what we call radar characterization flights.

Now, it is not a substantial percentage but it is worrisome enough that I wanted to take a look to understand what was going on in the targets program, and we discovered several things.

Number one, we discovered that we had management inexperience on the Government side and, frankly, we had inexperience on the contractor side. So we have since changed. We changed out the Government side, the contractor has changed out their side.

In addition, we had a requirements process that was driving too much variability to go into a single target. So it was causing a swirl of requirements that was increasing costs and causing some of the schedule delays.

We have since imposed a much more disciplined and rigorous requirements process between our engineering and our element program folks and the targets folks and so I believe that with these steps that we've taken that will address the issue that you referred to.

The THAAD Program, along with the aegis and GMD, they always are a challenge with respect to the cost growth, things that we are asking them to do, in addition to what they had baselined or cost growth that they get from within their program, and all of that for the THAAD Program also went into that delay in terms of the flight tests.

But I feel pretty good that we have this now back in hand and with your help, and we may need some help, by the way, sir, in 2009 with respect to the monies, additional monies that we may want for targets, I think we'll be back on track.

AIRBORNE LASER

Senator INOUYE. If I may ask a question, General Campbell, on the airborne laser program.

How is this program going to be used in warfare, and how many platforms would you require to perform this mission, and do you have any idea as to the cost of developing and fielding these systems?

General CAMPBELL. To the developmental costs and the fielding, I leave that to General Obering, but some of the initial work that I've seen from the Missile Defense Agency, if you look at maintaining it in orbit, say, to protect from a North Korea shot, you're going to have multiple aircraft to maintain one orbit.

Now I don't know what it costs to maintain one orbit over time. It's threat-dependent as to how long it would have to have these aircraft in the air.

In terms of operationally how we would employ them, right now we would see them being under the control of a regional commander working back with Strategic Command and Northern Command in support of the continental United States, but in terms of overall costs or operationally, I don't know what the cost is per hour at this point to keep one orbit, but it is multiple aircraft to just maintain an orbit.

Senator INOUYE. One—multiple aircraft for one?

General CAMPBELL. Multiple aircraft to maintain an orbit.

General OBERING. Sir, if I may address that as well? That is, by the way, having the ability to maintain a 24-hour orbit is what you would require two or three aircraft to be able to do. That is not unlike what we do today with AWACs and Joint Stars. It's the same type of construct.

The other thing to remember is that with the airborne platform, the airborne laser, you are shooting down multiple missiles with the single platform, whereas in our other programs, we're having to shoot in some cases multiple interceptors to take out the single missile and so there's a multiplication factor there that goes into play when you start thinking about cost affordability.

Finally, that's also what I alluded to earlier about going into this period of transition, not unlike, by the way, what we did with THAAD, to make sure that as we look at our successes in our test program and look at all the lessons learned and then factor that into can we get this to be operationally affordable for the forces and for the warfighter and that's part of the calculation that we have to do in that period.

Senator INOUYE. So you're not ready to give us numbers?

General OBERING. No, sir, not yet. I can tell you what it would take to get us to shoot down which is the tail end of about a $4.5 billion effort that we've been underway for many years, but in terms of what the overall life cycle cost of the program would be, that's part of what we want to make sure we understand in this transition period.

THAAD

Senator INOUYE. Well, General Campbell, THAAD has been performing well. If this success continues, do we have any funding in the Army to take over the system?

General CAMPBELL. Sir, that—the actual transition and transfer is being worked between the Army and the Missile Defense Agency, so that we understand principally the operational and sustainment costs of the system.

It is a concern of the Army's; that is, long-term affordability. We're working closely with the Missile Defense Agency to understand that, so that we can compete that in the out-year POMs. So that it's hard to answer your question today precisely when we don't know the precise costs yet.

COUNTERMEASURES

Senator INOUYE. One of the areas of concern for us would be enemy countermeasures. Can you tell us what you're doing about this?

General OBERING. Yes, sir. There's several steps. Number one, we are launching two space tracking and surveillance system satellites this year. This will—these two satellites which will go up in tandem on a single launch vehicle will work together to demonstrate that we can do precise tracking from space. Otherwise, the kind of tracking that we now use our land- or sea-based radars to do, we'll be able to do from space.

We have plans for a follow-on to that will get us a small constellation that will be sufficient, though, to provide us with what we call birth-to-death tracking. From the time that a missile is

launched, as it goes through its phases, to the time that we intercept it, we'll be able to do that tracking. That's the first key element of how you deal with countermeasures.

The second portion is to shoot that missile down while it is still boosting and that eliminates any having to deal with countermeasures in subsequent phases and, of course, the two programs we have there, airborne laser and the kinetic energy interceptor, but they're still several years away from being operational. So we have to worry about what do we do in the interim.

The next phase is or the next portion of this is to be able to do the advanced discrimination that allows us to handle those more complex decoys and countermeasures and that consist of the more powerful sensors. It consists of the more advanced algorithms that we're deploying on those sensors, in fact we have some in test right now, that we will be able to use for discrimination.

The final component, a qualitative component, is that we will be able to take out more than one credible object. So as we go through this process, if we have a very complex threat suite with many, many dozens of countermeasures, we will be able to sort out down to a manageable number what are credible objects or could be credible warheads, and then we basically destroy all of those in a shotgun effect with our multiple kill vehicle.

So it is a layered approach that we're taking to this, and in addition, as we move in the future, we will be able to deal in more inventory numbers that will augment what I just said.

So we think we're on a path to deal with this. We have some of the world's leading experts that are looking at this and, by the way, the other thing that we do is we fly these, we fly these ourselves. So we have a critical measurements and countermeasures program that we employ to do these measurements ourselves. We fly critical—I mean very complex countermeasures against our own sensors and against our own capabilities and that's part of why we are building confidence in being able to address this.

Senator INOUYE. Senator Stevens made a suggestion that maybe we should have classified hearings and maybe take a visit because your agency has a major role in the next, well, evolution step of warfare and admittedly we know very little about what is happening in your agency and yet we know in our guts that it is very important because you are dealing with the most potentially dangerous areas, areas that could end up in an explosion that would cover the globe.

So do you think we should have something like that?

General OBERING. Sir, we would welcome that.

Senator STEVENS. I'd have one last question, Mr. Chairman.

NUMBER OF GMD INTERCEPTORS

Are you concerned about the adequacy of the inventory of interceptors for testing? I would address both of you. We have competing priorities, I'm sure, in the missile defense area, but operationally, it seems that to meet the current ballistic missile threat, you really have to have a lot of testing.

Do we have the number of interceptors in our inventory that we need?

General OBERING. Sir, I think that from a developmental perspective, I would like to be able to add that—for example, as we process a long-range interceptor for test or a THAAD or aegis, I would like to have another interceptor that we process in parallel.

By the way, the same thing is true with targets because I think that gives us the ability to recover from hiccups that we have in that processing and so I would very much support that. We're trying to balance as much as we can the needs for this, as you just described, along with making sure that we at least maintain our options for the future. So that's why we continually are balancing this equation.

Senator STEVENS. What about you, General Campbell?

General CAMPBELL. These tests are so critical for the users, so that we can better understand the system that we're operating today, and I agree with what General Obering said, that I like this notion of having a parallel missile available should something happen to the primary missile.

Again, the tests give us critical insights into the system that we're operating today and it gives us insights into how it behaves and how we can change the behavior of that system.

Senator STEVENS. As you go forward now with the airborne laser, will you have to have an increased inventory to deal with that?

General OBERING. Sir, we have targets planned for that program. We have those programmed into our program.

Senator STEVENS. They're adequate now?

General OBERING. Yes, sir, so far.

## ADDITIONAL COMMITTEE QUESTIONS

Senator STEVENS. Thank you very much, Mr. Chairman. Thank you very much, gentlemen.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

### QUESTION SUBMITTED TO LIEUTENANT GENERAL HENRY A. OBERING III

### QUESTION SUBMITTED BY SENATOR RICHARD C. SHELBY

*Question.* It seems to me that early and prolonged success of our systems will be possible only if we can provide for the adequate integration of these forces by somehow netting them together into a system of systems. For example, the sensor information could be netted, and the warfighters provided with the composite information at the appropriate levels.

What is being done within the Army and Missile Defense Agency to bring forward sensor netting technologies that would enable warfighters at all levels to share information needed to fight successfully?

Answer. The MDA is addressing the sensor network challenge of creating a real-time multi-sensor track picture of the battlespace that the warfighter needs to successfully execute the mission, through what is called the Global Sensor Integrated Network (GSIN). MDA is involved at all levels of the GSIN work from the top (Committee of Principals) down through the two-star level Senior Steering Group and the GSIN Transformation Teams. MDA has representatives on four of the five GSIN teams and is Co-Leader of the GSIN Technical Implementation Team. GSIN's goal is to "Enable a unified national architecture for integrated sensor information in support of theater and strategic missile warning, missile defense and space situational awareness missions."

To build a fused track picture, the BMDS ideally must: globally track missiles of all ranges in all phases of flight (birth-to-death tracking); maintain single tracks across all sensors per tracked object; and combine discrimination information from all sources for each object. MDA is aggressively pursuing multiple system level func-

tions needed to enable this netted sensor capability. The functions MDA is working on include:

—*BMDS System Track*.—This C2BMC function will use system track data from the radio frequency (RF) and infrared (IR) geographically distributed BMDS Sensors to create a system track. The track quality will improve over time with additional sensor coverage, spectrum utilization (X-, S-, U-bands), RF/IR diversity, length of time in track, and track geographic diversity. In addition the results of BMD System Discrimination will be included in BMD System Track as well as certain sensor provided target features to enhance system engagement performance. Within C2BMC, the Global Engagement Manager (GEM) will be the vehicle to implement this functionality.

—*BMDS System Discrimination*.—This function will integrate the system track, discrimination, and target feature data to make system level evaluations of the lethal object.

—*BMDS Sensor Registration*.—This function will "gridlock" each sensor to known locations and establish bias and location errors. This is necessary to allow the correlation and discrimination functions to occur and improve sensor netting capability.

—*BMDS Correlation*.—This function will associate track, discrimination and feature data from numerous BMDS sensors (RF and IR) into a consistent set of information using advanced correlation techniques.

The MDA has also entered into a Memorandum of Understanding (MOU) with the Army Program Executive Officer (PEO) Missiles and Space in March 2007 that directs the two organizations to collaborate on a host of common areas and to formalize relationships between various PEO MS and MDA elements in support of joint efforts to develop, field and support a reliable Integrated Air and Missile Defense (IAMD) system. The goal of the MOU is to leverage completed and ongoing initiatives leading to an economy of effort and resources. This will potentially create a win-win situation, system of system integration at an equal or reduced cost. Some of the ongoing collaborative areas include a common IAMD Extensible Markup language (XML), an integrated battle planning capability, and element/component level testing. This innovative strategy across multiple fronts will ultimately benefit the warfighter by providing a truly integrated ballistic missile defense capability, while potentially saving significant dollars for both the Army and MDA.

The BMDS C2BMC program has also demonstrated the ability to share BMD data (i.e., tracks, engagement status, inventory, launch information, missile type, and threatened-assets) via Net Centric Standards (XML) to other commands, mission areas, and government agencies to improve warfighter integration and situational awareness.

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QUESTION SUBMITTED TO LIEUTENANT GENERAL KEVIN T. CAMPBELL

QUESTION SUBMITTED BY SENATOR RICHARD C. SHELBY

*Question.* It seems to me that early and prolonged success of our systems will be possible only if we can provide for the adequate integration of these forces by somehow netting them together into a system of systems. For example, the sensor information could be netted, and the warfighters provided with the composite information at the appropriate levels.

What is being done within the Army and Missile Defense Agency to bring forward sensor netting technologies that would enable warfighters at all levels to share information needed to fight successfully?

Answer. In March 2007, MDA entered into a Memorandum of Understanding (MOU) with the Army that encourages collaboration on a host of common areas and to formalize relationships between MDA and Army elements in support of joint efforts to develop, field and support a reliable Integrated Air and Missile Defense (IAMD) system. The goal of the MOU is to leverage completed and ongoing initiatives leading to an economy of effort and resources. Some of the ongoing collaborative areas include a common IAMD Extensible Markup language (XML), an integrated battle planning capability, and element/component level testing. This innovative strategy across multiple fronts will ultimately benefit the warfighter by providing a truly integrated ballistic missile defense capability, while potentially saving significant dollars for both the Army and MDA.

In addition, current Army air defense systems share sensor surveillance data (track and identification) and contribute to a Single Integrated Air Picture (SIAP) via joint tactical data links (JTDL). Joint Land Attack Cruise Missile Defense Elevated Netted Sensor System (JLENS), Sentinel and PATRIOT all contribute to a

SIAP capability by distributing and receiving sensor surveillance data to/from the Link-16 Joint Tactical Data Network (JTDN). JTDN data sources can include Higher Echelon Engagement Operations, joint systems such as Airborne Warning and Control System, and/or other Army air defense systems. Additionally, JLENS participates on the Navy Cooperative Engagement Capability (CEC) and Surfaced Launched Medium Range Air-to-Air Missile (SLAMRAAM) participates on the Joint Range Extension Application Protocol (JREAP) network.

Current and new Army air defense systems are actively migrating to a net-centric approach to fighting, including the netting and fusing of sensor measurements and global tactical track and identification data, the use of joint SIAP and tactical data link solutions, and the sharing of improved sensor performance capabilities with all network participants. Not only does the Integrated Air Missile Defense (IAMD) netted approach allow the sharing of sensor data, it facilitates technology insertion and evolution of new capabilities, thus prolonging the success of our air defense systems. This effort is being led by the AIAMD Project Office within the Program Executive Office, Missiles and Space. Sensors (e.g. JLENS, PATRIOT and Terminal High Altitude Area Defense (THAAD) radars, Sentinel) and weapons (e.g., SLAMRAAM, PATRIOT, and THAAD) are being integrated into an Internet Protocol-based, Integrated Fire Control Network (IFCN). An IAMD Battle Command System (IBCS) is being developed to provide the command and control for this System of Systems (SoS). To support the net-centric approach to air defense, the IBCS is being designed to be configurable and scalable both vertically and horizontally within the operational organizations, to support collaborative and distributed planning and engagement, and to provide aids to assist the warfighter manage the more complex SoS.

SUBCOMMITTEE RECESS

Senator INOUYE. Well, gentlemen, thank you for appearing before the subcommittee today. As a result of your response to my last question, General Obering, the subcommittee will stand in recess until Wednesday, April 30, when we'll meet in closed session in S–407 to review your programs.

General OBERING. Thank you, sir.

Senator STEVENS. Thank you very much.

[Whereupon, at 11:45 a.m., Wednesday, April 23, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2009

**WEDNESDAY, MAY 14, 2008**

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.*

The subcommittee met at 10 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Ted Stevens presiding.

Present: Senators Leahy, Dorgan, Durbin, Mikulski, Murray, Stevens, Cochran, Domenici, and Bond.

## DEPARTMENT OF DEFENSE

### RESERVES

**STATEMENT OF LIEUTENANT GENERAL JACK C. STULTZ, CHIEF AND COMMANDING, UNITED STATES ARMY RESERVE**

OPENING STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Gentlemen and ladies, the chairman will not be here for a while and may not be here at all this morning. I want to put his statement in the record and welcome all of you, the chiefs of the Reserve components who will testify before us on the status of the Reserve components.

[The statement follows:]

PREPARED STATEMENT OF SENATOR DANIEL K. INOUYE

Today the Subcommittee meets to receive testimony on the fiscal year 2009 budget requests for the National Guard and Reserve components. From the Reserve we welcome: Chief of the Army Reserve, General Jack Stultz; Chief of the Naval Reserve, Admiral John Cotton; Commander of the Marine Forces Reserve, General John Bergman; and Chief of the Air Force Reserve, General John Bradley. And from the National Guard we are pleased to have: Chief of the National Guard Bureau, General Steven Blum; Vice Chief of the Army National Guard, General Clyde Vaughn; and Vice Chief of the Air National Guard, General Craig McKinley.

Gentlemen, as the National Guard and Reserve components continue to transition from a strategic to operational reserve, you face significant personnel and equipment challenges. Currently we have thousands of guardsmen and reservists deployed to Iraq and Afghanistan, many of them already on their second tour. We are asking a great deal of these service members, their families, and employers. Unlike their active duty counterparts, they often do not have easy access to support services. Today we look forward to hearing what is being done to ease the strain through family support and reintegration programs.

It is a credit to the dedication and patriotism of our reservists that retention levels remain strong despite the high operational tempo and mandated force realignments. We want to make sure that you have the resources required to retain these talented experienced service members, particularly those in high demand career fields. We are pleased to see that recruiting has improved for the Air National Guard, and Army and Navy Reserves, although we are concerned that many of the

components face shortfalls in high demand, critical skill specialties. We hope to hear today what you are doing to continue to attract quality recruits.

Equipment shortages are another ongoing challenge, particularly now that more pre-deployment training is being done at home station. While the Subcommittee is pleased to see that the Army has dramatically increased procurement requests for the Guard and Reserve, existing equipment levels remain a concern. We want to ensure that you have the equipment you need for training and operations at home and abroad.

Gentlemen, I look forward to hearing your perspective on these issues and your recommendations for strengthening our forces during this demanding time. I thank you for your testimony this morning.

Senator STEVENS. General Stultz, it is good to see you with us again today.

I understand, Admiral Cotton, this will be your last appearance, retiring now after 34 years in the service. We are grateful for your service to our country and appreciate all you have been able to accomplish to enhance the Reserve components.

General Bergman, I understand you also will retire now after 38 years.

General BERGMAN. Yes, sir.

Senator STEVENS. We wish you also the best and sincerely appreciate your service to the country.

And General Bradley, you are retiring after 41 years. It has been a pleasure working with you, particularly these last few years. I will never forget the F–22s coming in to Elmendorf. It was really a great day for us.

General BRADLEY. Thank you, Senator Stevens.

Senator STEVENS. I wish you continued success in your future.

The Reserve components have changed drastically since September 11, 2001. It has been remarkable how quickly you all have been able to transition from what was purely a strategic reserve force to an operational one. The total force concept is working. I know there are many challenges that still remain as the active components rebalance and reset. I am confident that you will point your respective services in the right direction to fully support the missions that will be presented to you in the future. We thank you all for your service and look forward to the testimony today.

As I said, I will put the chairman's statement in the record.

I would call on Senator Leahy.

Senator LEAHY. I will be coming back and I will yield to Senator Mikulski. I have to go to a Judiciary matter, but I will be back.

I also echo the comments to Admiral Cotton and the others. You have a tremendous lineup here. I know these gentlemen. Of course, I know their service as well. I think it is a credit to all of us that they are willing to serve and serve so well.

Senator STEVENS. Senator Mikulski.

Senator MIKULSKI. Mr. Chairman, in the interest of time, I do not have an opening statement. I want to welcome, of course, our leadership and look forward to hearing the needs that they face in order to fulfill the mission and look forward to it and thank them for being here.

Senator STEVENS. Thank you.

Gentlemen, all of your statements will be put in full in the record. We appreciate whatever comments you want to make this morning. General Stultz, we will call on you first, please.

INTRODUCTION OF RESERVE SOLDIERS

General STULTZ. Yes, sir. Mr. Chairman, Senator Mikulski, thank you for giving us the opportunity to come and talk to you today. As you indicated, I have submitted my statement for the record.

Rather than taking time to make any further opening comments, what I did want to do today, sir, is to introduce a couple of people that I brought along with me. One, my command Sergeant Major, Leon Caffe, the senior enlisted soldier for the Army Reserve representing our 200,000 soldiers, who is here with me.

But also I wanted to introduce two great soldiers, just to give you a flavor of the quality of what we have got in the Reserve components today.

The first gentleman I have got is Captain Joe Webster. Joe? Joe is an Army Reserve soldier. He is a lawyer here in Washington, DC, a partner in a firm that handles Indian affairs throughout this Nation, very well known.

What is unique about Joe, though, is in 1990–91, Joe was in school at Purdue University, stopped his education, joined the Army Reserve, and deployed for Desert Storm as a legal clerk, specialist 4, legal clerk. He came back after 1990–91, went back to Purdue, finished his undergraduate, went to George Washington University here in Washington, DC, and got his law degree, and became a very successful partner in a law firm here in Washington, DC.

After 9/11, Joe said, I need to go serve my country again. So he joined the Army Reserve again, got into one of our legal units. He deployed last year and was in Iraq for the entire year last year serving General Odierno of the Multinational Corps Iraq on his legal staff handling legal matters. He is a true representative of what this Nation is all about: individuals that are willing to put their careers, put their lives on hold, leave their families, and risk their lives to go and serve their Nation on a volunteer basis.

The other soldier I have with me is Master Sergeant Marie Brooks. Sergeant Brooks again represents what this Nation is all about. You see, Sergeant Brooks' father is retired military. Sergeant Brooks is one of our master sergeants in the Army Reserve. Her son is an active duty soldier also, currently stationed in Germany as a medic. Three generations of soldiers in that family. Sergeant Brooks is a chaplain's assistant for us.

She deployed to Kuwait and Iraq in 2003 as part of a medical command, serving as a chaplain's assistant, and provided chapel services throughout the theater when we were short chaplain officers, as the NCO Corps does, steps up, makes it happen, and she was conducting seven different types of services at Camp Arifjan Kuwait to service all the soldiers, about 20,000-some soldiers that were there to provide religious support, counseling, whatever the need while she was deployed for that year in 2003.

She now works also for us helping assist at the Officer Candidate School at Fort Benning, Georgia on a regular basis.

PREPARED STATEMENT

But these are two great soldiers, sir, that I just wanted to introduce, have the opportunity to talk about what quality we have, what dedication we have in our Reserve components.

I look forward to your questions, sir. Thank you.

Senator STEVENS. Thank you very much. Captain Webster, Master Sergeant Brooks, we welcome you and thank you for your service.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JACK C. STULTZ

INTRODUCTION

Chairman Inouye, Senator Stevens, members of the Senate Appropriations Defense Subcommittee, thank you for calling this hearing on the fiscal year 2009 budget for our Reserve components. As you know, after September 11th, the Nation's Reserve components were challenged to evolve from a strategic force in reserve to an operational force that is constantly deployed. It literally happened overnight. And now during the seventh year of this persistent conflict, demand for Army Reserve warrior citizens is such that between 25 and 30,000 Army Reserve soldiers are mobilized at any given time in the United States and in 18 other nations around the globe.

Last month the Army Reserve celebrated its 100th anniversary. During our centennial celebration, soldiers from every State took the oath of re-enlistment here on Capitol Hill; committing to at least another 2 years of service to our Nation in the Army Reserve. When the Medical Reserve Corps originated on April 23, 1908 with 160 civilian physicians, it was unforeseen that 100 years later 12 to 15 percent of our force would be fully engaged in theater an operational force providing key capabilities to the Army.

We continue to meet our mission because our soldiers are committed to serve the Nation, even as we undergo dynamic institutional and operational changes that challenge our state of readiness. And like the Active Component, the Army Reserve is a force that is out of balance but we are not broken. Historically, the Army Reserve has been a cost-effective, value-added force as evidenced by what we accomplished with the fiscal year 2007 budget Congress appropriated to us. That budget request of $6.9 billion represented only 3.1 percent of the total Army budget, yet we:

—Mobilized more than 30,400 warrior citizens;
—Recruited 39,055 soldiers;
—Retained 19,727 soldiers (119 percent of our retention goals);
—Launched the Army Reserve Warrior and Family Assistance Center;
—Accelerated reorganization of the entire Army Reserve Training Structure;
—Executed two major warrior exercises involving more than 8,000 soldiers;
—Moved 6,700 pieces of unit equipment to regional training centers;
—Aligned 78 percent of our strength into operational and deployable forces;
—Overhauled 4,139 pieces of equipment in the $144 million depot maintenance program;
—Fielded more than 17,000 items of equipment;
—Increased our aviation force structure by two Blackhawk companies;
—Activated and deployed the 316th Expeditionary Support Command—the primary logistics command supporting multinational forces in Iraq;
—Activated the 11th Theater Aviation Command;
—Activated or converted 386 organizations to new modular structure;
—Initiated the disestablishment of 12 Regional Readiness Commands;
—Initiated the establishment of 4 Regional Support Commands and 11 Operational Commands;
—Commissioned two water vessels; and,
—Initiated 23 BRAC and military construction projects.

More than 193,900 warrior citizens have mobilized since 9/11; they represent America's best and brightest. Our soldiers, their families and employers; however, are experiencing an operational tempo unlike their comrades in arms who served before them. As you know, earlier this year, the report released by the Commission on the National Guard and Reserves concluded that the Nation will continue to rely on the Reserve components as part of an operational force for missions at home and

abroad. To accomplish this, the report concluded, reforms are needed to ensure the readiness of the Reserve components and to ensure our feasibility and sustainability over the long term.

To achieve our goal of transforming from a strategic force in reserve to an integrated, operational force, the Army Reserve relies on continued support from Congress via fiscal and supplemental budgets. Today, even though our mission has increased, our funding has not moved significantly beyond resource levels of the Cold War. Our fiscal year 2008 budget request of $7.1 billion represents 4 percent of the Army base budget. We are grateful for your support, our state of readiness relies on it, but our readiness is also impacted by our transformation, the operational tempo, the stress on our soldiers, their families and employers, and the state of our equipment. All challenges we continue to address.

OVERVIEW

I am here to discuss the President's budget request for fiscal year 2009 and what it means to the Army Reserve. I will separate the budget request in to three categories, Reserve Personnel, Army (RPA); Operation and Maintenance, Army Reserve (OMAR); and Military Construction, Army Reserve, (MCAR).

In an environment of scarce human resources, RPA appropriations are vital for the Army Reserve to maintain our readiness by recruiting and retaining warrior citizens. The RPA appropriation increased 6 percent to $3.9 billion which includes $321 million for recruiting and retention bonuses. These bonuses are critical to the Army Reserve to sustain our effort to exceed our end strength of 205,000 soldiers. For the first time in the 35 years since the birth of our all-volunteer force, we must recruit and retain our force during a period of protracted war. Traditionally, the Army Reserve has not grown its own force. We have relied on soldiers who came off Active duty, but that's not happening any more. Now, our Reserve soldiers are either leaving the service at the end of their commitment or they are going back on active duty. Last year 7,107 warrior citizens transferred to the active Army. So while our force is contributing to the end strength of the Army, we impede our ability to reach our own end strength. We are short about 10,000 soldiers and that affects our readiness should our force be called to respond to another contingency at home or abroad.

The RPA also includes $195 million for 47,000 soldiers to attend professional military education. These schools are essential for the Army Reserve to support higher occupational skill qualification rates. We are not only interested in recruiting Army Reserve soldiers who want to serve their country—we want to provide soldiers the skills to better themselves and to give back to their community.

Our request for resources to increase the Active Guard Reserve end strength by 300 soldiers was also included in the fiscal year 2009 budget, and we appreciate the President's support. But we must also rely on the fiscal year 2009 supplemental request so the Army Reserve can continue to evolve to a more fully integrated operational force. The Army Reserve has requested $80 million for additional training days for approximately 20,000 soldiers and another $82 million to resource up to 17 days of special pre-mobilization training. These funds are critical for the Army Reserve to properly prepare soldiers and units as they ready to deploy.

As you know, the process that is driving much of our organizational change is the Army Force Generation or ARFORGEN model. ARFORGEN aligns Army Reserve units into 5-year cyclical training and force sustainment packages.

Full implementation of ARFORGEN will improve our force by providing a predictable and rapid capability to synchronize our soldiers and resources with national and global mission requirements to increase unit readiness and provide a progression of trained, ready, and cohesive units. We have aligned approximately 80 percent of Army Reserve units into the ARFORGEN process, and we are working toward achieving the 4 years at home to 1 year deployed objective.

The President's fiscal year 2009 budget request is essential to implementing ARFORGEN. The $2.6 billion in the budget for OMAR is a 5.8 percent increase over fiscal year 2008 and includes $66 million to support Army Reserve force structure rebalancing, increased training events and equipment. Our rebalance will replace less-equipment intensive units with more equipment-intensive units resulting in an increase demand for fuel, parts and sustained maintenance. Resources for base support services to 1,100 Army Reserve activities are funded at $548 million, which translates to 92 percent of our essential needs with an increased emphasis on family programs and youth services. The $256 million for sustainment, restoration, and modernization in the President's fiscal year 2009 budget will allow the Army Reserve to continue to reduce our facility maintenance backlog by increasing our com-

mitment to restore our facilities sustainment program worldwide to an adequate readiness level.

Our operational tempo is particularly difficult on families. Although we recruit soldiers, we retain families. Our readiness depends on the ability to provide predictability to our soldiers, their families and employers. As with RPA resources, the Army Reserve must rely on the fiscal year 2008 GWOT supplemental request for OMAR funding to ensure we take care of soldiers and their families. Our supplemental request includes $22.9 million for family programs, $4.1 million for the strong bonds program, $13.7 million for tuition assistance, and $3.6 million for post deployment health reassessments. The OMAR supplemental request also includes $23.7 million to offset rising fuel costs.

Our warrior citizens are the core of your Army Reserve. Warrior citizens bring maturity, experience, and civilian-acquired skills to the Army. In theater, you cannot tell the difference between an active Army soldier and our warrior citizens. However, off the battlefield, the demands on our warrior citizens are great; in many respects greater than those an active duty soldier faces. Our soldiers must balance civilian careers with military and family obligations; and most of our families do not reside near military installations. Warrior citizens must manage a delicate balance with employers who are often left with one less employee to conduct business. This balance is made the more challenging for our soldiers by the Army Reserve's high operational tempo and ongoing organizational change.

The President's fiscal year 2009 budget request for MCAR is $281.7 million, which will allow the Army Reserve to invest in building five Army Reserve centers and to modernize Army Reserve centers in four States. The end result will be 15 Reserve Centers supporting nearly 5,000 warrior citizens and four training ranges. We have also built in minor military construction funds to address unforeseen critical needs or emergent mission requirements that cannot wait for the normal programming cycle.

The bottom line, this persistent conflict requires the Army Reserve to transform from a strategic force in reserve to an operational force. The Army cannot sustain this operational tempo without our warrior citizens and their contributions to the total force.

As the Army Reserve evolves to a more fully integrated operational force we recognize we cannot overlook the critical contribution employers make to national defense. The citizen soldier legacy is built on the backbone of citizens and employers sacrificing together to ensure our security. Employers are looking for the same skilled, capable, disciplined personnel we are. We can and should cooperate with industry in a number of ways for our mutual advantage: recruiting, training and developing the best and the brightest to serve. For our part, the Army Reserve develops discipline, soldier and leader skills that are valuable to employers. Working with industry we can help employers fill occupational specialties where there have been traditional shortages of personnel. While we share an employee's talents and skills we can surely find ways to share the cost of benefits to our mutual advantage.

Last month, I was proud to launch our Employment Partnership to foster formal relationships between the U.S. Army Reserve and private sector. We signed agreements with INOVA Health Systems and the American Trucking Association. In the future, we hope to enter into comparable partnership projects with law enforcement, corrections, transportation, and other industry organizations leveraging Army Reserve core skill sets.

To improve Army Reserve personnel readiness, we rely on continued support from Congress to provide stable and predictable resourcing and the authority for flexible management of incentives to recruit, retain, reassign, promote, and train our personnel.

As the first Federal Title 10 responder to support civil authorities during a domestic emergency, the Army Reserve is an important element of the current DOD "Lead, Support, Enable" strategy for Homeland Defense and Civil Support. Unit readiness for current and future peacetime contingency and major combat operations at home or abroad requires timely, predictable personnel resourcing and a full complement of equipment.

During our first 100 years, the Army Reserve repeatedly provided the most cost-effective Federal force to the Nation. Continued support with resources and authorities from Congress ensures your Army Reserve is ready to serve the Nation any time, any where, now and in the future. Thank you for the opportunity to review the impact of the President's fiscal year 2009 budget request for the Army Reserve. I look forward to your questions.

UNITED STATES ARMY RESERVE 2008 POSTURE STATEMENT

APRIL 1, 2008.

Today's Warrior Citizens serve our Nation during an era of persistent conflict—a role unforeseen when the Army Reserve originated on April 23, 1908, as the Medical Reserve Corps. One hundred sixty civilian physicians comprised this first strategic reserve, one that could be ordered by the Secretary of War to active duty during a time of national emergency. A century later, the U.S. Army Reserve is a diversified, capable, skill-rich, community-based operational force with an authorized end strength of 205,000 Warrior Citizens.

Throughout our first century of service, our mission was to support the Army to ensure mission success, and our Soldiers served with pride and distinction. In the final decade of the 20th century, the Army Reserve was called upon to support training, coalition-building, and stability missions, as well as foreign and domestic contingency operations. At the dawn of this century, with further demands placed on our Nation's military after September 11, 2001, it became necessary for the Army Reserve to transform to a more fully operational force.

Today, the 21st century Army Reserve Soldier is a Soldier who serves in an expeditionary force that is an integral part of the world's best Army. Yet, as we have done for the past 100 years, our Soldiers live and work in their civilian communities while volunteering to serve their Nation in the U.S. Army Reserve. In the past six years, 190,796 Army Reserve Soldiers have mobilized and deployed in support of the Global War on Terror. Currently 27,143 Warrior Citizens from communities around the Nation are serving in Iraq, Afghanistan, and in 18 other countries. They serve at a time when the stakes for our Nation and our national security are high, the demands on our force are significant, and the need for a strong Army is undeniable.

As we move forward in our transformation, we are undergoing the most dramatic change to our force structure, training, and readiness since World War II. However, as we continue to transform, one thing does not change—the Army's reliance on our Army Reserve Warrior Citizens' civilian-acquired skills, skills that are critical to the Army's success. As a result of the continuous state of mobilization and a high operational tempo, the Army Reserve has experienced stress on our Soldiers and their units, stress on their Families, stress on their employers, and stress on our equipment. We have come to realize that while we remain a committed, professional, All-Volunteer Force, the Army Reserve, like the Active Component, is increasingly out of balance.

To help us build capacity and increase our military effectiveness, we have aligned our needs into four imperatives: to sustain our Soldiers, their Families, and employers; to prepare our Soldiers for success in current operations; to reset and rebuild readiness for future operations; and to transform to better meet the demands of the 21st century.

To continue our mission for the next 100 years, the Army Reserve depends on adequate essential resources in the fiscal year 2009 budget and beyond. The firm application of the individual and collective skills resident with Army Reserve Warrior Citizens is essential to the offense, defense, and stability operations of this persistent conflict. Operationalizing the Army Reserve meets the needs of the Army Transformation guidelines and strategies and gives taxpayers confidence we are using their resources wisely and efficiently. We agree with the January 31, 2008, Commission on the National Guard and Reserves characterization of the Nation's Reserve Forces; "The Reserve Components are this nation's insurance policy against unexpected events, provide a daily connection between the military and their civilian communities, constitute a significant pool of pre-trained manpower, and are well-suited for a leading role in homeland response activities. Their value to the nation cannot be overstated."

We will continue to reflect the very best of our Nation by defeating the enemies of freedom and the proponents of terror, by defending our homeland, and by assisting our Nation to build a better future for coming generations. But we cannot fulfill our mission alone; we require continued support from Congress and the American people.

The men and women of the U.S. Army Reserve epitomize what is best about America; it is an honor to serve with them. It is humbling to see the support our Families give to their Soldiers; for while it is the Soldier we recruit, it is their Families that we retain. It is also a privilege to work with the civilian employers who support our Soldiers in their communities; they continue to motivate us to find solu-

tions for managing a shared workforce. Together, our Army Reserve Soldiers, their Families, and employers are the strength of the Nation.

LIEUTENANT GENERAL JACK C. STULTZ,
*Chief, U.S. Army Reserve.*

COMMAND SERGEANT MAJOR LEON CAFFIE,
*Command Sergeant Major, U.S. Army Reserve.*

STRATEGIC CONTEXT

*Warrior Citizens: An Integral Part of Today's Army*

The quality of our Force is undeniable. Army Reserve Soldiers are Warrior Citizens who contribute to their local communities as they pursue their civilian careers. In uniform, they also contribute to our national security when they train, prepare, watch, and listen for a call to arms. Over the last century, Warrior Citizens have repeatedly answered that call and have proven the value of citizens serving in the Army Reserve to achieve national goals. Today, tens of thousands of men and women are in the Army Reserve; when they mobilize, they leave their homes, their Families, and their jobs to serve our Nation. And, over the course of the coming years, thousands more Army Reserve Warrior Citizens will step forward to serve and sacrifice on behalf of their friends and neighbors and the strangers they call countrymen—the citizens of the United States.

Our Warrior Citizens are volunteer members of the best trained, best led, and best equipped fighting force our Nation has ever fielded. The 190,796 Army Reserve Soldiers mobilized since September 11, 2001, demonstrate why Warrior Citizens are among those proud to be called Army Strong.

The men and women of the Army Reserve hail from every corner of this Nation, ordinary Americans volunteering for extraordinary service. They are black (22 percent), white (60 percent), Hispanic (12 percent), and Asian and Pacific Islanders (4 percent). Seventy-seven percent are men, 23 percent are women. They are young (46 percent are 17–29 years old) and they are mature (46 percent are aged 30–49). They don the uniform as enlisted Soldiers (81 percent), officers (18 percent), and warrant officers (1 percent). Our Warrior Citizens are men and women committed to their Families, their communities, and their country. They are the strength of our Nation.

Our Force includes Soldiers like Staff Sgt. Jason Fetty, a civilian pharmacy technician from Parkersburg, West Virginia. In the Army Reserve, he is a pharmacy specialist with the 339th Combat Support Hospital in Coraopolis, Pennsylvania. When he deployed to Afghanistan in April 2006, he voluntarily transferred from his medical unit to the 364th Civil Affairs brigade to join a Joint Provincial Reconstruction Team.

With just a week left on his one-year tour, Fetty encountered a man dressed in a hospital lab coat that forever changed his life. On February 20, 2007, at a ribbon-cutting ceremony to open the emergency room his unit constructed at the Khost City Hospital, Fetty noticed one of the doctors acting strangely. He said the doctor looked "crazy in the eyes." After ten months in Khost, he knew a lot of the medical personnel, and he didn't recognize this man, so he confronted him and immediately perceived him as a threat. He was right. The man was a suicide bomber.

Fetty knew he couldn't risk hitting an innocent bystander if he were to shoot and miss, so he maneuvered away from the crowd, hoping the suicide bomber would follow. He did. Two other U.S. Soldiers began firing warning shots at the man, still not realizing he was a suicide bomber. After firing a warning shot, Fetty shot the man in the legs. He fell, but didn't go down completely so Fetty himself raised his weapon again and struck him in the abdomen. When Fetty saw the man slowly put his hand under his lab coat, he knew this was an indicator something was about to happen. Fetty yelled for everyone to get out of the way and he started running. He didn't get far. When the bomb exploded, Fetty sustained shrapnel wounds to his face, back, thighs, ankle, and elbow. The other two U.S. Soldiers were also wounded, but no one in the large crowd gathered for the ribbon cutting ceremony died; no civilians, no dignitaries, no Soldiers. Fetty was awarded the Purple Heart as he recovered from his wounds at the Task Force medical treatment facility at Bagram Airfield. On October 12, 2007, he was also awarded the Silver Star in recognition of his heroic service under fire. He is the first Army Reserve Soldier to earn this distinction for service in Afghanistan. From Fetty's perspective, "Anyone would have done what I did if they were put in the same situation."

We are also privileged to have Soldiers like Jennifer J. Johnson in our ranks. She was a nurse practitioner who thoroughly enjoyed her civilian career in medicine, skills she brought with her when she joined the Army Reserve in 1985. But she felt something was missing, that perhaps nursing was a bridge to an even greater call-

ing. In 2003, she was ordained as a minister and moved from the nurse corps to the chaplain corps in the Army Reserve. Of the 393 chaplains serving in the Army Reserve, only 29 are female. Chaplain Johnson says there are many qualities of nursing that are comparable to the ministry. "We guide, we direct, we nurture," she said.

Chaplain Johnson mobilized for one year in July 2006. Twenty-one years after she first joined the Army Reserve, her professional and military careers came full circle when she deployed to Iraq in September of that year. As the chaplain for the military hospital in Tikrit, she provided pastoral care at the 46-bed facility. There she saw first-hand how holistic care—taking care of the emotional and spiritual well-being of a patient—helps physical healing. Chaplain Johnson always carried a Prayer Book for U.S. Forces with her—in the operating room, visiting patients, or leading a congregation in prayers. She also provided spiritual healing to the medical staff. Like many Soldiers, her military duties kept her away from her family for 15 months. She missed her daughter's first prom, family weddings and funerals, and routine family life. But her sense of duty to country by serving in the Army Reserve and her responsibility as a person of faith kept her focused. When she returned from Iraq, she was hired as the chaplain of a large university hospital. Chaplain Jennifer J. Johnson is an example of the kind of strength our Soldiers bring to the Operational Force as well as to their civilian communities.

College student Bethany Gunter wanted to challenge herself mentally and physically, so she joined the Army Reserve; the educational assistance would help defray college expenses. In her Little Rock, Arkansas, unit she not only found the challenge she sought; she also found a soul mate, Nicholas Horn. After taking a few college courses and working for several years in the plumbing business, he was also ready for a change. He dreamed of being a Soldier, and the thought of becoming a husband never entered his mind, until he met Beth. The two Soldiers married shortly before deploying together to Mosul, Iraq, where they served with the 43 1st Civil Affairs Battalion. There, Spc. Bethany Horn worked in supply, but was trained to drive a 17,000-pound up-armored Humvee and to serve as the swiveling turret gunner behind a belt-fed machine gun. Sgt. Nicholas Horn was the operations non-commissioned officer in charge. During his one-year deployment, he was awarded a Bronze Star for saving the life of a civilian injured in a mortar attack.

Bethany said their joint deployment forced them to mature, "We couldn't be kids anymore; our day-to-day objective was to survive and to try to make a difference in Iraq." Nicholas said the deployment reinforced to him the fact that marriage is a team effort, especially in a combat zone. "We worked together 24 hours a day, seven days a week. We saw each other react when mortars hit and we grew to depend on each other, to stay alive as we build our lives together. She's the only battle buddy I'll ever need." They both believe the skills they've learned in the Army Reserve will help them be better leaders in their community as they interact with customers and classmates and improve their readiness and training with their unit in the Army Reserve.

Our force also includes Soldiers like 1st Lt. Virgilio Villacorta. He's a senior scientist who works in algorithm development and image processing for defense applications. He earned his Ph.D. in health sciences and technology from MIT, where his research was on how the brain adapts to acoustic perturbations and resilient speech patterns. He joined the Army Reserve in October 2001 because he wanted to serve his country. He was commissioned in December 2004 and now serves with the 368th Military Intelligence Battalion. He attributes his work in military intelligence to providing him with a better understanding of the technology Military Intelligence units need in the field and how important the design of the technical equipment is to the Soldiers who depend on it. Villacorta, like many of our Warrior Citizens, came to the Army Reserve with an advanced degree.

These Army Reserve Soldiers are typical of the patriotic men and women who have answered the Nation's call to serve. They are illustrative of why our Warrior Citizens are the strength of our Nation, are an integral part of today's U.S. Army, and deserve the best possible and most thorough training, resourcing, and support from Congress and the American people.

*The 21st Century: A Century of Leadership and Strength*

The Army Reserve has experienced significant change during our first century of service to the American people. Our military forces support the American people and are connected directly to American communities through Soldiers such as the Warrior Citizens who serve in the Army Reserve.

As we look to the future, we know without a doubt we will continue to adapt to change, to transform to a more effective operational force, and to meet the needs of the Army. Increasingly, we recognize that the uncertain security environment of

the future and the challenging fiscal responsibilities faced by our Nation require more cost-effective, flexible sources of manpower that can be efficiently increased in times of need and reduced in a way that economically preserves capability when requirements diminish. As the Commission on the National Guard and Reserves concluded, "Fundamental reforms are needed to ensure the Reserve Components are feasible in the short-term while sustainable over the long-term." This will impact the pace of the Army Reserve's transformation and how our Force is resourced, manned, and trained.

We have entered a dynamic era—an era of extraordinary challenges—an era marked by unprecedented technological and economic advances, expanded globalization, and a burgeoning world population. These advances have resulted in an increased demand on resources such as fresh water, food, and the elements that sustain economic enterprise. As the global community becomes more interconnected, an unstable natural environment and a growing world population will exacerbate the potential for conflict and increase the likelihood of humanitarian crises.

Other contributing factors impacting international stability include the struggle for power involving economic and technological dominance, religious and cultural conformity, and the infrastructure to provide basic human necessities such as food, water, shelter, sanitation, medical care, and the economic means to sustain affected populations.

The technological advances of the last century have contributed to an increase in the length and quality of life for many of the world's inhabitants. But technology has proven to be a double-edged sword. While it is used for many productive ends, it may also be leveraged for destructive purposes. Unstable governments and well-financed groups who seek to exploit weapons of mass destruction for diverse aims seriously threaten global peace and must be contained. State-on-state regional conflicts, failed states competing for internal and external resources, and global terrorism threaten world peace and stability.

The challenges America faces are many, and the risks are great. We are in a position that is both envious and dubious. Global leadership demands global responsibility. The United States Army is one of the most far-reaching and capable forces available for the country to tackle global challenges of the 21st century. The United States Army Reserve is an integrated, operational component of the world's greatest Army—ready, willing, and able to face these challenges.

The emerging trends of globalization, population growth, resource depletion, climate change and natural disasters, proliferation of weapons of mass destruction, and failed and failing states demonstrate a global environment of dynamic risk. These risks place high demands on our military. The core competencies that reside in the U.S. Army Reserve allow the Active Force to mitigate these risks to achieve national objectives.

The Army Reserve is a valuable component of the Army because it is dynamic, flexible, and capable, as well as a significant provider of combat support and combat service support to the Total Force. The Army Reserve is well designed and well suited for operations in a global environment of instability. The Army Reserve possesses extensive capabilities to respond to nuclear, biological, and chemical weapons threats. Army Reserve Soldiers are uniquely suited, by way of the extensive civilian-acquired skills that complement military-acquired skills, to participate in missions to defeat threats to security, as well as stability and reconstruction operations. The Army Reserve also possesses unique capabilities and resources to address humanitarian contingencies at home or abroad and remains the Nation's first Title 10 responder to provide support and assistance to civil authorities when a disaster or emergency occurs in the United States and its territories.

The Army Reserve is postured to respond and execute, in real time, missions to support the national military strategy. We continue improving the Army Reserve's capability and efficiency. We are in the midst of restructuring and improving our business practices, reducing overhead, and fielding more deployable force structure to meet the wide array of missions ongoing or expected in the years ahead.

The 21st century is proving to be a century in need of the capabilities of our Warrior Citizens. The strength of the Nation lies with the strength of her citizens to bear the burden, pay the price, and to commit and sacrifice for the greater good. Army Reserve Warrior Citizens are carrying forth that tradition into a second century of service and sacrifice. We are more fully integrating with the Active Army to leverage our mutual strengths as we effectively and successfully carry out every mission we are called upon to accomplish.

*2007: A Year of Success and Achievement*

The year 2007 was one of commitment, sacrifice, and change. Although the Army Reserve's fiscal year 2007 budget of $6.9 billion represented only 3.1 percent of the

$221 billion total Army executed budget, the Army Reserve proved itself a cost-effective, successful force with a global presence. In fiscal year 2007 we achieved the following:

—Mobilized more than 30,400 Warrior Citizens in support of Operation Enduring Freedom and Operation Iraqi Freedom. Currently, the Army Reserve has 27,143 Warrior Citizens mobilized.
—Recruited 39,055 Soldiers into the Army Reserve.
—Trained 16,479 Soldiers as recruiting assistants through the Army Reserve Recruiting Assistance Program.
—Retained 19,727 Soldiers, which represents 119 percent of our retention goals for first-term and career Soldiers.
—Launched the Army Reserve Warrior and Family Assistance Center to provide assistance to Soldiers and their Families, supporting more than 900 Warriors in Transition.
—Conducted 165 Strong Bonds programs for 8,500 Soldiers and Family members to enhance Family and community relationships following deployments.
—Initiated contact with business leaders to begin a dialogue on how the Army Reserve and employers can better share the skills of our Warrior Citizens.
—Trained 350 Soldiers, Family members, and teens using Stephen R. Covey's "7 Habits of Highly Effective Families" method to provide tools for Family members to communicate and resolve problems effectively.
—Graduated 33,605 Soldiers from basic, advanced, and skill-specific courses and offered 2,797 courses to our Soldiers. Our professional education requirements are essential to ensure that Army Reserve Soldiers remain vital to the world's premier military force.
—Graduated 355 commanders and Command Sergeant Majors and more than 500 company commanders from pre-command courses.
—Inaugurated the first two Army Reserve Enrichment Camps attended by 100 children of Army Reserve Soldiers.
—Accelerated reorganization of the entire Army Reserve Training Structure and Training Commands to ensure synchronization with Army Reserve Training Initiatives.
—Executed two major Warrior Exercises involving more than 8,000 Soldiers at Fort Bliss, Texas, and Fort Hunter-Liggett, California. Conducted 16 functional exercises to sharpen Soldiers' technical skills.
—Processed 5,957 Soldiers through the Rapid Fielding Equipment initiative.
—Achieved initial entry rotor-wing training for 100 percent of the helicopter pilots residing in the Army Reserve at the U.S. Army Aviation Warfighting Center.
—Moved over 6,700 pieces of unit equipment to regional training centers in support of the Army Reserve Training Strategy.
—Aligned 78 percent of Army Reserve strength into operational and deployable forces.
—Overhauled 4,139 pieces of equipment in the $144 million Depot Maintenance program.
—Recapitalized 420 High-Mobility Multi-Purpose Wheeled Vehicles and 61 Heavy Expanded-Mobility Tactical Trucks.
—Fielded over 17,000 items of equipment to include: 12 Longbow Apache attack helicopters, Medium and Light Tactical Vehicles, Improved Ribbon Bridge, and communications equipment.
—Increased Army Reserve Aviation force structure by two Blackhawk companies.
—Moved to increase Army Reserve operating force by over 16,000 deployable spaces by reducing and rebalancing force structure from training and support organizations to deployable modular operational units.
—Activated and deployed the 316th Expeditionary Support Command, the primary logistics command supporting multinational forces in Iraq (from "zero to Iraq" in nine months).
—Activated the 11th Theater Aviation Command at Fort Knox, Kentucky, and mobilized and deployed a command and control element with Aviation Task Force 49 in support of Operation Enduring Freedom.
—Activated or converted 386 organizations to new modular structure.
—Initiated the disestablishment of 12 Regional Readiness Commands and the establishment of four Regional Support Commands and 11 Operational Commands to reduce overhead and generate more deployable capability.
—Initiated 23 Base Realignment and Closure (BRAC) and Military Construction Army Reserve (MCAR) projects to build 14 Armed Forces Reserve Centers (AFRC), five Army Reserve Centers, and four training support projects.

—Commissioned two Logistic Support Vessels, including the first watercraft in the U.S. military to be named after an African American, Capt. Robert Smalls, a hero from the American Civil War.

DYNAMIC CHANGE, CHALLENGING TIMES

As the Army Reserve faces the threats of the 21st century security environment and responds to the Nation's call to serve, we continue to accelerate our transformation to a more effective, efficient, and relevant organization. We are carrying out dynamic institutional and operational changes in challenging times. We are not moving forward blindly, but we are adjusting to current conditions and responding to Army needs, as they develop. However, the current operational tempo is exacting a toll.

Army Reserve Warrior Citizens are experiencing competing demands of civilian careers, Family, and repeated mobilization and deployments. The effect of these demands is most notable with junior noncommissioned officers and mid-grade commissioned officers. The Army Reserve faces a manning shortfall of experience and expertise at the ranks critical to the long-term health and vitality of the force. The Active Component is growing and the prospects of repeated long-term separations in rapid succession are not sitting well with Soldiers' Families and employers. The Army Reserve and the Nation must address these challenges to sustain our critical Warrior Citizen capability. This manning shortfall is the Army Reserve's most critical challenge.

The Army's leadership has recognized the challenges impacting the force and taken steps to focus time, energy, talent, and resources to address these challenges. General George W. Casey, the Army Chief of Staff, established seven initiative working groups to tackle the Army's most critical challenges; the Army Reserve is engaged in each of these groups. The seven Army initiatives are:

—Grow the Army;
—Enhance support to Soldiers and Families;
—Modernize the Force;
—Transition the Reserve Component to an operational reserve;
—Develop leaders;
—Adapt institutional policies, programs, and procedures; and
—Build strategic communications capability.

The Army Reserve is addressing elements of all seven of these Army initiatives, but we are most focused on growth, enhancing support to Soldiers and Families, and transitioning to a more effective operational force. We direct our progress in each of these areas through the organizing construct of four imperatives: Sustain, prepare, reset, transform. To continue to succeed and meet the needs of the Nation, we must ensure we recruit and retain the best and brightest for our team, support our Soldiers, their Families, and their employers, and ensure they have the most efficient and effective organizations and processes to successfully accomplish their missions.

We are organizing to address our personnel shortfall and improve the operational effectiveness of our formations. One of the cornerstones of our institutional transformation—the process that is driving much of our change in response to contemporary demands—is to organize Army Reserve units into a deployment cycle to maximize stability, predictability, and resource utilization. To increase the effectiveness of the Army Reserve and improve our contributions to the Active Component, we have aligned our units into synchronized training and force-sustainment packages supported by manning, equipping, and training processes. Taken together, we call this construct Army Force Generation (ARFORGEN), which mirrors and is directly aligned to the Army's ARFORGEN model.

When fully implemented, this ARFORGEN process will improve our force by providing a predictable and rapid capability to synchronize our Soldiers and resources with national and global mission requirements. Based on a five-year training cycle, ARFORGEN involves a structured progression through three successive force pools: Reset/Train, Ready, and Available. By establishing these three distinct force pools, the Army Reserve increases unit readiness and ensures a cyclical progression of trained, ready, and cohesive units.

Since 2004, we have aligned 78 percent of our Force into the ARFORGEN process. To fully implement the five-year training model, we need approximately three years of stabilized Army deployment requirements. We have therefore programmed our combat support and combat service support into packages of approximately 35,000 Soldiers annually in the various stages of ARFORGEN.

Implementing ARFORGEN has proven that the Army Reserve must fully integrate with the development and fielding of Army logistics information and manage-

ment systems to meet our requirements for maintaining pre-mobilization readiness. ARFORGEN is an effective tool for our force, allowing the Army Reserve to focus on current operations while enabling Soldiers, Families, and employers to anticipate future Army requirements as a fully operational force.

ARFORGEN

*Reset/Train*

*ARFORGEN years one and two*

Activities during the first two years focus on obtaining or sustaining individual and squad training as well as refreshing unit leaders. Once these small team and section tasks are complete and leadership set, the unit will focus on subunit collective tasks or mission-specific tasks.

*Ready*

*ARFORGEN years three and four*

After building on individual and team training, during years three and four, the focus shifts to sustaining those skills and training at higher collective levels in increasingly challenging environments. This phase is designed to reduce post-mobilization training time and to provide unit depth or strategic capability that can be surged to meet unexpected operational demands. Once units are alerted for deployment mission, training is reoriented to prepare for specific missions and the conditions the units will likely face. Activities during this phase include unit training to support leaders as they prepare for and conduct full spectrum operations, growing team capabilities, and enhancing individual, collective, and organizational learning.

*Available*

*ARFORGEN year five*

During this year in the ARFORGEN cycle, Army Reserve units are available to mobilize and deploy, to execute specific programmed missions, or to stand ready to respond to unexpected events at home or abroad.

*Critical Challenges to Operationalize the Army Reserve*

As the Army Reserve transforms to a more effective operational force, we continue to witness a change in how the American public views not only the Army Reserve, but also patriotic responsibilities to serve our Nation. Immediately after September 11th, Americans answered the call to serve. However, after more than six years of war, we recognize there is a compelling need to inspire a new generation to public service with the Army Reserve. Maintaining the Army Reserve as a world-class provider of support and stability capability also requires:

—Timely and predictable funding through base and supplemental budget requests to fund Reserve Personnel, Army (RPA), Operation and Maintenance, Army Reserve (OMAR), and Military Construction, Army Reserve (MCAR).
—Extend recruiting and retention incentives to assure the Army Reserve enlists and retains the best and brightest to man the force.
—Extend incentive pay for health care professionals and other specialized occupations to ensure we retain the professional skills we need.
—Support Army Reserve programmed increases for full-time personnel.
—Improved employer partnership initiatives to ensure employers do not bear an undue burden for employing Army Reserve Soldiers.
—Fund Army Reserve Logistics Automation Operations and Maintenance of new equipment training requirements to support the integration of Army Reserve requirements into Army logistics information technology systems.
—Support Army Reserve request for funding for base operation support and facilities, sustainment, restoration, and maintenance of Army Reserve facilities.
—Continued funding of depot maintenance to overhaul older generation equipment.
—Continued support to implement the ARFORGEN process, enabling the Army Reserve to completely transform to an operational force.
—Maintain momentum to achieve Base Realignment and Closure (BRAC) mandates with modern facilities.

—Support the Army Reserve program for secure communication systems to ensure integrated capabilities—tactical to strategic—that are plug-and-play, modular, and scalable to achieve jointness and modularity.
—Fund Army Reserve training program request to sustain four regional training centers and combat support training centers.

SUSTAIN OUR SOLDIERS, FAMILIES, AND EMPLOYERS

We live in an era in which Army Reserve Soldiers find themselves serving in a persistent conflict. This is the first time in history that our Warrior Citizens, who are patriotic, professional, and integral to our All-Volunteer Force, have been engaged in such a long conflict. No longer can Army Reserve Soldiers plan on one weekend a month and two weeks in the summer to fulfill their annual service/training requirement. The impact of our transformation to an operational force, combined with a state of continuous mobilization, has put a strain not only on our force, but also the Families and employers whose support is vital to our Warrior Citizens.

Today, the Army depends on the Army Reserve to sustain the tempo of deployments demanded by this persistent conflict. For the Army Reserve to remain a significant asset to the Army, our Nation, and the communities where our Soldiers live and work, it is necessary to take care of our most valuable resource—our people. To sustain our force, we must do more to ensure our Soldiers, their Families, and our Soldier's civilian employers are supported through solid programs and supportive communities.

We care about the physical, spiritual, and mental health of our Soldiers and their Families. Sustaining the Army Reserve begins with recruiting high-quality men and women and then retaining them and their Families, as well as partnering with their civilian employers throughout their military careers. Our Soldiers cannot be sharp on the battlefield if their focus is the impact their military service is having on their Families and employers. We must take care of our Families and we must have a relationship with the employers of our Warrior Citizens. Without support from Families and employers, we cannot sustain our force.

Sustaining the Army Reserve also reminds us of our moral obligation to take care of our Soldiers who are wounded, injured, or ill, as well as the Families of our Fallen Soldiers.

*Recruit*

Our Warrior Citizens must be physically strong, mentally aware, fully trained and equipped, and ready to deploy when the Nation calls. In fiscal year 2007, the Army Reserve surpassed its overall recruiting goal. Although the Army Reserve is solely responsible for meeting our end strength objective, the Army Reserve recruiting mission is shared; thus, we do not have direct control of a recruiting budget that affords us the opportunity to market and advertise to specific Reserve Component demographics. As a result, we rely heavily on targeted initiatives such as Army Reserve-specific advertising and the Army Reserve Recruiting Assistance Program.

*Army Reserve Recruiting Assistance Program*

AR–RAP is a community-based recruiting program launched in July 2007. The program leverages the personal contacts our Soldiers have within their communities. Essentially, every Army Reserve Soldier is now a recruiter who can earn up to $2,000 for each recruit that contracts and ships to Basic Combat Training, Basic Officer Leader Course, or for each Prior Service Soldier that completes 120 days of unit affiliation and attends a Battle Assembly.

*Retain*

In an environment of scarce human resources, retaining our Warrior Citizens is a top priority. During fiscal year 2007, reenlistment of first-term Army Reserve Soldiers reached 155.2 percent of our goal. Our fiscal year 2007 goal was to reenlist 5,103 first-term Army Reserve Soldiers. We surpassed that number and actually reenlisted 7,887 first-term Army Reserve Soldiers. We also surpassed our career reenlistment goals; we achieved 103.2 percent of that goal. However, our high operational tempo has resulted in a decline in our end strength. The primary cause of the decline is the number of Soldiers who transfer out of the Army Reserve into the Army and the Army National Guard.

In fiscal year 2007, 7,107 Warrior Citizens transferred to the Active Army and 2,375 transferred to the National Guard. Though still good for the Army, to ensure Army Reserve readiness and sustain personnel strength of units scheduled for upcoming deployment, the Army Reserve instituted a policy that Soldiers in units transitioning into the fourth year of ARFORGEN are ineligible to voluntarily enlist

or to be appointed in the Active Army, Army National Guard, or any other military service.

The Army Reserve offers a variety of incentives through our selected Reserve Incentive Program to retain Soldiers who endure the stress and hardship of multiple mobilizations and deployments. Incentive packages are targeted to specific audiences such as Soldiers with prior service, those who complete 20 years of service, officer and warrant officer accession and affiliation bonuses, enlisted affiliation bonuses, and Army Civilian-acquired skills bonus programs. Incentives can range from $7,500 up to $20,000. An additional Army Reserve retention bonus specifically addresses mid-career officer and non-commissioned officer shortages. Based on critical skill needs of our Soldiers, the Critical Skills Retention Bonus-Army Reserve can pay up to $50,000 per Soldier for a 3-year service obligation. This incentive is paid out to Captains, Chief Warrant Officers Three, Staff Sergeants, and Sergeants First Class who possess a critical military occupation specialty. This incentive authority was part of a recent National Defense Authorization Act Fiscal Year 2008 change; the Army Reserve is awaiting approval from the Office of the Secretary of Defense for implementation of enlisted and warrant officer bonuses.

*Improve Quality of Life*

The most important element in sustaining the Army Reserve is the quality of life we provide our Warrior Citizens and their Families, impacted by their Soldiers' commitment to serve. We work aggressively to support our Soldiers and their Families with services that address health care, family programs, education, and employment. Support from our communities is vital to our Army Reserve Families, who do not traditionally reside on or near military installations. These Families often have more diverse needs than those of Active Component Soldiers. It is therefore essential that we continue to improve coordination of state and federal agencies, nonprofit organizations, and the military community to ensure our Warrior Citizen Families have integrated, accessible support available to them.

*Seamless Health Care*

Few programs reflect care for Soldiers more directly than health care plans; yet current medical management strategies and structures do not adequately support Army Reserve Soldiers and their Families, who, unlike the Active Component, transition back and forth between their civilian careers and their military careers. The Army Reserve believes that seamless health care coverage contributes to the military readiness of our Soldiers by preventing our Soldiers from being "whipsawed" between military and civilian health care service providers. Additionally, fully supporting Army Reserve Soldiers who live in remote locations continues to be a top priority. The Army Reserve is working with the DOD to determine how best to solicit health care providers to support health care coverage for our Soldiers and their Families in communities where TRICARE is unavailable.

—*Restructured TRICARE Reserve Select*.—As of October 1, 2007, Selected Reserve (SELRES) Soldiers became eligible for TRICARE health coverage. TRS is available to Soldiers and their Families regardless of any active duty time served. Benefits of the program include: worldwide availability to most Select Reserve members and their Family members; freedom to manage health care with no assigned primary care manager; no referrals required; access to care in a military treatment facility on a space-available basis; and comprehensive health care coverage including a TRICARE prescription drug benefit.

*Strong Bonds Program*

The Strong Bonds program offers Soldier/Spouse and single Soldier Family reintegration events after deployment. This training helps Families of deployed and deploying Soldiers deal with the stress that often accompanies a Soldier's deployment. It is a proven, multicomponent program under the supervision of the Office of the Chief of Chaplains. As part of this program, the Army Reserve conducted 165 Soldier retreats, serving more than 8,500 Soldiers and Families in fiscal year 2007. The Army Reserve anticipates conducting a comparable number of programs and outreach in fiscal year 2008.

*Army Reserve Warrior and Family Assistance Center*

The Army Reserve Warrior and Family Assistance Center was established in October 2007 to ensure that Warrior Citizens receive appropriate support under the Army Medical Action Plan. This center provides a sponsor to each Army Reserve Soldier and Family currently assigned to a Warrior Transition Unit, Community-Based Health Care Organization, or Veterans Affairs Poly-Trauma Center. The center also manages a toll-free hotline (866–436–6290) and Web site (www.arfp.org/

wfac) to provide assistance to Army Reserve Soldiers, Families, and retirees on a variety of issues, such as medical, financial, administrative, and pastoral concerns.

*Family Programs and Services*

Our commitment to family readiness is further demonstrated by Army Reserve Family Programs (ARFP) initiatives that continue to develop and evolve to meet the unique needs of our Soldiers and their Families. The Army Reserve is hiring Employer Support Program Managers who will be assigned to 27 major subordinate commands throughout our Force to meet Army Reserve Soldier and Family needs on a full-time basis. Soldiers and their Families can log on to www.arfp.org to learn about other Family program initiatives including:

—Virtual Family Readiness Groups where Army Reserve Families can utilize the information and resources provided by the Army's Integrated Family Support Network. Funding and staffing have increased, allowing more face-to-face, as well as telephonic and virtual, contact with Families.

—*Virtual Installations*.—The Army Reserve will conduct a pilot test of our Virtual Installation in May 2008. Virtual Installations will consolidate our services and allow Families to stay in touch, stay informed, and stay together. The Virtual Installation represents a conglomerate of Families, volunteers, associations, military programs, and civic organizations such as the American Legion and Veterans of Foreign Wars. Services that will be available online include registering for ID cards, enrollment in TRICARE, and the ability to get counseling, support, financial assistance, job placement, or to take classes.

—*Outreach*.—Army Reserve staffers are able to share information, conduct education and training, and provide appropriate crisis response, conflict resolution, or referral to an appropriate helping agency. The first issue of "Family Strong," a full-color quarterly publication providing Family readiness information, was distributed to 22,000 households of deployed Army Reserve Soldiers in the fall of 2007. Future issues will be distributed to the entire Army Reserve population.

—*Welcome Home Warrior Citizen Award Program*.—This award was created to publicly recognize the sacrifices that Army Reserve Soldiers and their Families have made to the Global War on Terror. Since the program's inception in fiscal year 2004, 124,887 awards have been delivered to Soldiers, their Families, and their employers.

—*Child and Youth Services*.—Child and Youth Services ensures that children of our Warrior Citizens understand how their family dynamics may change when a parent is mobilized. Programs and initiatives are designed to meet the needs of children and young adults and include child care, leadership and development conferences, and Army Reserve Enrichment Camps. These camps provide youth an opportunity to learn new skills, develop relationships, and learn more about the Army Reserve. The Army Reserve will host five Enrichment Camps in 2008.

—Operation Purple® Camps are free one-week residential camping programs funded by the National Military Family Association. The camps bring together children who have a parent or guardian experiencing some stage of a deployment. During the summer of 2007, 566 children of Army Reserve Soldiers attended these camps; four camps were hosted by Children and Youth Services in partnership with Boys & Girls Clubs of America and 4–H. The Army Reserve will host eight Operation Purple® Camps (in partnership with national organizations dedicated to serving youth) in 2008.

—*Civilian Education for Soldiers*.—Education benefits clearly enhance the development of Army Reserve Soldiers, as well as our ability to retain Soldiers. During fiscal year 2007, 28,115 Army Reserve Soldiers used tuition assistance and 1,265 participants earned degrees.

*Warrior Care and Transition*

The Army Reserve will never forget its moral obligation to our injured and wounded Soldiers and their Families. At the core of our service, Army Reserve Warrior Citizens are Army Strong. It is the duty of all Soldiers to care for their fellow Soldiers in time of battle and in time of healing; our actions exemplify the strength of our Force as it supports the strength of the Nation. It is also the duty of all Soldiers who are wounded, injured, or ill to focus their energies on healing as intently as they focused on their mission in theater.

The Warriors in Transition Program assists disabled Soldiers who suffered severe injuries on or after September 11, 2001, and who have been awarded (or are likely to receive) an Army disability rating of at least 30 percent. Assistance is provided

from initial casualty notification through the Soldier's assimilation into civilian community services (for up to five years after medical retirement).

*Warrior Transition Units*

Injured Army Reserve Soldiers who are on active duty healing are assigned to WTUs. The Army Reserve has approximately 1,400 Soldiers in these units. We made available 380 Soldiers to assist the full-time WTU staff in manning these units and providing continuous, dedicated support to these Warriors in Transition. All Soldiers assigned to WTUs are given this mission:

"I am a Warrior in Transition. My job is to heal as I transition back to duty or continue serving the Nation as a Veteran in my community. This is not a status, but a mission. I will succeed in this mission because I am a warrior and I am army strong."

*Support to Families of Our Fallen Soldiers*

In support of Operation Enduring Freedom and Operation Iraqi Freedom, 156 Warrior Citizens have made the ultimate sacrifice and given their lives in service to their Nation, each with a Family back home. We recognize the distinguished service, selfless acts of bravery and leadership, and the ultimate sacrifice these Soldiers and their Families have made for the cause of freedom.

As part of our commitment to the Families of our fallen comrades, the Army Reserve conducts a memorial service to honor their loved one's sacrifice, offers chaplain support, and offers ongoing support to help the Family through its period of mourning and beyond, with follow-on counseling, support, and services. The Warrior Citizens of the United States Army Reserve will never leave a fallen comrade. We will also never forget Sergeant Ahmed Kousay Altaie of Ann Arbor, Michigan, who was assigned to the Provincial Reconstruction Team Baghdad. He was declared missing-captured on December 11, 2006.

*Employer Partnerships*

The Army Reserve Employer Relations Program fosters better understanding between commands, Soldiers, and Soldiers' civilian employers. Building enduring partnerships with the civilian employer community is vital to Soldier readiness and positively impacts retention. It would be impossible for the Army Reserve to sustain our force without the support of the nearly 44,000 businesses that employ our Warrior Citizens in communities around the country. Employers who hire Army Reserve Soldiers earn a great return on their investment: they benefit from the values, experiences, and leadership skills that Warrior Citizens bring to the workplace. A solid partnership requires efforts and sacrifices from all parties through an open and candid dialogue based on a clear appreciation of each party's interests and requirements.

In fiscal year 2007, the Army Reserve focused its efforts on alleviating the burden on corporate America when their employees, our Warrior Citizens, mobilize and deploy. We are working to enhance employer support through a systemic blending of grass-roots objectives: mitigation, mediation, employer outreach and awareness, and Soldier-employer relations. Throughout fiscal year 2008 we will continue to develop and improve employer relations with the following initiatives:

—Hiring Employer Support Program Managers for assignment to 27 major subordinate commands throughout the Army Reserve. These managers will participate with state-level Committees for Employer Support of the Guard and Reserve to proactively engage with employers on behalf of the Army Reserve's Warrior Citizens. These managers will provide commanders with the expertise and support required to carry out the employer relations initiatives established by the leadership of the Army Reserve.

—"Partnering with Industry." The Army Reserve is experiencing increased challenges and demands in providing personnel to meet mission requirements abroad and in support of domestic civil authorities. In a tight labor market, employers such as local law enforcement, interstate trucking companies, and medical care facilities are competing for the same qualified pool of talent as the Army Reserve. We continue to look for opportunities to build enduring partnerships with industry and to focus our efforts on "Optimizing a Shared Workforce" with and between the Army Reserve and civilian employers. Army Reserve Aviation, for example, has found success by partnering local medical facilities with new air ambulance (MEDEVAC) companies and providing mutual benefits through the credentialing of common but critical skills sets in a shared labor pool.

—Establishing the Employer Outreach General Officer Steering Committee to ensure Army Reserve Soldiers remain competitive in both their military and civilian careers. The committee consists of general officers who engage with the

business community to foster relationships and exchange ideas and methods to support a strong Army Reserve.

—An initiative currently being reviewed is the creation of a virtual "job bank" for Soldiers. This job bank would create a direct and focused link between employers and Soldiers in targeted career fields and specialties across a wide spectrum of positions.

To sustain our Warrior Citizens, their Families, and their employers throughout fiscal year 2008 and beyond, the Army Reserve will continue to identify incentives, initiatives, and legislative changes to increase recruiting and retention and minimize attrition as we transform to a more effective operational force. We cannot realize long-term success as a force if we cannot create a stimulating environment that fosters growth and personal satisfaction. We must continue to maintain and improve the quality of life for our Soldiers, Families, and employers. This requires sustained and predictable funding to meet our manning objectives. Our focus on the imperative of Sustain will help bring the Army Reserve into balance and will support our full transformation to an effective, capable, sustainable, and enduring operational force.

PREPARE SOLDIERS FOR SUCCESS IN CURRENT OPERATIONS

The prepare imperative is defined as the readying of Soldiers, units, and equipment to succeed in the current operational environments of Iraq and Afghanistan and the 18 other countries where Army Reserve Soldiers serve. Our military success in the Global War on Terror is dependent on our ability to prepare and equip Army Reserve Soldiers as full cohesive units for current and future operations. Our Warrior Citizens serve the Nation as an operational force for which they were neither designed nor resourced; as a result, our primary focus is on the demands of current operations. We consume readiness as fast as we build it.

Our mission is enduring: to provide necessary forces and capabilities to the Combatant Commanders in support of national security and defense strategies. Growing and transforming the force during an era of persistent conflict is driving the need for increased resources to train Soldiers and units; we risk failure if faced with a rate of change that exceeds our capability to respond.

As outlined earlier in this Posture Statement, Army Reserve Soldiers are organized into a five-year cyclical manning, equipping, and training process—ARFORGEN—to increase the effectiveness of the Army Reserve and to improve our contributions to the Army.

*Train Soldiers and Units*

We have updated the Army Reserve training strategy over the past year. The update was necessary to accommodate the continued maturation of Army ARFORGEN plans and concepts; to implement the Army Campaign Plan; to execute DOD mobilization policies; and to prepare for the dynamic environment Soldiers and units will face. To accomplish this, we revised the following:

—*Command Relationships*.—The U.S. Army Reserve Command (USARC) continues to grow into its new role as a direct reporting unit to Headquarters, Department of the Army (previously USARC was a major subordinate command of U.S. Forces Command). This has resulted in additional responsibility and more direct accountability to Army senior leadership for all matters attendant with providing, maintaining, training, equipping, and the readiness of Army Reserve forces.

—*Post-mobilization Training Time*.—During the first quarter of fiscal year 2007, the Secretary of Defense announced a policy to limit involuntary mobilization of Reserve Component members to a maximum of one year, inclusive of post-mobilization training. The goal is to provide predictability to Reserve Component Soldiers, their Families, and their employers so they can better prepare for recurring mobilizations. This necessitated a streamlining of pre- and post-mobilization training to increase time in theater conducting combat and support operations. Thus far, the Army has supported our request for additional pre-mobilization training time to perform theater-specified, required training—17 days in the fourth year of ARFORGEN. Training performed to standard during pre-mobilization will not be repeated at the mobilization station.

—*Army Reserve Generating Force Transformation*.—Fiscal year 2007 was a year for dramatic and fundamental change for training organization, certification, and support to the Army Campaign Plan. The Army Reserve became the certifying official for all Army Reserve pre-mobilization training. Upon mobilization, the Army continues to validate deployment readiness. Additionally, six Institutional Training Divisions were reorganized into a three-division structure consisting of initial entry training, the Army school system, and battle command

staff training. These changes to our generation force resulted in reducing non-deployable headquarters structure, yet we retained essential training capabilities.

—*Regional Training Centers*.—The Army Reserve began to field the first of four RTCs where units can train Soldiers and leaders on tasks that are too difficult to execute at Army Reserve Centers. On November 1, 2007, Fort Hunter-Liggett, California, was established as the first of these centers. Training began later that month with more than 100 Army Reserve units scheduled to attend pre-deployment training in 2008. Major training conducted at these centers includes weapons qualifications, convoy operations, and live fire. Three additional centers will be established in 2008: Fort Dix, New Jersey, Fort McCoy, Wisconsin, and a location to be determined in the Southeast. These centers are crucial enablers to reduce post-mobilization training time, improve pre-mobilization training, and enhance readiness of Army Reserve forces.

*Collective Training*

In 2007, the Army Reserve continued to improve pre-mobilization collective training, most visibly through the execution of two Warrior Exercises and the continued refinement of functional exercises. Warrior Exercises are ARFORGEN year-three events, which focus on collective war-fighting skills in eight-day, continuous-operation, field-training exercises that replicate the process of mobilization, deployment, and employment in theater. In fiscal year 2007, more than 8,000 Army Reserve Soldiers participated in Desert Warrior at Fort Bliss, Texas, and Pacific Warrior at Fort Hunter-Liggett, California.

We also conducted 16 functional exercises to sharpen Soldiers' technical skills in a tactical environment. Functional exercises are ARFORGEN year-two events, which feature branch specific training in a field environment at the small team level. For instance, the Quartermaster Liquid Logistics Exercise is the prime venue to train Army Reserve petroleum, oil and lubricant, and water units. The exercise replicates theater-level petroleum and water operations to include storage, distribution, and production.

Collective medical training at Fort McCoy, Wisconsin, Camp Parks, California, and Fort Gordon, Georgia, provide Soldiers with hands-on training on the latest theater-specific equipment.

Throughout fiscal year 2007, we continued to support a train alert-deploy model. We realized that the Army's current installation inventory was not capable of meeting demand for training to standard Combat Support and Combat Service Support units. Additionally, the Army's Combat Training Center community could not sufficiently meet the Army Reserve training strategy requirement that all deploying units receive a "Combat Training Center-like" experience, nor could it meet the new mandate to complete many post-mobilization training requirements during the pre-mobilization period.

As a result, in addition to the Regional Training Centers, the Army Reserve is developing concepts for Combat Support Training Centers.

The Combat Support Training Center program will provide the Army and Army Reserve with the ability to design training scenarios, simulate theater operations in a contemporary environment, and provide exercise exit evaluation for the Army Reserve's performance of Combat Support and Combat Service Support missions across the full spectrum of operating environments.

The Ready Response Reserve Units initiative is a pilot program designed to create units capable of meeting short-notice requirements from Combatant Commanders. Test units are manned with volunteer Soldiers who are willing to serve on "part-time active duty"—more than 39 days but less than 365 days per year. This is a key initiative to fill gaps in force-structure capabilities. Once this pilot program validates its proof of principle, it can be expanded and synchronized with ARFORGEN to fill gaps in high-demand, low-density units. At present, the current pilot directed by the Assistant Secretary of the Army for Manpower and Reserve Affairs has identified three categories of units to test. These include: Early Entry Operations, Known Surge Operations, and Sustainment Operations, all scheduled to begin October 1, 2008.

*Develop Agile and Adaptive Leaders*

Army Reserve senior leaders serve in Army Reserve Operational and Functional formations and at all levels of Army Commands throughout the force. They bring a unique blend of civilian-acquired skills and honed warrior-leader attributes to the fight.

The Army Reserve continues to explore avenues to increase the primary war-fighting skills through direct management, development, and utilization of our senior

leaders from the Active Guard and Reserve (AGR), Troop Program Unit (TPU), and Individual Mobilization Augmentee (IMA) ranks.

—*The Senior Leader Training Program*.—The Senior Leader Training Program develops the intellectual and strategic-thinking skills senior leaders need to implement, manage, and lead change in the Army Reserve. Topics covered include: strategic leadership skills, ethical decision making, critical thinking, and Army Reserve transformation. The program focuses on general officer and colonel-level leaders with seminars that assist subordinate commanders in working through transformation and organizational change.

—*Pre-Command Courses*.—The Army Reserve upgraded brigade and battalion pre-command courses to enhance training to prepare field grade commanders and command sergeant majors to lead Army Reserve Soldiers.

*Equipping Soldiers*

The Army Reserve is committed to providing our Warrior Citizens with the best, most technologically advanced equipment available when they train and deploy. We are implementing innovative initiatives and programs to support the Army Reserve Training Strategy to concentrate equipment and sustainment capabilities at regional training sites.

During fiscal year 2007, the Army Reserve was able to mobilize all of its sourced units and elements while meeting pre-mobilization training objectives. The existence of theater-provided equipment relieved some pressure on the Army Reserve to find Modular Force-compatible equipment for our mobilizing units. However, providing the same equipment for pre-mobilization training has forced the Army Reserve to expend limited resources to move Modular Force-compatible equipment between units and training locations. Over 6,700 items were shipped from unit-home stations and equipment-demobilization sites to pre-mobilization training sites during fiscal year 2007. We anticipate approximately 7,000 pieces of equipment to be shipped to pre-mobilization sites in fiscal year 2008.

The Army Reserve has continued to maintain 90 percent or better availability of its limited inventory for deployment and training through extensive use of overtime and contracting. Much of this success can be attributed to the availability of supplemental funds to contract for support to offset the shortfall in facilities and manpower and to sustain logistics operations in support of the training and mobilization of "next-deployers."

The continuing shift of pre-mobilization training objectives under the ARFORGEN process not only continues to add pressure to our aging and limited equipment inventory for training, it could impact our response during a domestic emergency or a second foreign or domestic contingency.

Currently programmed funding for equipment procurement will alleviate this concern, but the equipment procured will not be completely delivered until fiscal year 2016. At that time, our equipment on hand against unit requirements will increase from the current 68 percent to approximately 85 percent. The programmed funding, however, will only cover current shortages in Modular Force equipment.

Other critical factors in maintaining the readiness of our equipment to support pre-mobilization training and deployment are the national level sustainment programs, such as Recapitalization and Depot Maintenance. The Recapitalization program affected only two major Army Reserve systems, the High Mobility Multi-Purpose Vehicle and the Heavy Expanded Mobility Tactical Truck. The Depot Maintenance program, however, provides the opportunity to extend the service life, reduce life-cycle costs, and maintain safe operation of older items required to substitute for Modular Force equipment due to equipment shortages in the Army Reserve.

*Homeland Defense and Support to Civil Authorities*

As the first Title 10 responder to support civil authorities during a domestic emergency, the Army Reserve is in the best position to respond to an attack that occurs in the United States. Our personnel and equipment are located in 1,200 communities across the Nation. As such, the Army Reserve is an important element of the current DOD "Lead, Support, Enable" Strategy for Homeland Defense and Civil Support. U.S. military forces organize, train, and equip to operate in contaminated environments, as well as manage the consequences of chemical, biological, radiological, or nuclear explosion incidents on a level unmatched by any other single domestic agency or international partner.

The Chemical, Biological, and Radiological Nuclear Explosion Consequence Management Response Force consists of a rotational pool of Active and Reserve units from each of the services. When assigned to this force rotation, these units are kept on short notice to conduct a secondary mission of domestic consequence manage-

ment should the need arise. Forces for direct response to the effects of an incident deploy when directed by the President or Secretary of Defense.

The Army Reserve is uniquely positioned to support the Army and protect our homeland with experience, knowledge, capability, and competency. During this persistent conflict, the Army Reserve has the capabilities to keep watch at home and to respond to domestic emergencies. The imperative of Prepare will help bring the Army Reserve back into balance by ensuring our Warrior Citizens are prepared to succeed in current and future operational environments.

RESET OUR EQUIPMENT TO RESTORE READINESS AND DEPTH FOR FUTURE OPERATIONS

To succeed in current and future operations, the Army Reserve must take deliberate steps to ensure that our force is reset as a result of repeated deployments, and that our Families and employers are revitalized between their Soldiers' deployments so they too can sustain the continuous state of mobilization that their Warrior Citizens now experience. The Reset imperative now focuses on our equipment with the goal of undoing the accumulated effects of repeated equipment use by repairing, replacing, and recapitalizing our equipment to rebalance the Force.

In response to the ARFORGEN process, the Army Reserve is building pools of equipment to support the mobilization of Army Reserve units in year five (Available) at strategic deployment sites, where the equipment is maintained in controlled humidity storage. If no Army Reserve units are mobilized for a contingency, foreign or domestic, the equipment will remain ready for the next cycle. The equipment in the hands of our units will remain with these units, be inducted into national sustainment programs, or be redistributed to meet the needs of the Army Reserve units as they enter the Reset/Train phase (year one).

The Army Reserve does not budget for unplanned requirements. Therefore, should any Army Reserve units be mobilized, additional funds will be required to reset the equipment assigned to the mobilized units when they demobilize. These funds will prevent an adverse impact on the Army Reserve's ability to sustain the ARFORGEN process.

A critical enabler for the Army Reserve during Reset is an array of standard Army management information systems, such as the Army Reset Management Tool and supplementary logistics information and management systems developed and fielded by the Army Reserve.

*Repair and Replace Equipment*

Currently, logistics operations and support for the Reset Program is managed and executed by the Army Materiel Command and the Army Installation Management Command. The fiscal year 2007 supplemental budget fully funded the reset of Army Reserve equipment redeployed from Operation Enduring Freedom and Operation Iraqi Freedom. In fiscal year 2007, the Army Reserve significantly reduced its logistics reset backlog. We recovered, repaired, and serviced all redeployed equipment not inducted into national level maintenance by the Reset program. With the shortage of equipment in the Army Reserve, this recovered equipment was immediately transferred from redeployed units to "next deployers" in order to sustain pre-mobilization and pre-deployment training.

In fiscal year 2007, equipment losses incurred by the Army Reserve during mobilization and deployment were identified to the Army for integration into procurement and redistribution planning. Equipment is programmed for replacement over the next five years. The Reset imperative will contribute to restoring balance to the Army Reserve by reconstituting our equipment to match the operational tempo of this persistent conflict.

TRANSFORM THE ARMY RESERVE TO MEET THE DEMANDS OF THE 21ST CENTURY

Demand for the authorized 205,000 Army Reserve Soldiers continues to verify the value of their contributions to the Total Force. Our transformation to a more effective, integral operational force allows us to meet today's demands and to position the Force for future deployments and contingency operations and commitments at home and abroad. Army Reserve Soldiers, Families, and employers continue to be an integral part of this transformation as we form and confirm bonds that support changes in the way we train, equip, resource, and mobilize our Force. The men and women of the Army Reserve are the centerpiece of our transformation. They are the strength of the Army Reserve force and the Nation—as both Soldiers and Citizens.

On January 31, 2008, after releasing two interim reports, the Commission on the National Guard and Reserves submitted its final report to Congress. In it, the Commission concluded, "The reliance (on the Reserve Components) should grow, even after the demands for forces associated with current operations are reduced." The

report noted that, "Their service in the operational force will be required in peacetime, and they will continue to provide a cost-effective means of ensuring that strategic requirements to meet a large wartime threat are also available. . . . Employing the Reserves in this fashion has proven necessary and effective and they have been relied on in every major military operation since Operation Desert Storm, yet the structural foundations of Reserve Component organization have been changed little to facilitate this employment."

Fully integrating with the Active Component and effectively operationalizing the Army Reserve are fundamental to the Transform imperative. The implementation of this imperative will return balance to the Army Reserve as we seek to grow the Army, modernize, undergo organizational and institutional change, and improve communications.

*Grow the Army*

As the Army Reserve continues to shape our force in preparation to support an era of persistent conflict, the challenge continues to be recruiting enough Soldiers to man units and equip new units with modern equipment compatible with the units and services with which we integrate and serve. Ready units will enable Soldiers as they train and prepare for deployment. Once activated, these modular units will increase our rotational depth and provide additional flexibility by having units that can be tailored to meet specific mission requirements for the Army.

In fiscal year 2007, the Army Reserve programmed to make efficiencies and reintegrate 16,000 spaces to build into modular operational units. Additionally, we will also add 1,000 spaces to our Force Structure Allowance. The approximately 17,000 spaces of structure incorporated into our Force will help to mitigate anticipated shortfalls in combat support and combat service-support personnel and equipment according to the Total Army Analysis. The Army Reserve resourced force will then be a force structure of 206,000—with an operating force of 145,500, generating force of 48,500, and Trainee, Transient, Holding, and Student force of 12,000.

The process of shifting our command and control from generating to operational commands is nearing completion. In the next two fiscal years, we will finalize the disestablishment of the 12 two-star readiness commands and transfer command and control of subordinate units to 11 one- and two-star operational and functional commands. This shift enables the Army Reserve to source more operational units from the space savings as a result of reductions in headquarters structure throughout the Army Reserve. Additionally, we will create structure savings as the four two-star Regional Support Commands (RSCs) are established during fiscal year 2008 to assume the base operations functions in support of more than 1,000 Army Reserve centers throughout the United States. These four RSCs will relieve operational commands of facility/garrison-type functions and allow these commands to focus on unit readiness training. The RSCs will be the Army Reserve's link to Installation Management Command to ensure standardization in garrison operations.

*Modernize*

As a result of historically low levels of modern equipment, the Army Reserve still faces equipping challenges, even though no Army Reserve unit deploys without a full complement of compatible or interoperable deployable equipment. In support of our transformation to an operational force, the Army has committed to spending approximately $5 billion in new equipment procurements for deploying Soldiers and next-deploying units in scheduled equipment deliveries between July 2007 and June 2010. These deliveries represent some of the Army's most modern systems—such as the biological integrated and detection systems, armored security vehicles, and various models of tactical-wheeled vehicles.

In fiscal year 2007, the Army Reserve fielded the joint biological detection system, the self-powered biological warfare agent detection and identification instrument suite, the all-terrain lifter Army system, and various communications equipment and individual weapon systems. The Army Reserve is also gaining aviation capability with the delivery of six of 36 HH–60 MEDEVAC helicopters identified in the Army Campaign Plan, and 12 AH–64D Longbow Apache helicopters as part of the Attack Helicopter Conversion program.

The centerpiece of Army transformation as well as the biggest acquisition challenge is the Future Combat Systems (FCS). FCS will link a new generation of 14 manned and unmanned ground vehicles, air vehicles, sensors, and munitions. The architectural platforms within each of the individual systems will be designed simultaneously, and will ensure compatibility and interoperability of combat support and combat service support with the combat forces.

The Army is modularizing all of its formations—in both the Active and Reserve Components—representing a net increase of new modern equipment required in all

components, and allowing the Army to retire several obsolete equipment systems. Modularity seeks to make independent, deployable organizations at the lowest levels possible. Decentralizing logistics support means recreating that capability at unit level. Cooks, mechanics, drivers, equipment operators, and warehouse personnel—once concentrated above platoon, company, and battalion level—are now required to support independent modular units. This also increases the requirements for equipment, including: trucks, kitchen trailers, material handling equipment, and computers, as well as logistics information and management systems. These are items that are often already in short supply within the Army Reserve. Modularity has put increased stress on a limited inventory of Modular Force and Modular Force-compatible equipment available to the Army Reserve.

*Organizational Change*

Transformation is changing the way logistics support and operations are conducted by the Army Reserve. Command and control and responsibility for unit logistics readiness are being transferred from the Regional Readiness Commands to Operational and Functional Commands, such as the 377th Theater Sustainment Command in New Orleans, Louisiana. Four regional support commands will provide logistics support for pre-mobilization training and domestic operations. The operation of Army Reserve maintenance and storage facilities, such as area maintenance support activities, equipment concentration sites, and strategic deployment sites, will become the responsibility of the regional commands. Critical enablers include renovated or new facilities and the required logistics information and management technologies for effectively and efficiently managing logistics readiness and operations.

The Army Reserve has a strategic commitment to fulfill the vision of the Army Campaign Plan. By 2013, we will have built 77 brigade force equivalents to include 12 multifunctional support brigades (nine sustainment brigades and three maneuver enhancement brigades) and 53 functional support brigades (three Army field support brigades, one chemical brigade, four engineer brigades, three military police brigades, three petroleum, oil, lubricant brigades, one signal brigade, ten medical brigades, two information operations brigades, one theater aviation brigade, and 25 regional support groups); eight civil affairs brigades; and two psychological operations groups.

—*Base Realignment and Closure Execution*.—BRAC 2005 has effectively "flattened" the hierarchy that characterized the Army Reserve force structure during the Cold War. As we convert to operational commands, we currently have five regional support groups with projected gains of two information operations groups, one combat support brigade, two sustainment brigades, one Army field support brigade, and seven expeditionary support commands. BRAC represents significant cost efficiencies to the American taxpayer via the Army Reserve; its mandate is to improve the support we provide Soldiers.

*Institutional Change*

Our transformation to an operational force cannot succeed without institutional change to adapt processes, policies, and procedures to meet the realities of current and future needs. A critical aspect of institutional change is our Business Transformation initiative, which challenges the Army Reserve to transform our business methods and culture to apply the best civilian business practices to increase effectiveness and efficiency.

Our Business Transformation Office, established in April 2006 at the U.S. Army Reserve Command, reviews all business processes for waste, inefficiency, and duplication, and assures best business practices. One of the most effective business improvement methodologies the Army Reserve has adapted from the business world is Lean Six Sigma, a business methodology to define and analyze opportunities and to measure, improve, and control performance. In order to maximize the unique skills and certifications Army Reserve Soldiers have that are not normally resident within the Active Component, we have identified more than 50 Army Reserve Soldiers highly qualified in Lean Six Sigma methodologies as a result of their civilian occupations. Utilization of civilian-acquired skills instead of relying solely on contractors provides a cost avoidance of approximately $3.5 million.

Additional best business practice oversight is conducted by the Army Reserve Internal Review Program to evaluate risk; assess internal controls; improve quality, economy, and efficiency; and foster stewardship. In fiscal year 2007, more than 350 internal reviews resulted in monetary benefits of over $34 million.

The Army Reserve, like the Active Army, is also concerned about problems in Army contracting; we are, therefore, committed to improving our contracting operations across the Army Reserve. Our plan to implement improvement initiatives

maintains that Acquisition Planning is critical for this effort to succeed. World-class acquisitions don't just happen—they are planned! Planning is the most pivotal activity the Army Reserve must perform in the acquisition process to ensure we get what we want, when we need it, for the most cost-effective, value-added, economical price.

In the military, we are trained to plan for combat. When planning for and conducting combat operations, we focus on the enemy by knowing the enemy, developing plans to keep the enemy foremost in mind, and strategizing war games that allow us to enhance or adjust the plan once enemy contact is made. As a vital component to the Active Army, the Army Reserve must approach acquisition planning the same way we approach planning for a military campaign. For an acquisition, cost overruns, schedule/delivery delays, and performance shortfalls are our enemy. We will develop our acquisition plan via market research, and finally, war-game the acquisition from start to finish, applying the Acquisition Planning Process. We will involve our supporting contracting professionals in every step of the process to ensure contract operations best practices and proper use of resources.

*Communications*

The geographic dispersion of the Army Reserve makes communications and information technology (voice, data, and video) services the primary means of conducting command and control, managing mobilization timelines, facilitating training data exchange, and providing Army Reserve "reach-back" capabilities to support the Combatant Commander and the Soldiers in the field. As the Army Reserve transforms to adapt to the emerging Modular Force structure, the Command, Control, Communications, Computers/Information Technology infrastructure supporting the mission must also adapt and expand mobile services to those Modular Forces.

Over the past two years, we have successfully consolidated information technology services including network operations, authentication, security/protection, e-mail, and critical application hosting, which have resulted in significant improvements in terms of systems availability and reliability. In coordination with the Army, the Army Reserve is executing a strategy for network convergence that will provide more robust access and service to Army Reserve mobile forces worldwide, and thereby tremendously improve the availability and security of these systems and application data.

At both organizational and unit levels, the ability to communicate via secure video teleconferencing and secure Internet communication are paramount for deploying forces. Services directly affected by mission changes include expanded bandwidth to relieve network traffic saturation; force protection and home-station command operations for locations within the continental United States; secure audio and video connectivity; and support for ongoing reach-back operations that provide logistics and personnel support and satellite operations.

Progressive change, as outlined in the Transform imperative, is essential for the Army Reserve to improve capabilities and to ensure our ability to regain balance as an operational federal force.

## READY FOR THE NEXT 100 YEARS

The Army Reserve will require considerable resources and several years to optimize structure and build capacity for the future. Our plan to mitigate near-term risk and regain balance by 2011 centers on the four imperatives described in this report: Sustain, Prepare, Reset, and Transform. Recent decisions by the President, the Secretary of Defense, and Congress have accelerated the growth of the Total Force, increased the Army's access to the Reserve Component, and generated momentum needed to restore balance for the Army and the Army Reserve. Due to current operational demands, however, an imbalance exists between our supply of forces and capabilities and the Combatant Commanders' requirements for them. To enhance readiness for current operational demands and future challenges, we require sustained, predictable funding and operational timelines under ARFORGEN for the foreseeable future.

Although we have adapted our training for counterinsurgency operations in Iraq and Afghanistan, we must rebuild readiness across the Army Reserve to succeed throughout this persistent conflict. Funding for the Army Reserve not only affects equipment readiness, but also Soldier readiness for current and future peacetime military engagements and major combat operations.

### *Sustain Army Reserve Soldiers, their Families, and their Employers*

Failure to provide the resources necessary to sustain Army Reserve Soldiers, their Families, and their employers jeopardizes the ability for the Army Reserve to respond when the Nation calls. The Army Reserve has been able to manage the risk of mission failure thus far because we have not faced a major contingency operation

in conjunction with support to Operation Enduring Freedom and Operation Iraqi Freedom. Such a contingency, especially one in the continental United States, would compromise the ability of the Army Reserve to train and supply the force for deploying missions. To mitigate this risk we continue a two-pronged approach: (1) provide Soldiers, their Families, and their employers the resources, programs, and services they deserve and the Army requires to ensure readiness and to sustain the All-Volunteer Force; and (2) procure modern equipment, appropriate facilities, and the full-time support personnel necessary to train the force and maintain equipment.

Failure to motivate our current and future Warrior Citizens to serve their Nation and to take care of our Soldiers, their Families, and their employers will adversely impact our ability to transform to an operational force.

*Prepare the Army Reserve for Success in the Current Conflict*

Without an immediate and continuing investment in procuring training dollars and sustaining enough Modular Force equipment to completely equip the Army Reserve, the ability to meet pre-mobilization training and mobilization objectives under the ARFORGEN process will be put at risk. Training on obsolete equipment is ineffective and wasteful. Failure to fund the maintenance (including parts, full-time personnel, and storage facilities) of new equipment will be more expensive in the long run. To mitigate this risk, the Army Reserve continues to fund the training resource model, including full-time personnel and the best available equipment. Additionally, the Army Reserve continues to fund and fully integrate Army Reserve logistics information technology to sustain future Army requirements.

*Reset the Army Reserve to Rebuild for Future Contingencies*

Shortfalls to repairing and replacing our equipment directly impair unit readiness. Lack of retraining and revitalizing our Soldiers directly impacts personnel readiness (to include Soldiers' Families and their employers). Simply put, failure to fully fund resetting the force, including equipment and people, hinders our ability to perform our Title 10 responsibilities. To mitigate risk during reset we will bring all of our current resources to bear on the problem. We will consolidate repair operations whenever and wherever feasible. We will consolidate training activities where we can. However, program support is critical in order to correct equipment shortages incurred as a result of the operational tempo our equipment has endured during this persistent conflict.

*Transform the Army Reserve to Meet the Demands of the 21st Century*

By increasing the depth and breadth of its overall capacity, Army Reserve transformation is improving the Army Reserve's ability to execute and support protracted operational requirements. Sustained resources to continue this transformation will improve the readiness of non-deployed Army Reserve forces, reduce stress on Army Reserve Soldiers, their Families, and their employers, and improve the readiness of Army Reserve equipment and facilities. Failure to support Army Reserve transformation compromises the Army's ability to develop relevant capabilities to respond to current and future operations. To mitigate this risk, the Army Reserve must continue to receive full funding of its budget request and retain flexibility to manage the force.

*The Next 100 Years*

The Army Reserve is a community-based, All-Volunteer, federal force. As the Commission on the National Guard and Reserves recently concluded, "There is no reasonable alternative to the nation's continued reliance on the Reserve." Ensuring that our force of skill-rich, Warrior Citizens remains relevant requires a significant investment from our Nation. Sustaining the Army Reserve requires resources to fund issues such as quality of life, restructuring initiatives, and the ability to provide competitive pay and benefits for our Soldiers. Recruiting and retaining our Warrior Citizens involves support from our communities, Families, and employers.

During our first 100 years, the Army Reserve repeatedly provided the most cost-effective federal force to the Nation. To remain a value-added, skill-rich Force that is the strength of the Nation requires your support to the Army Reserve now and in the future. We remain committed as a Force that is Army Strong!

Senator STEVENS. Our next witness is Vice Admiral John Cotton, Chief of the Navy Reserve.

**STATEMENT OF VICE ADMIRAL JOHN G. COTTON, CHIEF, NAVY RESERVE**

Admiral COTTON. Good morning, Mr. Chairman, and thanks for the nice comments. It has, indeed, been a privilege and real honor to serve the past 4 years.

As a result of our Active Reserve integration efforts in the United States Navy, I am proud to say this morning that our Navy Reserve is slightly over strength. That is a good position to be in. We recruit as a total force and we emphasize sailor for life and a continuum of service. It frankly has never been better. About 70,000 reservists this morning, about 21,000 on orders, about 5,000 are mobilized, and about 4,000 are in theater supporting Central Command.

We are fully funded to support the fleet and the combatant commanders, and that is the great news.

If I look back over the 4 years, the one item that we have not fixed that we talked about here 4 years ago is still a single pay and benefits system for all the services because back here in the States, we have our own systems. We need to go forward. It is very tough for the combatant commanders with all the joint forces that are there. I know we are working on it. We have some solutions, but it always seems to be a couple of years out. So I think that is something we need to work on in the future.

We also have all been working together. We mobilize a lot better than we used to. We fight extremely well together. We demobilize a little bit better. We still need to put a lot more attention, I think, into our wounded warrior efforts and especially our family efforts. And back in our States, each service cannot do it alone. We need to do it jointly, and I think that is where the Guard and Reserve components can really help out especially the active component members that are going forward on IAs and their families move back to their home States.

PREPARED STATEMENT

So, sir, I will put my statement in the record. I thank you for your support, especially to our National Guard and Reserve equipment account that we use to plug the holes where we have emergent needs for our warfighters, especially our expeditionary maritime security forces. Thank you, sir.

Senator STEVENS. Thank you, Admiral.

[The statement follows:]

PREPARED STATEMENT OF VICE ADMIRAL JOHN G. COTTON

INTRODUCTION

Chairman Inouye, Senator Stevens, and distinguished members of the committee, thank you for the opportunity to speak with you today about the capabilities, capacity, and readiness of the dedicated men and women who serve in our Navy's Reserve Component (RC).

With continued emphasis on Active Reserve Integration (ARI), our Navy Reserve force is more ready, responsive, and relevant as a full partner in the Navy's total force. Alongside Active Component (AC) sailors, RC sailors provide integrated operational support to the Fleet and Combatant Commands (COCOMs). Nearly 70,000 Navy reservists are deployed in support of global coalition forces, at their supported commands or in strategic reserve, ready 24/7/365 to surge to homeland defense. Since September 11, 2001, over 50,000 Navy reservists have been mobilized in support of the global war on terror, and on any given day more than 21,000 talented

men and women, or 30 percent of the Navy Reserve, are on some type of orders as part of the total Naval workforce, fully leveraging their military and civilian skill sets and capabilities. Included are about 6,000 RC sailors mobilized in support of Operations ENDURING FREEDOM and IRAQI FREEDOM (OEF/OIF), and with this steady state requirement, we maintain the capacity to rapidly increase contingency support with more than 28,000 additional ready reservists.

Whether supporting combat operations in Iraq or Afghanistan, providing humanitarian assistance and disaster relief at home or abroad or supporting daily Navy missions at every Fleet and COCOM, Navy reservists provide integrated operational support while continuing to maintain the RC's role as a strategic baseline.

As demonstrated through force generation, deployment, and redeployment, it is clear that RC forces meet two significant needs of our Navy. First, reservists deliver a strategic capability and capacity in support of major combat operations, and second, they provide operational augmentation to meet predictable and periodic routine military missions. By continuing to fully develop ARI, our Navy has institutionalized an operational Navy Reserve. The Navy simply cannot meet all Fleet and global war on terror requirements without the many contributions of its Reserve force.

The vision of the Navy Reserve is "Support to the Fleet—Ready and Fully Integrated." Our overall Navy Reserve force effectiveness is measured by the level of integrated operational support it provides to the Fleet and COCOMs. While some RC sailors are only able to perform the minimum contractual requirement of 2 drill-days a month and 2 weeks active duty each year, over two-thirds of the force are far exceeding these minimums while performing essential operational support. When the work is predictable, periodic and requires special skill sets, utilizing a ready and responsive reservist is often the most cost effective and capable solution.

On September 29, 2007, Admiral Gary Roughead assumed the watch as our 29th Chief of Naval Operations (CNO) and issued his top three priorities to the fleet: current readiness, a Navy for tomorrow, and people.

CURRENT READINESS

Maintaining our warfighting readiness demands that we are agile, capable, and ready. We generate forces for the current fight and employ our Navy much differently than in years past. Simultaneously, we provide ready naval forces and personnel for Joint Force Commanders, sustain forward presence, fulfill commitments to allies and respond to increasing demands in regions where we have not routinely operated, specifically South America and Africa.

To provide sustained combat readiness, the Navy has moved from predictable deployment cycles to a more flexible Fleet Response Plan (FRP), under which a surge Navy is able to provide a requirement-based and continually ready posture which produces greater warfighting capability at reduced cost. As part of the FRP, a fully integrated and ready Navy Reserve provides an enhanced surge capacity to meet validated requirements with individuals and units. Our FRP increases operational availability and allows us to operate with greater flexibility. The RC continues to emphasize current readiness and is capable of engaging future geopolitical challenges as an affordable and effective element of our total force.

Our force readiness is comprised of two interdependent categories: sailor and family readiness. Sailor readiness is defined by the medical, physical and administrative preparedness of the sailor. We also recognize the fundamental contribution of the Navy family to overall readiness. Therefore, we must continue to provide families better and more responsive assistance which enables them to be prepared for their sailor's call to service.

*Medical Readiness*.—Navy Reserve continues to be a leader in individual medical readiness. Four years ago, Navy Reserve was 63 percent medically ready to deploy. Today, our force exceeds 84 percent medically ready, which leads all military components. Our significant improvement can be attributed in part to the Medical Readiness Reporting System (MRRS), which has given Navy leadership improved visibility of the medical readiness of the Force. As a comprehensive web-based management tool, MRRS has enabled leaders to identify deficiencies and promptly address them, as well as plan for future medical readiness requirements. Due to the success of MRRS in the Navy Reserve, all Navy and Marine Corps commands are being incorporated into the system, which will automatically report accurate and timely medical readiness. Additionally, the United States Coast Guard is also planning to implement MRRS this year.

*Physical Readiness*.—Navy Reserve continues to emphasize physical readiness for all sailors. We have established a culture of fitness by emphasizing both individual and command accountability for physical readiness. Every Navy unit has a Command Fitness Leader (CFL) who is responsible to the Commanding Officer (CO) to

administer the unit's Fitness Enhancement Program (FEP), which emphasizes individual physical readiness. Our COs are held accountable in their personal evaluations for their sailors' performance in the FEP. Commanders have visibility into the physical readiness of both individual sailors and larger units via the web-based Physical Readiness Information Management System (PRIMS). CFLs are enabled to enter data from physical readiness tests into PRIMS for each member of their command. Commanders then have the ability to accurately assess their units' physical readiness and adjust the FEP as necessary. Sailor readiness is also a primary discussion topic during weekly Reserve force communications, placing further command emphasis on the importance of medical and physical requirements.

*Administrative Readiness*.—The Navy Reserve has enhanced administrative readiness through the employment of the Type Commander (TYCOM) Readiness Management System—Navy Reserve Readiness Module (TRMS–NRRM), which provides a scalable view of readiness for the entire force. Commanders can quickly determine readiness information for individuals, units, activities, regions, and many other desired echelons. TRMS–NRRM, a Navy Reserve developed system, has served as a prototype for the Defense Readiness Reporting System—Navy (DRRS–N), which is currently under development by Commander, U.S. Fleet Forces Command for use by the total force. DRRS–N will provide a database to collect and display readiness information across the force enabling commanders to make real-time capability-based assessments and decisions.

Navy is considering additional options for total force systems that will reduce administrative impediments. The administrative inefficiencies created by multiple electronic pay and manpower systems create waste and unnecessary burdens on leadership and hinder force readiness. A common AC/RC pay system is crucial to the success of our Sailor for Life and Continuum of Service initiatives. In the future, manpower transactions will ideally be accomplished on a laptop with the click of a mouse, and records will be shared through a common data repository with all DOD enterprises. Navy fully supports the vision of an integrated set of processes to manage all pay and personnel needs for the individual and provide necessary levels of personnel visibility to support joint warfighter requirements. Manpower management tools should enable the ability for a financial audit of personnel costs and support accurate, agile decision-making at all levels of DOD through a common system and standardized data structure.

One constraint to these initiatives is the RC order writing process. Our current system has roughly 30 types of duty, including Inactive Duty for Training (IDT), Inactive Duty for Training–Travel (IDT–T), Annual Training (AT), Active Duty for Training (ADT), and Active Duty for Operational Support (ADOS). Numerous funding categories of orders are inefficient, wasteful and inhibit Navy's ability to access reservists and quickly respond to Fleet and COCOM requirements. Process delays are especially troubling at a time when we are relying on our reservists to serve as "first responders" in the case of a domestic emergency. A reduction in the number of duty types, coupled with a well-developed, web-based personnel management system, will enable RC sailors to rapidly surge to validated requirements. In addition to multiple types of orders, the disparate funding processes are equally complex. The consolidation of most RC order writing to the Navy Reserve Order Writing System (NROWS) has been a significant evolution in Navy's effort to integrate its Total Force capabilities by aligning funding sources and accurately resourcing operational support accounts.

*Family Readiness*.—We recruit the sailor, but retain the family; which means family readiness is more important than ever as we face the challenge of constant conflict with the expectations of multiple, predictable and periodic deployments. Navy is dedicated to the support of our families and is engaged in an ongoing effort to expand family support programs. Since our sailors are stationed in all 50 States, we have improved access to available family support resources, including those of the Guard. We have developed a family support program that employs professional administrators at each Navy Region Reserve Component Command (RCC) who are knowledgeable in every aspect of sailor and family assistance, especially for those mobilized and deployed. Recent initiatives include the Returning Warrior Workshops (RWW), pioneered by Navy Region Southwest RCC, which assist returning warriors and their families with a smooth transition from a deployed status. The weekend-long sessions include interactive group presentations by trained facilitators, breakout sessions, vendor information, and one-on-one counseling in a conference-style setting. Qualified facilitators help the participants cope with potentially sensitive and emotional discussions as they adjust to family life and civilian employment. By continually incorporating lessons learned, RWW effectively deal with the broad array of issues facing Navy families before, during and after deploy-

ments. Workshops also provide additional resources for sailors as they return to non-mobilized status.

A NAVY FOR TOMORROW

The global war on terror has demonstrated the increasing importance of the Navy's expeditionary capabilities. Emergent requirements enabled Navy leadership to program the expansion of our core maritime capabilities into the coastal and inland environments, and Navy Reserve continues to perform many important roles in these evolving warfighting operations. Almost half of the Navy Expeditionary Combat Command (NECC) 30,000 sailors are reservists. NECC is an adaptable force which deploys Navy capabilities in the green and brown water environments and ashore. Our sailors perform a variety of global missions, including security on North Arabian Gulf oil platforms, counter-improvised explosive device operations in Afghanistan and Iraq, customs inspections in Kuwait and drilling and developing potable water wells in villages in the Horn of Africa.

Reservists comprise over 90 percent of the Navy Expeditionary Logistics Support Group (NAVELSG), a component of NECC. NAVELSG performs air cargo handling missions, customs inspections, freight terminal operations, and ordnance handling. Navy Customs Battalion (NCB) UNIFORM recently deployed with more than 400 reservists and typifies the diversity and relevance of the Navy Reserve as it supports the war from Main Street, USA. More than 107 Navy Operational Support Centers (NOSCs) in 43 States, Washington, DC, Puerto Rico, and Guam mobilized our diverse group of UNIFORM sailors who range in age from 21 to 58, and include; police officers, school teachers, postal clerks, safety inspector agents, engineers, trauma nurses, and carpenters. NCB UNIFORM is the seventh rotation of Navy Reservists activated to perform this unique mission in support of OIF.

Navy reservists are 60 percent of the Naval Construction Force (SEABEES), who help fulfill more than one-third of NECC's manpower requirements. SEABEES are engaged throughout Afghanistan and Iraq constructing base camps, roads, and airfields, and repairing bridges and buildings. Sailors have constructed school dormitories and water wells in Djibouti, erected shelters for flood victims in Ethiopia and provided humanitarian relief in Pakistan, Indonesia, Bangladesh, East and West Timor, and the Philippines.

The Navy League recently honored a Reserve SEABEE with the prestigious Admiral Ben Morell Award for Logistics Competence. Senior Chief Equipment Operator (SEABEE combat warfare) Jason Jones, from Naval Construction Battalion 21, mobilized and deployed to Kuwait with a detachment of 145 shipmates. Drawing from his civilian construction skills, he successfully led his sailors to complete several vital projects, including the rebuilding of an operationally critical airfield in Afghanistan. Similar NECC RC operational support is evidenced daily in Naval Coastal Warfare with Embarked Security Detachments (ESDs), Maritime Civil Affairs Group (MCAG) and the Expeditionary Combat Readiness Center (ECRC). ESD sailors provide force protection for naval assets in the Suez Canal, Arabian Gulf, and Strait of Hormuz.

Because of their experience, Reserve sailors frequently train AC security team members. The MCAG works directly with civil authorities and civilian populations in the maritime environment and is capable of addressing issues such as maritime law, marine fisheries, port operations, security and immigration. ECRC, 25 percent RC, is a dedicated team of more than 200 professionals overseeing the training, equipping, deploying and redeploying of augmentation forces.

Navy Reserve sailors are fully integrated into the Naval Aviation Enterprise (NAE) and play critical roles in training, air logistics, adversary support, counter narcotics operations and combat support. Exemplifying the relevance to the total force, Reserve instructor pilots fly nearly 1,000 sorties per week while assigned to squadron augment units under the Chief of Naval Aviation Training (CNATRA). While only 10 percent of CNATRA's training squadron instructor cadre are reservists, they are responsible for about 17 percent of the instructional flight events. Fleet Logistics Support Wing assets are routinely deployed and provide responsive air logistics support to the Fleet and COCOMs. The active and reserve sailors of Helicopter Sea Combat Squadron-84 are forward deployed in Iraq in direct support of combat operations. The Reserve sailors of Electronic Attack Squadron-209 recently returned from a 3-month deployment to Afghanistan. The Reserve sailors of Helicopter Antisubmarine (Light) Squadron SIX ZERO and Carrier Airborne Early Warning Squadron SEVEN SEVEN deploy in support of counter-narcotics operations under United States Southern Command. The missions that RC sailors perform serve to make the NAE more cost-effective and efficient, while capitalizing on the experience and maturity of talented reservists.

Expeditionary Capabilities. The global war on terror examples of surge support include:

SEABEES
Engineers
EOD
Supply Corps
Coastal Warfare
Cargo Handling
Customs Inspectors
Civil Affairs
Chaplains
Medicine/Corpsmen
Trainers/Instructors
JTF Staff Augmentation
Intelligence
Linguists
Public Affairs
IT/Network Support
Anti-Terrorism/Force-Protection (AT/FP)
Law Enforcement
Logistics & Logistical transport/airlift

*Navy Medicine*.—We value our RC doctors, nurses and corpsmen serving on hospital ships during disaster relief and humanitarian missions and supporting the Fleet Marine Forces ashore. At Landstuhl Regional Medical Center, Germany, 332 of 361 positions are currently filled with Navy Reserve medical professionals. When USNS COMFORT (T–AH 20) left its homeport in June 2007 for a 4-month humanitarian deployment, 10 Navy reservists embarked. RC medical professionals are critical to Navy's overall readiness, but are often unable to mobilize for extended periods due to the requirements of their civilian practices. Therefore, Navy is working to provide them flexible service options such as shorter but more frequent mobilizations and deployments. Feedback from RC medical professionals and potential recruits indicates that 90 days is optimum, but up to 6 months can be performed with adequate notification.

*Alignment*.—Flexibility is a key component to the success of ARI, and several initiatives aim to facilitate more effective and efficient operational support. Former Reserve Readiness Commanders now serve as integrated Navy Region RCCs, responsible to the region commanders for RC readiness, training, assets and surge capabilities within the region. Additionally, Naval Reserve Centers were renamed Navy Operational Support Centers to indicate that our mission is to provide ready, responsive, and relevant integrated operational support to their supported commands, the Fleet and COCOMs. ARI remains the catalyst for aligning our organizations and processes to CNO's guidance and strategic goals, providing increased warfighting wholeness and greater return on investment to taxpayers. Navy Reserve continues to lead change while emphasizing speed, agility, innovation and support to our customers; the Fleet, COCOMs, our sailors, and their families.

PEOPLE

Our sailors, Navy civilians and contractors are talented, dedicated professionals. We must devote our resources and shape our policies to ensure they are personally and professionally fulfilled by their service. Recruiting, developing, and retaining diverse and capable men and women are imperative to the success of our future Total Force. We must continually address the changing national demographic in order to remain competitive in today's employment market. Only 3 out of 10 high school graduates meet the minimum criteria for military service, and the propensity of our Nation's youth to serve in the military is declining in many areas.

The next generation, known as "Millennials," is now entering the workplace. These young men and women expect to change jobs or career fields multiple times, and they expect a life/work balance that permits them the opportunity to serve as well as attend to personal and family needs. Career path pay and benefits must evolve to a more flexible system that supports "off" and "on" ramps to and from active to reserve service, as well as temporary sabbaticals. Born into a globalized world saturated with information and technology, Millennials comprise 43 percent of our Navy and are more accomplished than previous generations. They are a technologically savvy and cyber-connected group who may find the military's hierarchical command and control structure contradictory to the flat social networks they are accustomed to navigating. The different paradigm under which this generation views the world and the workplace has implications for how our Navy attracts, recruits and retains top talent.

The members of the Millennial generation are reticent to consider military service as their first career option. The Navy must recognize and respect generational traits to ensure we appeal to those talented young people who we seek to recruit and retain. Today's influencers, most of whom have never served in the military, are often not inclined to steer Millennials toward a military career. Our focus in the next several years is building a variety of service options to entice potential recruits and striving to capitalize on the diversity and differences of our total force to ensure our Navy is a family-friendly, "Top 50" workplace.

Our talented personnel are the foundation of all we do, and Navy Reserve is dedicated to policies, programs, and initiatives that improve the quality of service for our sailors and their families. In fiscal year 2007, 12 percent of enlisted and 23 percent of officers who transitioned from the AC chose to affiliate with the Navy Reserve. Recent initiatives intended to attract transitioning sailors include higher affiliation bonuses, mobilization deferment and the Fleet-to-NOSC Program. Affiliation bonuses as high as $20,000 are offered to sailors possessing specific skill sets, particularly those in high demand for the global war on terror.

*Mobilization Deferment*.—To afford transitioning AC sailors who affiliate with the RC ample time to become settled in their civilian careers, the mobilization deferment policy was established. All veterans who affiliate with Navy Reserve within 6 months of transitioning from the AC qualify for a 2-year deferment from involuntary mobilization, and those who affiliate with Navy Reserve within 12 months are eligible for a 1-year deferment.

In order to be a competitive employer, our Navy realizes that we must offer opportunities for personnel to pursue their respective interests. We have initiated the AC to RC transition program, which is changing the paradigm of sailors who decide to terminate their AC service at the end of their enlistment. By providing veterans an informed, systematic option to convert to the RC, we preserve the ability to surge their talents and realize a much higher return on their initial training investment. Previous force shaping efforts have been designed to achieve a specific end strength, or "fill," but our focus has shifted to building a competency-based workforce with the right skill sets, or "fit," to more rapidly and effectively meet emergent global war on terror requirements.

Created by the Commander, Navy Recruiting Command, the Fleet-to-NOSC Program streamlines the Navy Reserve affiliation process. Thirty-two commands are currently participating in the program, and since its inception in November 2006, 27 percent more sailors have affiliated. In fiscal year 2009, this program will be expanded to allow AC sailors to select from vacant Reserve billets prior to transitioning. To facilitate the continuation of a Navy career, members will also have visibility of Navy Reserve positions located in the geographic area where the sailor plans to reside.

*Health Care*.—We have some of the finest medical professionals in the world serving in our Navy and the health care they provide to our sailors is a valuable recruitment and retention incentive. Our missions in OEF and OIF increased the demand for medical services in combat and casualty care. Another more complex aspect of health care is the mental well-being of our sailors returning from combat operations. Medical professionals are rapidly learning more about assessing and treating the effects of mental health issues associated with war, such as post traumatic stress and traumatic brain injury. We are constantly integrating these lessons into our health care system.

*Wounded Warrior/SAFE HARBOR Program*.—Our care for combat wounded personnel does not end at the Military Treatment Facility (MTF). The Navy established the SAFE HARBOR Program in 2005 to ensure seamless transition for the seriously wounded from arrival at an MTF through subsequent rehabilitation and recovery. As soon as our warriors are medically stabilized and arrive at an MTF, SAFE HARBOR staff members establish close contact with each severely injured sailor. Typical assistance provided by SAFE HARBOR includes; personal financial management, member or family member employment, permanent change-of-station moves, nonmedical attendant orders for assisting attendants, post-separation case management, travel claims, Veterans Administration and Social Security benefits and resolving administrative issues. Since its inception, 193 sailors, including 29 from the RC, have benefited from the program. We are committed to providing the individualized non-clinical care that each of these sailors and their families deserve.

*Continuum of Service*.—Essential to a dynamic, diverse, and capable Navy workforce is establishing a continuum of service by which a sailor may serve and reserve over the course of a lifetime. A Sailor for Life philosophy removes administrative and policy impediments and creates more flexibility to transition between active and reserve statuses, manage a civilian career, pursue advanced education and account for unique life circumstances. The Navy has asked Congress, via the Secretary of Defense, for authorization to begin a pilot program in fiscal year 2009. We plan to enable sailors to seamlessly navigate "off ramps" to the RC and "on ramps" to the AC. Our vision also provides the taxpayer a better return on investment by extending the opportunities for our personnel to serve, thereby taking full advantage of both military and civilian training and work experience. A well-developed continuum of service will create a Sailor for Life, ready to surge in support of national interests and defense.

Navy continues its total force approach to manpower management by utilizing an enterprise framework and providing cost-wise readiness. We are improving processes to deliver increased readiness and combat capabilities, provide better organizational alignment and recapitalize our Navy. The Navy Reserve has the capacity to meet current and future requirements and to continue to transform into the right Force for tomorrow.

SUMMARY

Since September 11, 2001, over 50,000 Navy Reservists have been mobilized to support the GWOT. Leveraging unique military and civilian skill sets and capabilities, our RC continues to transform and increase the effectiveness and efficiency of our commands while meeting all Fleet and COCOM requirements. As we strive to provide more responsive and relevant operational support, Navy Reserve will strengthen our culture of continual readiness while balancing predictable and periodic mobilizations for contingencies. Yes, we are asking more of our reservists, but they are responding and performing magnificently across all Navy enterprises while surging for the GWOT, serving as a strategic baseline and maintaining a ready alert posture for homeland contingencies. Our total Navy is a powerful force which will continue to enhance the opportunities for our sailors and their families to serve and reserve. On behalf of the sailors, civilians and contractors of our Navy Reserve, we thank you for the continued support of Congress and your commitment to our Navy's total force.

Senator STEVENS. The next witness is Lieutenant General John Bergman, Commander of the Marine Corps Reserve. General.

**STATEMENT OF LIEUTENANT GENERAL JACK W. BERGMAN, COMMANDER, MARINE FORCES RESERVE, UNITED STATES MARINE CORPS RESERVE**

General BERGMAN. Good morning, Mr. Chairman, again and thank you so much for your kind words.

I am not the only one retiring from the leadership of the Marine Corps Reserve this summer. My sergeant major, Jimmy Cummings, will retire in August with over 30 years of service, and he is the reason that I can travel and do things freely because I know that those 60,000 to 70,000 young enlisted marines that we have under our command are well taken care of. In fact, he just returned from Alaska visiting our AT battalion up there, and he said they are plenty good on cold weather gear, but they need some other weapon strengths. We are going to take care of that.

Over the last several years, as we have realized that we are going to be in the long war for literally generations, the development of the force generation model within the Marine Corps has proven already to be paying dividends. What that means is we can tell an individual, we can tell the Congress, we can tell OSD when a unit is going with a level of predictability that before was not there. It was previously kind of a pick-up ball game, to be quite honest.

With that predictability now to tell that reservist 5 years from now you will be headed out with your unit again, it allows us to train, first of all, recruit to that unit, then train to it, set it up in such a way that over a 4- to 5-year period, building blocks of the training can be designed in order to, in the short term, prior to a deployment, possibly beyond the step of homeland defense, homeland security, humanitarian assistance, disaster relief missions, in preparation for a worldwide deployment at the end of the dwell time.

It is adaptable. We know that the enemy changes their tactics as quickly as we change ours. With the predictive model of the force

generation piece, we can adapt our training so that when those marines go to fight, they have the latest of the tactics, techniques, procedures that are going to enable them to fight and win.

Last, it is affordable. When you predict that far out, you know that a unit that is in the beginning of its dwell time may not necessarily need the resources and equipment and training, but it may need it more on the post-deployment, family support side to make sure that everybody assimilates back into society.

So the force generation model will allow us for the long term to be able to tell the people when they are going and to be able to tell the Congress and everybody else how much it is going to cost in the meantime and where we need to place our resources to keep our readiness level up.

Last, on the family readiness side, the Marine Corps, through the efforts of General Conway, has gone to a professional family readiness officer group where we are in the process of hiring people for full-time support of our units, both Active and Reserve, so that at all times, whether they are deployed or whether they are home in dwell time, we have a professional network that will provide the continued support. And that, dovetailing with the Yellow Ribbon Panel and all the efforts that are coming out from that, is a nice dovetailed approach to increasing the ability of our marines and their families and our sailors who serve with us to maintain a healthy level of physical and mental readiness.

PREPARED STATEMENT

Sir, again, it is a pleasure to be here with you all today, and I look forward to your questions.

Senator STEVENS. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JACK W. BERGMAN

Chairman Inouye, Senator Stevens, and distinguished members of the subcommittee, it is my honor to report to you on the state of your Marine Corps Reserve as a major contributor to the total force Marine Corps.

Your Marine Corps Reserve fully understands that the road ahead will be challenging—not only in the immediate conflict in Iraq, but in subsequent campaigns of the long war on terror, which we believe to be a multi-faceted, generational struggle. In an environment where the total force Marine Corps must be able to rapidly adapt to broad strategic conditions and wide-ranging threats, your Marine Corps Reserve, a primarily operational Reserve, stands ready to meet the challenges before us.

We continue to recruit and retain the best of our Nation's sons and daughters. We continue to train them in tough, realistic scenarios and we continue to provide them the best equipment available.

On behalf of all our marines and their families, I would like to take this opportunity to thank the committee for your continuing support. The support of Congress and the American people reveal both a commitment to ensure the common defense and a genuine concern for the welfare of our Marines and their families.

TODAY'S MARINE CORPS RESERVE

Today's Marine Corps Reserve is firmly committed to and capable of war fighting excellence and continues to be a major contributor to the total force Marine Corps. We remain steadfast in our commitment to provide Reserve units and personnel who can stand as full partners with their active component counterparts while seamlessly performing in all contingencies. Today's Marine Corps Reserve continues to maintain the pace during the longest mobilization period in our history, and will continue to meet the challenge of sustaining that pace for the foreseeable future.

Last year I reported to this committee on the implementation of an integrated total force generation model that would lay out future activation and deployment schedules for Marine units. The model was designed to provide predictability for the individual Reserve marine who is striving to strike a balance between family, civilian career, and service to community as well as country and Corps. I am happy to report that implementation has been successful and we are about to activate the third rotation based upon the model.

To date, we have activated and deployed 6,600 marines in two rotations to Operations Iraqi and Enduring Freedom based on the model and are activating approximately 2,400 in April, May, and June of this year in order to train and deploy late summer to early fall. The predictability the force generation model provides has been well received by the Reserve marine who can now confidently plan for the future; whether going to school, building a civilian career, or making major family decisions.

The force generation model continues to assist service and joint force planners who can count on a consistent flow of manned, equipped, trained, and ready selected Marine Corps Reserve units to support future operations in the long war. This steady flow of Reserve force packages also supports our active component in reaching their stated goal of 1:2 dwell time. The model, based on a 1-year activation to 4-plus years in a non-activated status, continues to be both supportable and sustainable, thus providing the Marine Corps with a truly operational Reserve force. Predictable activation dates permit unit commanders to focus their training on core mission capabilities early in the dwell and then train to specific OIF and OEF mission tasks once they are within 12 to 18 months of activation. Furthermore, regularly scheduled dwell time enables our units to recover from past activation practices that had required substantial cross-leveling while simultaneously degrading parent unit cohesion in order to deploy combat capabilities. With each subsequent rotation, the requirement to cross-level Reserve units decreases. In fact, for an upcoming activation of 2nd Battalion, 23d Marine Regiment, we foresee little to no required cross-leveling of enlisted personnel in order to activate a full battalion.

We believe the full benefit of the force generation model will be realized once we have completed a full cycle of rotations, which is presently nine rotations per cycle, and the active component reaches the authorized end strength of 202,000. That, coupled with our use of the force generation model, will be instrumental in the Reserve component migrating to a 1:5 dwell time.

In addition to the 6,600 marines activated and deployed in support of OIF and OEF, an additional 4,000 marines from Marine Forces Reserve deployed worldwide in support of joint/combined security cooperation exercises in the past year as we continue to fill the gap left by a lack of available active component forces. Between OIF and OEF and security cooperation exercises, nearly one-third of our force has deployed outside the continental United States both in an activated and non-activated status, again, demonstrating the operational nature of the Marine Corps Reserve. We believe that this level of operational tempo will continue and we are prepared to maintain and sustain this pace for the foreseeable future.

During this past year, more than 3,500 marines from Fourth Marine Division have served in Iraq. Included are two infantry battalions, as well as armor, reconnaissance, combat engineer, and truck units. A highlight during this past year was the deployment of Battery F, 2nd Battalion, 14th Marine Regiment, a Reserve unit from Oklahoma City. Battery F was the first Marine Corps High Mobility Artillery Rocket System (HIMARS) unit to be deployed in a combat role; thus demonstrating the success of horizontal fielding of equipment within the total force Marine Corps.

The Division also deployed two of its regimental headquarters in the role of Marine Air Ground Task Forces (MAGTF) command elements. The 24th Marine Regiment headquarters deployed as a Special Purpose MAGTF to U.S. Southern Command to support the new Partnership of the Americas series of small combined security cooperation exercises in South America, while 25th Marine Regiment headquarters led the MAGTF in support of the combined/joint exercise Talisman Sabre in Australia with more than 1,500 marines from across Marine Forces Reserve. The Division also conducted training to assist our friends and allies in foreign militaries from Mongolia to the Republic of Georgia. The Division continued its ongoing relationship with the Moroccan military during combined exercise African Lion. The upcoming year will be another busy one for the Division as they will conduct training in Nigeria, Ghana, Tanzania, Korea, the Dominican Republic, Honduras, Brazil, Peru, Colombia, Curacao, Aruba, Argentina and Bosnia. They will also be returning for exercises in Morocco and the Republic of Georgia.

Fourth Marine Aircraft Wing has provided necessary exercise support and pre-deployment training as the active component squadrons continued supporting deployments to Iraq and Afghanistan. The Marine Corps' premier pre-deployment training

exercise, Mojave Viper, received a majority of air support from our fixed wing and helicopter squadrons. Fourth Marine Aircraft Wing deployed Marine Wing Support Squadron 473 to run airfield operations and Light Attack Helicopter Squadron 773 (-) to support combat operations for Multi-national Forces—West in Iraq. Additionally, they deployed a Marine Transport Squadron Detachment with the UC–35 Citation Encore in order to bring time-critical lift capability to U.S. Central Command.

In addition to these missions, the Fourth Marine Aircraft Wing has participated in several combined, bi-lateral and joint exercises in Africa, Asia, and Australia. Support for these exercises not only includes supporting U.S. and Marine Corp forces, but also can focus on training and supporting our allies, as in African Lion, when our pilots trained Moroccan pilots in techniques of air-to-air refueling.

Fourth Marine Aircraft Wing is an integral partner in the Marine Corps aviation transition strategy. Focused on the long-term war fighting capability of total force aviation, the initial steps require a transfer of certain Reserve component aviation manpower, airframes, and support structure to the active component Marine Corps. As a result, two Reserve Fighter/Attack-18 squadrons will be placed in cadre status and a Reserve Light Attack UH–1N/AH–1W helicopter squadron, a Heavy Lift CH–53E helicopter squadron, an Aviation Logistics Squadron, and two Marine Aircraft Group Headquarters will be decommissioned. Another Heavy Lift CH–53E helicopter squadron will be reduced in size. Additionally, as part of the Aviation Transition Strategy, Fourth Marine Aircraft Wing has commissioned two Tactical Air Command Center Augmentation Units to reinforce the total force in the prosecution of the global war on terror. Long term, to complete the aviation transition strategy, Fourth Marine Aircraft Wing will be equipped with 21st century airframes and C2 capabilities.

Fourth Marine Logistics Group continues to provide the active component with highly skilled, dedicated personnel capable of delivering sustained tactical logistics support. During the past year, Fourth Marine Logistics Group provided more than 1,800 marines and sailors from across the spectrum of combat service support for its ongoing support of OIF. Also during this past year, Fourth Marine Logistics Group demonstrated the true meaning of total force as they provided a headquarters for an engineer support battalion comprised of marines from their own 6th Engineer Support Battalion combined with active component Marines from 7th and 8th Engineer Support Battalions and deployed in support of OIF.

In addition to ground, aviation, and logistic elements, Marine Forces Reserve has provided civil affairs capabilities since the start of Operation Iraqi Freedom. Air-Naval Gunfire Liaison Detachments from Marine Forces Reserve have augmented the supported Marine Air Ground Task Forces and adjacent commands with air/ground fires liaison elements. Marine Forces Reserve also continues to provide intelligence augmentation for Operation Iraqi Freedom, to include human exploitation teams, sensor employment teams, and intelligence production teams.

The trend in recent years toward increased participation of our Individual Ready Reserve (IRR) marines continued in fiscal year 2007. During the fiscal year, the Marine Corps Mobilization Command (MOBCOM) processed 2,500 sets of active duty orders for IRR marines. Consequently, the readiness requirements of our IRR marines and their families have also increased. We have modified IRR management practices accordingly. In fiscal year 2007, the Marine Corps Mobilization Command screened 4,000 more IRR marines than in fiscal year 2006, just short of 11,000 of the 60,000 marines in our IRR population. MOBCOM accomplished this by increasing the number of administrative musters conducted at locations throughout the United States and, also, by increasing the quality of communications between the Marine Corps and members of the IRR. Higher quality communications keeps our marines better informed and prolongs their connection with each other and our Corps. We believe that these longer-term connections will be critical as we truly seek to create the continuum of service necessary to support a sustainable operational Reserve and our total force through the long war.

In summary, more than 6 years into the long war, the Marine Corps Reserve continues to serve shoulder-to-shoulder with our active component counterparts. Operations Enduring Freedom and Iraqi Freedom have required continuous activations of Reserve forces. Accordingly, your Marine Corps Reserve continues to focus upon the future challenges of the total force and corresponding requirements of modernization, training and personnel readiness to ensure that the Marine Corps Reserve meets and exceeds its obligations within the total force.

While we continue to support the long war, it is not without a cost. Continuing activations and high Reserve operational tempo highlights the fact that we have personnel challenges in some areas and we are putting additional strain on Reserve equipment.

EQUIPMENT STATUS

The Marine Corps Reserve, like the active component, faces two primary equipping challenges: supporting and sustaining our forward deployed forces in the long war while simultaneously resetting and modernizing our force to prepare for future challenges.

Our priorities for supporting and sustaining our deployed forces are: first, to provide every marine and sailor in a deploying Reserve unit with the latest generation of individual combat and protective equipment; second, to procure essential communications equipment; third, to procure simulation training devices that provide our marines with valuable training to enhance survivability in hostile environments; and fourth, to provide adequate funding to our operation and maintenance accounts to sustain training and pre-deployment operations.

Our priorities in support of resetting and modernizing the force include the following: first, to procure principal end items necessary to reestablish on hand equipment to the level dictated by our training allowance, which is the amount of equipment needed by each unit to conduct home station training; and, second, to procure the equipment necessary to enhance our capability to augment and reinforce the active component. Since the Marine Corps procures and fields equipment as a total force, equipment modernization efforts of the Marine Corps Reserve are synchronized with the efforts of the active component.

As with all we do, our focus is on the individual marine and sailor. Our ongoing efforts to equip and train this most valued resource have resulted in obtaining the latest generation individual combat and protective equipment: M16A4 service rifles, M4 carbines, rifle combat optic scopes, improved helmet pad suspension systems, enhanced small arms protective insert plates, modular tactical vests, and the latest generation AN/PVS–14 Night Vision Devices, to name a few. I am pleased to report, as I did last year, that every member of Marine Forces Reserve deployed in support of the long war is fully equipped with the most current authorized individual combat clothing and equipment to include personal protective equipment.

Deployed Marine Corps unit equipment readiness rates remain high—above 90 percent. Ground equipment readiness rates for non-deployed Marine Forces Reserve units average 88 percent, based on training allowance. the slightly lower equipment readiness posture is primarily attributable to home station training allowance equipment shortages caused by sustainment requirements of the long war. The Marine Corps Reserve equipment investment overseas since 2004 in support of the long war is approximately 5 percent of our overall equipment. This investment includes various communications, motor transport, engineer, and ordnance equipment, as well as several modern weapons systems such as the new HIMARS artillery system and the latest generation light armored vehicle. This investment greatly adds to the war fighting capability of the Total Force while providing minimal impact to our home station training requirements. Deliberate planning at the service level is currently underway to reset the total force, to include resourcing the Reserve equipment investment made to the long war. This will allow the Marine Corps Reserve to remain ready, relevant, and responsive to the demands of our Corps.

Reduced supply availability continues to necessitate innovative resourcing approaches to ensure Reserve marines can adequately train in preparation for deployment, until the effects of supplemental funding produce tangible results. Despite ongoing efforts to mitigate shortfalls, the inherent latency in procurement timelines and competing priorities for resources will continue to challenge the training and equipping of Reserve forces for the long war.

Your continued support of current budget and procurement-related initiatives, such as the President's budget submissions, supplemental requests, and National Guard and Reserve Equipment Appropriations (NGREA), will guarantee our ability to properly equip our individual marines and sailors. Marine Corps Reserve equipment requirements are registered in each of these as part of the Marine Corps total force submissions. Reserve equipment requirements that cannot be timely met with these vehicles are identified as the Reserve portion of the unfunded priorities list and equipment procurement requirements are sometimes resourced by NGREA. It would be impossible for me to overstate the value and importance of NGREA to the Marine Corps Reserve. We appreciate Congress' continued support of the Marine Corps Reserve through NGREA. Since 2002, NGREA has provided more than $200 million to Marine Forces Reserve for equipment procurements. It is safe to say that we couldn't have provided some critical capabilities to our Nation without NGREA. Moreover, I want to emphasize this year the value of consistent NGREA funding for our Reserve components and specifically, the Marine Corps Reserve. In the last 3 years, through consistent funding, we have been able to "close out" equipment purchases—or to buy to our established training allowance—in 32 different end

items. Examples of equipment purchases we have been or will be able to close out using fiscal year 2006, fiscal year 2007, and fiscal year 2008 NGREA funding are: the Virtual Combat Convoy Trainer; the Medium Tactical Vehicle Replacement—Training Systems; the LITENING II Targeting Pod; the AN/ARC–210 (V) Multi-Modal Radio system for our KC–130 aircraft; the UC–12+ aircraft; and, multiple C2 systems components. We've also been able to come close to closing out other equipment purchases. If consistent NGREA funding is received in the coming year, and if requirements for these and other items of equipment do not change, we envision closing out four other equipment purchases with fiscal year 2009 funding: the BRITE STAR FLIR; the Tactical Remote Sensor System; the Deployable Virtual Training Environment; and, the HMMWV Egress Assistance Trainer.

FACILITIES

Marine Forces Reserve is comprised of 183 sites in 48 States, the District of Columbia, and Puerto Rico. These sites are comprised of 32 owned, and 151 tenant sites. In contrast to active duty installations, normally closed to the general public, our Reserve sites are openly located within civilian communities. This arrangement requires close partnering with State and local entities nationwide. The condition and appearance of our facilities may directly influence the American people's perception of the Marine Corps, the Armed Forces, and our recruitment and retention efforts.

Marine Forces Reserve Facilities Sustainment, Restoration, and Modernization (FSRM) program funding levels continue to address immediate maintenance requirements and longer term improvements to our older facilities. Sustainment funding has allowed us to maintain our current level of facility readiness without further facility degradation. Restoration and Modernization (R&M) funding continues to be a challenge due to its current $4.5 million programmed funding shortfall across the Future Years Defense Plan (FYDP) and an overall backlog of $130.2 million created through significant funding shortfalls in prior years. Currently, 10 of our 32 owned sites are rated C–3 or C–4 under the Marine Corps' facility readiness reporting system. Our OSD-mandated objective is to maintain levels of C–2 or better. The fiscal year 2009 budget, if approved, will see programmed upgrades for eight sites to C–2 or better, with the remaining sites programmed to meet C–2 or better by fiscal year 2010. The fiscal year 2009 budget attempts to bring the R&M program back on track to address remaining deficiencies. However, it should be noted that this funding does not address the reported backlog created through prior year funding shortfalls. As such, we continue to apply internal savings to address R&M projects at the end of each fiscal year.

The programmed R&M funding shortfalls in the current FYDP, when combined with lingering R&M requirements carried over from prior fiscal years, continue to increase the FSRM backlog exponentially over the FYDP. This jeopardizes our ability to meet the C–2 or better rating for quality by 2010. The fiscal year 2007 sale of the former Marine Corps Reserve Center in San Juan, Puerto Rico, will potentially provide funding to address nearly 20 percent of this combined R&M shortfall. Further use of Real Property Exchanges (RPX), and other similar laws, has been an invaluable tool towards addressing shortfalls and emerging requirements. The RPX program extension to 2010 will allow us further opportunities to use proceeds from existing older properties to fill gaps in minor construction projects for our centers to meet evolving needs.

The Military Construction, Navy Reserve (MCNR) program, including Marine Corps Exclusive and Navy-led projects, is addressing critical needs for new facilities to replace older buildings and accommodate changes in Marine Corps Reserve force structure. The President's proposed fiscal year 2009 budget contains $22.8 million for military construction and $836,000 in planning and design funding. Congressional approval of this budget provides new Marine Corps Reserve Centers in Atlanta, Georgia, and at the Naval Air Station Lemoore, California. Your continued support for both the MCNR program and a strong FSRM program are essential to addressing the aging infrastructure of the Marine Corps Reserve. With more than 50 percent of our Reserve Centers being more than 40 years old and 35 percent being more than 50 years old, support for both MCNR and FSRM cannot be overstated.

The Base Realignment & Closure (BRAC) 2005 is an area of continuing concern due to the limited funding for BRAC military construction projects. Unique to the Marine Corps Reserve BRAC program is the secondary impact to our Reserve Centers that are part of Army and Navy BRAC actions. Of the 25 BRAC actions for the Marine Corps Reserve, 21 are in conjunction with Army and Navy military construction projects, reflecting OSD policies toward shared joint Reserve centers. As

a result, any funding shortfalls experienced by these two services will have a secondary negative effect on the Marine Corps Reserve. Escalating prices in the construction industry continue to challenge the Reserves in narrowing the gap between funding requirements for projects and budgetary allowances. In fiscal year 2007, two of three BRAC projects awarded for Marine Forces Reserve required significant increases in funding over what was programmed, ranging from $500,000 to $3 million over the budgeted amounts. These factors challenge Marine Forces Reserve and its designated construction agents, as well as the other Reserve components, to award projects and comply with BRAC law deadline. The ramifications of this trend are that Marine Forces Reserve will have less funding available in later years for any overages and be forced to either significantly cut our requirements at the cost of facility mission functionality or move funds from other required facility programs. Adequate and timely receipt of funding for the entire BRAC program, including restoration of the fiscal year 2008 budget cut no later than fiscal year 2009, is essential to meeting the statutory requirements of BRAC 2005. The compounding effect of the back-to-back continuing resolutions we have experienced to date, during peak BRAC construction years, has heightened the risk that we will not meet statutory compliance by September 15, 2011.

Our Marine Forces Reserve Environmental Program promotes accepted stewardship principles as well as compliance with all regulatory requirements in support of training both on site and outside the fence line. Marine Forces Reserve has initiated a nationwide program to reduce waste production and ensure proper disposal at our centers. We have also executed several major projects to protect the nation's waterways near our drill centers. Continued funding is essential to ensure that both emerging environmental requirements are met and critical ongoing training continues.

TRAINING

Since 9–11, approximately 99 percent of U.S. Marine Corps Reserve units have been activated and 98 percent of those units have deployed to the U.S. Central Command area of responsibility in support of Operations Enduring Freedom and Iraqi Freedom and the global war on terrorism. The collective lessons wrought from their experiences abroad have helped improve nearly all facets of our current Reserve component training. In this regard, one of the most exciting areas where we are continuing to transform the depth and scope of our training is in the cutting-edge arena of modeling and simulations technology.

Rapid advancement in modeling and simulation software, hardware, and network technologies are providing ever new and increasingly realistic training capabilities. Marine Forces Reserve is training with and continuing to field several complex digital video-based training systems which literally immerse our Reserve Component Marines into "virtual" combat environments, complete with the sights, sounds, and chaos of today's battlefield environment in any clime or place, day or night, spanning the full continuum of warfare from high-intensity conventional warfare to low-intensity urban conflict.

Some of these new training capabilities that we are training with and continuing to field to support our Reserve marines stationed at our 183 training sites located throughout the country include the Indoor Simulated Marksmanship Trainer—XP. This interactive audio/video weapons simulator provides enhanced marksmanship, weapons employment, and tactical decision making training for a variety of small arms. The system consists of infantry weapons instrumented with lasers that enable Marines to simulate engaging multiple target types.

Another system that we addressed in lasts year's testimony that continues to prove invaluable in the pre-deployment training of our tactical drivers is the Virtual Combat Convoy Trainer—Reconfigurable Vehicle System. This is an advanced, full-scale vehicle simulator that trains Marines in both basic and advanced combat convoy skills using variable terrain and roads in a variety of weather, visibility and vehicle conditions. The simulator is a mobile trailer configured platform that utilizes a HMMWV mock-up, small arms, crew-served weapons, 360-degree visual display and after action review/instant replay capability. Marine Forces Reserve was the lead agency for initial procurement, training, and evaluation of this revolutionary training system, which is now being used to train the total force.

Starting this summer, we will begin fielding the newly developed Deployable Virtual Training Environment. This is an advanced, first-person, immersive, simulation-based training system, made up of 16 laptops and peripherals packaged in ruggedized deployable cases. The system is capable of emulating and simulating a wide variety of weapons systems and generating hi-fidelity, relevant terrain databases in any clime or place. It also provides small-unit echelons with the oppor-

tunity to continuously review and rehearse Command and Control procedures and battlefield concepts in a virtual environment. The system consists of two components, the Combined Arms Network providing integrated first person combat skills and Tactical Decision Simulations providing individual, fire team, squad and platoon-level training associated with patrolling, ambushes and convoy operations. Additional environment features include combat engineer training, small-unit tactics training, tactical foreign language training and event-driven, ethics-based, decision-making training.

All of these advanced training systems have been rapidly acquired and fielded with vital supplemental and NGREA funding. These critical funding resources are not only providing a near-term training capability in support of combat deployments, but are also providing a solid foundation for the transformation of our training environment from legacy static training methods to more realistic virtual combat training environments that are preparing our Reserve marines and sailors to succeed on future battlefields.

PERSONNEL READINESS

Like the active component, Marine Corps Reserve units primarily rely upon a first-term enlisted force. Currently, the Marine Corps Reserve continues to recruit and retain quality men and women willing to manage commitments to their families, their communities, their civilian careers, and their Corps. Despite high operational tempo, the morale and patriotic spirit of Reserve marines, their families, and employers remains extraordinarily high.

In fiscal year 2007, the Marine Corps Reserve achieved 100 percent of its recruiting goal for non-prior service recruiting (5,287) and exceeded its goal for prior service recruiting (3,575). As of April 1, 2008, we have accessed 1,890 non-prior service and 2,482 prior service marines, which reflects 50 percent of our annual mission.

Our selected Reserve population is comprised of Reserve unit marines, active Reserve marines, individual mobilization augmentees, and Reserve marines in the training pipeline. An additional 60,000 marines are included in our Individual Ready Reserve, representing a significant pool of trained and experienced prior service manpower. Realizing that deployments take a toll on active component marines, causing some to transition from active duty because of high personnel tempo, we continue to offer the selected Marine Corps Reserve Affiliation Involuntary Activation Deferment policy, which was instituted in June 2006. This program allows a marine who has recently deployed an option for a 2-year deferment from involuntary activation if they join a Selected Marine Corps Reserve unit. The intent of the 2-year involuntary deferment is to encourage good Marines to participate and still maintain breathing room to build a new civilian career.

I do anticipate greater numbers of Marines from the Reserve component will volunteer for full-time active duty with the active component throughout fiscal year 2008 as they take advantage of new incentives aimed at encouraging marines to return to active duty. These incentives support our plan to bolster active component end strength. the fact is we need good marines to serve longer, either active or Reserve.

Our focus is to provide an environment that attracts and retains dedicated, high performing individuals. For the current year, Reserve officer retention has thus far remained above historical norms. Enlisted Reserve retention is currently slightly lower than the fiscal year 2006/fiscal year 2007 average, and is being monitored very closely. We continue to offer several incentives for enlisted Marines to stay in the Selected Marine Corps Reserve, which includes increasing the initial 3-year reenlistment bonus from the current $7,500 level to the maximum allowable $15,000. I greatly appreciate the increased reenlistment incentive provided in the fiscal year 2008 National Defense Authorization Act.

Junior officer recruiting and consequently meeting our Reserve company grade requirement remains the most challenging area. At the beginning of fiscal year 2007, the Marine Corps modified an existing program and implemented two new Reserve officer commissioning programs in order to increase the number of company grade officers within deploying Reserve units and address our overall shortage of junior officers in our Reserve units. Eligibility for the Reserve Enlisted Commissioning Program was expanded to qualified Active Duty enlisted Marines. The Meritorious Commissioning Program—Reserve was established for qualified enlisted marines, Reserve and active, who possess an associates degree or equivalent number of semester hours. As of May 1, the Officer Candidate Course—Reserve (OCC–R) has proven to be the most successful of the three programs. Eighty-four candidates have been commissioned second lieutenants in the Marine Corps Reserve. The OCC–R fo-

cuses on ground-related billets. Priorities of fill for recruitment of candidates are tied to our force generation model.

In the long run, if the Marine Corps Reserve is to remain ready and relevant, we must begin to implement necessary changes to the superseded cold war reserve model. In particular, we must develop a new paradigm that allows our top performing marines to extend their service to the total force through a continuum of service. We must continue to develop policies and procedures that allow the seamless transition of individual reservists on and off of active duty and that would permit varying levels of participation by the servicemembers over the course of a military career. Current administrative policies routinely raise unnecessary obstacles to transitions between military jobs and duty status creating barriers to volunteerism. Presently, there are a significant number of different types of Reserve service, primarily tied to the cold war model of a strategic Reserve. In order to successfully transition a specified number of individuals and unit capabilities to an operational Reserve, that number of duty statuses could and should be reduced.

QUALITY OF LIFE

Whether we are taking care of our marines in the desert or families back home, quality of life support programs are designed to help all marines and their families. Because marines and their families make great sacrifices in service to our country, they deserve the very best support.

We are aggressively instituting new Family Readiness Programs, revitalizing services, and proactively reaching out to our young demographic to ensure our programs and services have transitioned to a wartime footing.

As part of widespread Marine Corps reforms to enhance family support, we are placing paid, full-time civilian employees to fill the position of Family Readiness Officer at the battalion/squadron level and above to support the Commander's family readiness mission. Modern communication technologies, procedures and processes are being expanded to support family members including spouses, children and parents of single marines.

The Marine Forces Reserve Lifelong Learning Program continues to provide educational information to service members, families, retirees, and civilian employees. The program is not only beneficial to career marines, but also those intending to transition to civilian life. More than 1,300 Marine Forces Reserve personnel (active and Reserve) enjoyed the benefit of tuition assistance, which paid out more than $2.6 million and funded more than 4,000 courses during fiscal year 2007. Tuition assistance greatly eases the financial burden of education for our service members while enabling them to maintain progress toward their education goals.

The Marine Corps' partnership with the Boys and Girls Clubs of America (BGCA) and the National Association for Child Care Resources and Referral Agencies (NACCRRA) continues to provide a great resource for servicemembers and their families in selecting child care, before, during, and after a deployment in support of the long war. The Boys and Girls Clubs of America provide outstanding programs for our Reserve Marines' children between the ages of 6 and 18 after school and on the weekends. Under our agreement with BGCA, Reserve families can participate in more than 40 programs at no cost. With NACCRRA, we help families of our reservists locate affordable child care that is comparable to high-quality, on-base, military-operated programs. NACCRRA provides child care subsidies at quality child care providers for our reservists who are deployed in support of the long war and for those active duty Marines who are stationed in regions that are geographically separated from military installations. We also partnered with the Early Head Start National Resource Center Zero to Three to expand services for family members of our reservists who reside in isolated and geographically-separated areas.

We fully recognize the strategic role our families have in mission readiness, particularly mobilization preparedness. We prepare our families for day-to-day military life and the deployment cycle (pre-deployment, deployment, post-deployment, and follow-on) by providing educational opportunities at unit family days, pre-deployment briefs, return and reunion briefs, post-deployment briefs and through programs such as the Key Volunteer Network (KVN) and Lifestyle, Insights, Networking, Knowledge, and Skills (L.I.N.K.S.).

Every Marine Corps Reserve unit throughout the country has a KVN program, which is a volunteer-based program that serves as the link between the command and family members—providing official communication, information, and referrals. The KVN proactively educates families on the military lifestyle and benefits, provides answers for individual questions and areas of concerns, and enhances the sense of community and camaraderie within the unit. L.I.N.K.S. is a training and mentoring program designed by Marine spouses to help new spouses thrive in the

military lifestyle and adapt to challenges—including those brought about by deployments. Online and CD–ROM versions of L.I.N.K.S make this valuable tool more readily accessible to families of Reserve marines who are not located near Marine Corps installations.

To better prepare our marines and their families for activation, Marine Forces Reserve continues to implement an interactive approach that provides numerous resources and services throughout the deployment cycle. Available resources include, but are not limited to, family-related publications, on-line volunteer training opportunities, and a family readiness/mobilization support toll free number. Family readiness educational materials have been updated to reflect the current deployment environment. Specifically, deployment guide templates that are easily adapted to be unit-specific were distributed to unit commanders and family readiness personnel, as well as Marine Corps families, and are currently available on our Web site. Services such as pastoral care, Military One Source, and various mental health services are readily available to our Reserve marines' families.

Managed Health Network (MHN) is an OSD-contracted support resource that provides surge augmentation counselors for our base counseling centers and primary support at sites around the country to address catastrophic requirements. This unique program is designed to bring counselors on-site at Reserve Training Centers to support all phases of the deployment cycle. Marine Forces Reserve has incorporated this resource into post-demobilization drill periods, family days, pre-deployment briefs, and return and reunion briefs. follow-up services are scheduled after marines return from combat at various intervals to facilitate on-site individual and group counseling. Additionally, we are utilizing these counselors to conduct post-demobilization telephonic contact with IRR marines in order to assess their needs and connect them to services.

The Peacetime/Wartime Support Team and the support structure within the Inspector-Instructor staffs at our Reserve sites provides families of activated and deployed Marines with assistance in developing proactive, prevention-oriented steps such as family care plans, powers of attorney, family financial planning, and enrollment in the dependent eligibility and enrollment reporting system. During their homecoming, our Marines who have deployed consistently cite the positive importance of family support programs.

To strengthen family support programs, we will continue to enhance, market, and sustain outreach capabilities. We believe current OSD-level oversight, sponsorship, and funding of family support programs properly correspond to current requirements. We are particularly supportive of Military One Source, which provides our reservists and their families with an around-the-clock information and referral service via toll-free telephone and Internet access on a variety of subjects such as parenting, childcare, education, finances, legal issues, elder care, health, wellness, deployment, crisis support, and relocation.

Marines and their families, who sacrifice so much for our Nation's defense, should not be asked to sacrifice quality of life. We will continue to be a forceful advocate for these programs and services. We will continue to evolve and adapt to the changing needs and environments in order to ensure that quality support programs and services are provided to our Marines and their families.

## EMPLOYER SUPPORT OF THE GUARD AND RESERVE

Marine Forces Reserve continues to be acutely aware of the importance of a good relationship between our Reserve marines and their employers. We fully support all the initiatives of the Employer Support of the Guard and Reserve (ESGR) and have been proactive in providing the information to our Reserve marines on the Five Star Employer Program, Patriot Award and Secretary of Defense Employer Support Freedom Awards, which are tangible ways for us to recognize those employers who provide tremendous support to our men and women who go into harm's way. I recently directed all of my major subordinate commands to appoint a field grade officer to ensure that units have all relevant information to take full advantage of ESGR programs. This will ensure that the most current information is passed down to Marine Reserve units and personnel, and that all units comply with the new requirement for annual ESGR training at the company level. Reserve unit commanders are strongly encouraged to correspond with Marines' employers prior to deployment.

## CONCLUSION

The Marine Corps Reserve continues to be a highly ready, relevant and responsive component of the Total Force Marine Corps. As our Commandant has stated in the past, "Our Marines and sailors in combat are our number one priority." There is

no distinction between Active or Reserve personnel or units regarding that priority. We fight shoulder-to-shoulder with our active component counterparts and our Reserve Marines have consistently met every challenge placed before them. Your consistent and steadfast support of our marines and their families has directly contributed to our successes.

As I've stated in past testimony, appearing before congressional committees and subcommittees is a great opportunity to showcase the absolutely outstanding long-term contributions and commitment of this patriotic group of citizens we have in the Marine Corps Reserve. It has been my honor to serve this great Nation and Corps for the past 38 years, and although I will be retiring from the Marine Corps in the near future, I look forward to continuing serving our great country and the Marines and families of the Total Force Marine Corps for many years to come. Thank you for your continued support. Semper Fidelis!

Senator STEVENS. Next is Lieutenant General John Bradley, Chief of the Air Force Reserve. General.

**STATEMENT OF LIEUTENANT GENERAL JOHN A. BRADLEY, CHIEF, AIR FORCE RESERVE**

General BRADLEY. Senator Stevens, it is a pleasure to be here with you again today. Senator Mikulski, thank you for being with us as well, ma'am.

I am very proud to be the Commander of the Air Force Reserve, and as you indicated, my last hearing perhaps here. I want to thank you and all of the members of this subcommittee for the great support you have given us over these years.

I am very, very proud of my airmen in the Air Force Reserve Command, and I do not usually spend a lot of time introducing folks, but I do like to brag about my folks. And I want to tell you about our special 70,000 airmen we have doing great work for us today around the world.

Senator Mikulski will know. We have a very large air refueling unit in her State who do fabulous work for us in many areas around this country, providing air refueling support for important fighter cap missions and deployments. They do missions in the U.S. Central Command Area of Responsibility (AOR). They fly injured soldiers and marines and airmen and sailors from Bagram Air Base, Afghanistan, back home frequently. So they are a great unit.

I hope perhaps I can talk to Senator Bond later about a fabulous A–10 unit in Missouri that deployed to Afghanistan last week for their third Afghan deployment in the last 3 years, which followed in 2003 a 9-month deployment to Iraq. They were on the ground in Iraq and flying missions, doing close air support for soldiers and marines in Iraq in 2003 for 9 months. I am very, very proud of that unit in Missouri, just as I am many others.

I have with me today representing more than 55,000 enlisted airmen my command chief, Chief Master Sergeant Troy McIntosh, with me in this hearing today, sir. Chief McIntosh helps me invaluably keep track of how our airmen are doing and tells me about the issues about which they are concerned and what help they need. He is a great advisor to me and I am honored to get to serve with him. Thank you, Chief.

I also have with me Colonel Eric Overturf, Senator Stevens, who is based at Elmendorf Air Force Base, Alaska. He is the commander of the 477th Fighter Group which is our associate F–22 group flying with the 3rd Fighter Wing at Elmendorf, this phenomenal new air superiority fighter, the F–22. I am proud of Colo-

nel Overturf and the operations and maintenance folks that he has hired to help the 3rd Wing with its important mission in Alaska.

I also have with me Major Karen MacKenzie. Dr. MacKenzie in civilian life is a trauma surgeon who lives near Fresno, California doing trauma surgery every day. But she volunteered for a tour last year and deployed to Al Udeid, Qatar to be on a critical care air transport team, which is a team of a doctor and a respiratory specialist and a nurse to transport injured soldiers, marines, airmen, and sailors, and was involved in an alert scramble to Afghanistan following the crash of a Chinook helicopter with 22 Army Special Forces soldiers on board. Eight were killed in the crash; 14 survived. They were flown to Kandahar, Afghanistan, and her team, along with another team from Bagram Air Base triaged and took care of those 14 injured soldiers, put them on a C–17 within 2 hours and flew them to Landstuhl, Germany. She took them to the hospital and all 14 of those brave soldiers survived.

She is a fabulous representative of our medical community in the Air Force Reserve. We do 60 percent of the aeromedical evacuation for the Air Force in the Air Force Reserve. She is one representative of that great community that has saved so many lives of those who have been badly injured in Iraq and Afghanistan. So I am very proud to have Dr. MacKenzie behind me, as well as Colonel Overturf and Chief McIntosh.

PREPARED STATEMENT

I am very proud of all 70,000 airmen I have in the Air Force Reserve, the many deployments they do to support this Nation and our Air Force.

And I look forward to your questions, sir.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JOHN A. BRADLEY

Mr. Chairman, and distinguished members of the Committee, I appreciate the opportunity to appear before you today and discuss the fiscal year 2009 President's budget request of the Air Force Reserve.

This year marks the 60th anniversary of the Air Force Reserve. We remain an equal partner in the Total Air Force and an integral part of our Nation's defense. The Air Force Reserve has provided significant contributions during that time, made possible because we remain tier-one ready for the Air Force. We have frequently responded to global events within 24 hours of notification. For the last 17 of our 60 years, we have maintained a persistent presence in the USCENTCOM area of responsibility. It began with Operation DESERT STORM and we have been continually engaged, never leaving the Persian Gulf. During the intervening years we again responded to the needs of the Nation after the attacks of September 11, 2001, protecting the homeland through Operation NOBLE EAGLE and supporting operations abroad in Iraq and Afghanistan. The Air Force Reserve also supplied humanitarian relief in the wake of natural disasters both home and abroad following hurricanes, tsunamis and earthquakes. These efforts are possible because we have dedicated, professional, highly trained reservists volunteering to participate in these noble causes and the support of their families and employers.

The Air Force Reserve is a strong and steady Total Force partner. As operational demands continue, we face challenges that can adversely impact our readiness and overall combat capability. We are always alert to the need to stay ahead of those challenges so we remain strong partners in our country's defense. As an unrivaled wingman, we share the same priorities as the Regular Air Force: Win Today's Fight, Take Care of Our People, and Prepare for Tomorrow's Challenges.

WIN TODAY'S FIGHT

*Air Force Reserve Global War on Terror Contributions*

I am proud to say that your Air Force Reserve continues to play a vital role in support of our nation's Global War on Terror (GWOT). Side-by-side with our Air Force and Air National Guard partners, we continue to support the war effort primarily in a volunteer status.

Our Reserve mobility community stepped up with large numbers of volunteers and is providing essential support to combatant commanders. We currently have seventy-four C–17 and C–5 strategic airlift crews on long term active duty orders in support of the GWOT. Ten Reserve KC–10 crews remain on active duty orders supporting the air bridge, aerial refueling and other airlift requirements.

Our Reserve F–16s and A–10s remain engaged in Operation ENDURING FREEDOM and Operation IRAQI FREEDOM with regularly scheduled rotations. We provide eighteen crews and twelve fighter aircraft to USCENTCOM annually for close air support missions.

With little fanfare, our Special Operations and Combat Search and Rescue units continue their support of combat operations. Although rarely receiving public recognition for their actions, our personnel are heavily engaged on the ground and in the air.

To date, sixty percent of the aeromedical evacuation sorties have been flown by Air Force Reserve crews, providing a lifeline home for the Joint warfighter. Since September 11, 2001 we have flown nearly 5,000 aeromedical evacuation sorties, safely delivering 26,769 patients: 11,030 litters, 10,955 ambulatory and 4,784 attendants. I could not be more proud of these men and women. Their selfless dedication and professionalism have saved countless lives and dramatically improved the chances of recovery for those injured in the line of duty.

*Tier One Ready*

We in the Air Force Reserve pride ourselves on our ability to respond to any global crisis or natural disasters immediately or within hours. The Selected Reserve is trained to the same standards as active duty Airmen for a reason. We are one Air Force engaged in the same fight. With a single level of readiness in the Selected Reserve, we are able to seamlessly operate side-by-side with the Regular Air Force and Air National Guard in the full spectrum of combat operations. As an equal partner in day-to-day combat operations, it is critical we remain ready, resourced, and relevant.

*Combat Training*

As part of the Total Force Integration initiatives, Air Force Reserve Officer Training School was moved to Maxwell AFB, Alabama and combined with the Regular Air Force Officer Training School. Recently the Air Force initiated several programs to incorporate additional combat training for our Airmen. For example, officer training now teaches fundamentals of unarmed combat to their officer candidates. This is just one part of a 70-hour course of expeditionary skills training.

Basic war fighting skills will be incorporated into Basic Military Training for enlisted recruits beginning October 1, 2008. This course will be two and a half weeks longer in order to produce more lethal and adaptable Airmen with emphasis on weapons training and participation in an intense exercise that replicates the deployed environment and the challenges it presents.

The Air Force is developing other training total force opportunities such as Common Battlefield Airman Training, and Survival, Evasion, Resistance, and Escape training because the battlefield continually changes shape and venue, and Airmen need to be able to react and survive in any situation.

*Fiscal Year 2008 National Guard and Reserve Equipment Account*

A significant reason for our relevance as a combat force is the National Guard and Reserve Equipment Account (NGREA). The items we purchase with NGREA are prioritized from the Airmen in the field up to the Air Force Reserve Command Headquarters and vetted through the Air Staff. The cornerstone is innovation and the foundation is capabilities-based and has been for many years. I am grateful for the National Guard and Reserve Equipment Account because those authorizations enable us to remain relevant to the fight. The Congress provided $45 million in NGREA last year, with which we secured critical combat capability for our Airmen in the field.

—*C5A Airlift Defensive Systems*.—Protects our aircrews and C–5A aircraft from Infrared Guided Missiles.

—*C–130 Secure Line of Sight/Beyond Line of Sight capability*.—Provides clear communication, interoperability and improved situational awareness for our C–130 aircrews.

—*C–130 Small Arms Fire Lookout Capability*.—Procures troop door with large windows for C–130 aircraft to visually scan for threats to the aircraft and aircrew.

—*F–16 Upgraded Commercial Fire Control Computer*.—Enables use of the helmet mounted cueing sight and software improvements for continued upgrades to the aircraft.

—*LITENING POD Spiral Upgrades*.—Upgrades current targeting system by providing improved visual and guidance system.

This account is critical to the combat capability of the Air Force Reserve and the safety of our people. Many of the new capabilities resulted in top-of-the-line improvements that are directly tied to better Close Air Support for our Soldiers and Marines in both Iraq and Afghanistan. These capabilities save lives. There is much more we can do if we continue to receive your support.

*Readiness Challenges*

While we maintain sufficient combat readiness to meet our current missions, we are accepting risk in a number of critical areas. For example, Depot Purchased Equipment Maintenance is budgeted at seventy-nine percent. This reduces aircraft availability for training and operations. We will continue to work within our budget guidance levels to balance this risk and others while accomplishing wartime taskings.

TAKE CARE OF OUR PEOPLE

*Family Support*

It is a long standing belief the Air Force recruits members but we retain families, and that statement is as true today as in the past. As we continue playing a large role in prosecuting the GWOT, our members and their families are making huge sacrifices. While the Air Force's Air Expeditionary Force construct provides predictability for members, families and employers, we recognize the impact of the demands of operations and are committed to providing services and support to the families that support us so well. We continue to place considerable emphasis on looking for new, innovative ways to reach our Reserve families of deployed members as well as to continue to improve programs already in place. To meet their needs, our Air Force community support programs and services are there for both married and single Total Force Airmen, whether at home or deployed. New initiatives include predeployment, deployment, and post deployment Airmen and family wellness programs. Specific areas of improvement include a standardized predeployment checklist as well as mandatory, comprehensive redeployment services, post-deployment health assessment and reassessment, non-clinical counseling, and education on reunion challenges that Airmen and their families face.

In 2007, several surveys were launched to evaluate the state of our members and families. Included were the Community Action Information Board Community Assessment Survey, with 8,440 Reserve respondents, and the Caring for People Airmen's Questionnaire Assessment, which noted family as one of the top concerns. We continue to provide information and referral services, assistance with financial questions and concerns, family support groups, morale calls and video telephone access, volunteer opportunities, reunion activities, letter writing kits for children, and a myriad of other services.

The commuting nature of the Air Force Reserve combined with base closures and realignments create additional challenges for reservists and their families. Unlike the Regular Air Force, many of our Reserve members do not live in the local area of their host unit. In many cases, the families are scattered over various geographical regions, making access to centralized counselors difficult. With the transformation to an operational force, mobilizations and the need for more volunteerism, we are engaged in addressing several issues that have surfaced with this target population to include adjusting to the new steady state (more deployments, less predictable intervals and tour lengths, etc.), access to affordable child care, and employment opportunities. We are pursuing solutions to these problems and will continue to until they are resolved.

*Force Shaping in Fiscal Year 2009*

In the 2006 and 2007 President's budget requests, the Air Force reduced Total Force end strength by 37,000 full-time equivalents and reprogrammed active military, civilian, and reserve end strength funds into the modernization and recapitalization accounts. As a result of these actions, the Air Force Reserve reduced its end

strength from 74,900 to 67,500. Additionally, BRAC and Total Force Integration initiatives impacted nearly twenty percent of our personnel, many of whom we transitioned from operating, maintaining, and supporting legacy systems to new and emerging missions such as CYBER, Predator, Global Hawk, Falconer Air Operations Centers, and Distributed Common Ground Systems. Over the past three years the Air Force has made difficult choices in respect to its People, Readiness, Infrastructure, and Modernization and Procurement accounts. The Air Force is in the process of reevaluating its end strength requirements based on new and emerging mission types as well as Air Force support for manpower increases programmed for the Army and Marine Corps.

*Recruiting and Retention*

We met our recruiting goals for the last seven years thanks to our great recruiters and the many authorities and funding the Congress has provided such as increased bonus incentives, opening TRICARE Reserve Select at the lowest premium to all selected reserve members, and expanding the Montgomery G.I. Bill eligibility window from 10 to 14 years. Our retention targets are also being met. While we continue to maintain manning levels to meet mission requirements, we anticipate significant recruiting and retention challenges in the near term, and potentially the long term, due to base closures and mission realignments. BRAC also reviewed the Air Force Reserve's new missions and realigned some of the locations. We are not allowed to move our Reserve Airmen when we close a base or unit, as is done in the Regular Air Force. Reductions and displacement of reservists present significant recruiting and retention challenges for the Air Force Reserve.

One new mission area is the stand-up of an F–22 associate unit at Elmendorf AFB in Anchorage, Alaska, and Holloman AFB in Alamagordo, New Mexico. This mission will have reservists associate with their regular component partners on the fifth generation fighter. While we are excited about the opportunity, we have had to increase the number of recruiters for officer, enlisted and Air Reserve Technician positions to overcome the obstacles of this challenging recruiting market.

We must continue to identify opportunities to attract members separating from the Regular Air Force. With a shrinking pool of prior-service Air Force members, recruitment and retention of these experienced individuals is vital to avoid the costs of training non-prior service members. For some of our most critical specialties, affiliation and retention bonuses actually provide a greater return on investment versus recruiting non-prior service Airmen. Finally, force shaping authorities and incentives should be viewed from a Total Force perspective to ensure that provisions do not discourage continued service in the Reserve components.

PREPARE FOR TOMORROW'S CHALLENGES

*Air Force Reserve Transformation*

The Air Force Reserve is accepting an increased share in the Total Force partnership with accelerated mission growth and associations. We continue to combine with our Regular and Air National Guard partners to deliver 21st Century capabilities in Global Vigilance, Reach and Power.

The technological skills and civilian experience of Reserve Airmen are ideally suited to expanding the Nation's eye in Global Vigilance. To support Air Force dominance in space, the 310th Space Group at Schriever AFB, CO expanded to become the 310th Space Wing just last month. A further example of our growth in space is the increased manpower we are adding to associate with the Regular Air Force's 8th Space Warning Squadron at Schiever AFB, and the increase of our own 9th Space Operations Squadron at the Joint Space Operations Center at Vandenberg AFB, CA. The Air Force Reserve also operates a Global Hawk unit and other Intelligence, Surveillance and Reconnaissance systems at Beale AFB, CA, as well as Predator units at Nellis AFB, NV. All of these reservists contribute to the Nation's ability to gain and maintain awareness anywhere in the world, to provide warning and fuse data together to route relevant information to Combatant Commanders.

To extend the arm of Global Reach, we are creating Active Associations, where the Air Force Reserve has primary responsibility for the aircraft and the Regular Air Force will augment with manpower. This will occur with our KC–135s at Seymour Johnson AFB, NC and March ARB, CA, and with our C–130s at Pope AFB, NC. The Air Force Reserve will cease operating at Selfridge ANGB, MI and move manpower to augment the regular component in a classic Associate KC–135 unit at MacDill AFB, FL. In the third associate model, an Air Reserve Component (ARC) Associate, the Air National Guard is providing manpower to augment our Reserve KC–135s at Tinker AFB, OK. Additionally, we will host an Active Associate C–130 unit at Peterson AFB, CO, as well as an ARC Associate C–130 unit at Niagara

Falls, NY, the Nation's first-ever combat delivery ARC association. These units will provide responsive military capability anywhere on the globe to rapidly supply, position, or reposition Joint Forces.

To increase Global Power projection, we are assuming new missions by associating with the regular component in the F–22 at Elmendorf AFB, AK and will soon begin standing up an F–22 association at Holloman AFB, NM. In another new mission area, we will associate in the F–15E at Seymour Johnson AFB, NC. In a mission we are very familiar with, we will provide experienced instructors to train the Total Force in the A–10 at Davis-Monthan AFB, AZ and extend operational experience in a classic A–10 association at Moody AFB, GA. These new and expanded missions help increase the Nation's ability to hold at risk or strike any target, anywhere in the world, and achieve swift, decisive precise effects.

*Commission on the National Guard and Reserves*

The Congressionally directed commission completed an extensive review of the Guard and Reserves' role as an operational force. In the report the Commission acknowledged that the Air Force Reserve has been a leader in developing the force to meet operational requirements while maintaining a significant level of strategic capability. The Commission recognized the uniqueness of each Service and acknowledged the need to develop discretionary authority that provides flexible tools for the Service Secretaries to use when meeting requirements. The Department of Defense is studying many of the recommendations and part of that review will be the impact on the budget if any of the recommendations are adopted in fiscal year 2009.

CLOSING

Mr. Chairman, I take pride in the fact that when our Nation calls on the Air Force Reserve, we are trained and ready to go to the fight. Everyday we have reservists who are training and deploying around the globe in support of our Nation's defense. Our ability to respond is due to our focus on readiness. In order to maintain this readiness, we budget wisely and ensure we have the proper funding levels to support our Airmen and weapon systems.

On behalf of over 67,500 Air Force Reservists, I appreciate the support this committee provides to our readiness and combat capability. The Air Force Reserve, as with the other Services, is facing many challenges. While we maintain our heritage of providing a strategic reserve capability, today and into the future, we are your operational warfighting Reserve bringing a lethal, agile, combat hardened and ready force to Combatant Commanders in the daily execution of the long war. We are proud of the fact that we provide the world's best mutual support to the United States Air Force and our joint partners.

Senator STEVENS. Well, thank you very much, and we welcome Chief McIntosh and Colonel Overturf. I am proud to have an Alaskan here. And, Dr. MacKenzie, thank you very much for distinguished service.

Let me call first on Senator Mikulski.

Senator MIKULSKI. Well, thank you, Generals and Admiral. Of course, all the wonderful men and women in the Reserves, those who were introduced here and those here and around the world, we would like to just greet so personally, and we want to thank them for their service.

RETENTION

My concerns are recruitment—not recruitment, but retention. I think during this intense time and this intense OPTEMPO, you have done a good job with recruiting, but my concern is retention when one thinks about just the tempo of being a flight surgeon, if a flight surgeon or a chaplain were all that you do. Could you just go down what your retention rates are and what other kinds of support services, particularly either to the troops themselves or to their families, that we should be focusing on?

My concern is that they are very worried about their families and both their financial situation and then the stress of the kind of de-

ployments that they are being called upon that reserves never originally anticipated. Maybe we could just go down the line on that.

General STULTZ. Yes, ma'am. The good news is our retention rates are very good. Last year in 2007, we achieved 119 percent of our goals in retention. The good news about that is traditionally we have made our retention goals on the backs of our career soldiers who have 10 to 15 years and they are working toward a 20-year retirement.

Where we have struggled has been with our first-termers who joined and now they are trying to make a decision on whether they are going to continue. In 2007, our first-term reenlistment rate was almost 150 percent of goal. It was tremendous, which means these young soldiers, just as was epitomized here today that joined after 9/11, knowing what they were getting into, are staying with us.

So it is a good news story that we are meeting our retention goals and currently this year, we are on par for about 110 percent of goal at a time when we increased the overall number of our goal by almost 3,000. So we increased the total number, and we are still exceeding what our goals are.

To your question, though, we recruit a soldier. We retain a family. If you do not have the families with us, that soldier is not going to stay with us. And I think what we have got to do—and some of the panel here have already mentioned things like the Yellow Ribbon Program, the family support networks. We have got to continue to pay more and more attention to taking care of families and taking care of soldiers prior to deployment, during deployment, and post-deployment. And we cannot have this approach which we have a legacy strategic system that said we mobilize the soldier. When he comes back from Iraq, we take him off orders and send him back home, and fine, thank you for your service. We are done with you.

We know now that we are seeing things like post-traumatic stress, traumatic brain injury, those types of wounds that manifest themselves 6 months after the soldier has returned, those types of injuries that the soldiers do not know they have got until they get back. And what we are looking at is instead of the traditional approach—I was gone for 22 months. I was gone from October 2002 through August 2004. I got ready to come home from Iraq and Kuwait, and they said to me, okay, tell us if there is something wrong so we can keep you. I am leaving. Okay, I get back to this side to my mobilization station, and they ask you the same question. Tell us if there is something wrong so we can keep you here. I am going home. We have got to change that approach. We have got to say, okay, let us get the soldier back with their family and then let us take an approach after they get home for the next 3 to 6——

YELLOW RIBBON PROGRAM

Senator MIKULSKI. General, I appreciate that. I know I have limited time on my question.

I would just like to say to my colleagues—and I am sorry Senator Inouye is not here and this has also been very helpful to the leadership of General Blum. Our Yellow Ribbon Program is something I have been advocating and one of the pioneer States was Mary-

land. It is the military reintegration program for when either the Guard or the Reserve comes home.

I think my colleagues would be stunned to know that the civilian leadership at the Pentagon did not include it in this year's appropriation request. Fortunately, our bipartisan leadership has chosen to include it in the supplemental which would pay, I think, $65 million and will cover 15 States and a down payment on those States that are initiating the program.

Our concern with the Yellow Ribbon Program is that it is an excellent program as far as it goes. But, General, I think what you are saying, even that excellent program does not go far enough because it is about an immediate reentry program, but if anyone has other issues that go on for a period of time, it presents challenges.

And what we heard at a Maryland roundtable—the Governor and I—was that for a lot of people, they do not really know what they need until they have been home 1 year, that year of just getting cleaned up and the noise level going down and all of the things that it takes just to reconnect. Has that been your experience that we have to think about the Yellow Ribbon Program not only as it is, but really what our men and women are experiencing?

General STULTZ. Yes, ma'am. We have got to be able to provide that soldier and his family the confidence that we are going to take care of them for any kind of related illnesses, services, or whatever no matter when it manifests itself.

Senator MIKULSKI. Well, I know my time is up. But is this pretty much in agreement with what you all would say?

RETENTION

Admiral COTTON. Yes, ma'am. I just want to say retention is great for all of us, but it is not just numbers. We call that fill. There is also fit. It is the right skill sets. There are certain skill sets that are used over and over again. That compresses the back-home time. So that is what we have really got to work on.

Thank you to all of you. TRICARE Reserve Select went into effect last October 1 for all reservists. So if you are a drilling reservist, a selected reservist, a traditional reservist, you can buy health care. This is a huge, huge thing for our soldiers, sailors, airmen, and marines. And this has picked up our retention. So I thank you for that benefit.

Senator MIKULSKI. Thank you, Mr. Chairman.

Senator STEVENS. Senator Murray.

Senator MURRAY. I think Senator Durbin was here ahead of me. He can go ahead. I will wait.

Senator STEVENS. My list shows you came in first. Why do you not go ahead?

Senator MURRAY. Well, thank you very much, first of all, to all of you for all you have done for our country. I really appreciate it, and for all the men and women who serve in the Guard and Reserve. There are just tremendous tasks that we have asked all of them to do, and I want them to know how much we appreciate it.

KC–X PROGRAM

But, General Bradley, let me turn to you first for a question because I have really been working hard to better understand how

the KC–X program was run and to what level each branch participated in the selection process. As you are aware, this program is the number one procurement effort the Air Force has, and the selection process has been touted as the most thorough and transparent competition. And I wanted to ask you this morning if you could please tell this subcommittee what input the Air Force Reserve had on that selection process.

General BRADLEY. Senator Murray, the Air Force Reserve had no input on that process. As a major command like the other major commands, we are not in any way connected to the acquisition process.

Senator MURRAY. So you were not asked to give any input about this procurement process even though the Reserves fly a number of these tankers?

General BRADLEY. No, ma'am. I was not asked at all. I was not involved in any way. We do fly the current old tankers, but we are not part of the acquisition and no one talked to me or my command in any way about this program.

Senator MURRAY. I find that interesting.

Now, you know, this protest is now before the Government Accountability Office (GAO). So I know you cannot comment in particular.

But let me ask you a simpler question rather than something about that, and it is one I have asked General Moseley and Secretary Wynne. And that is, would you be proud to fly the Boeing 767, had that been chosen?

General BRADLEY. Of course, ma'am. Every airplane we have had over the course of my 41 years in the Air Force I think has been a very good, capable aircraft. There are many very capable aircraft out there. The Air Force is proud to have any aircraft. We would be proud to have any.

Senator MURRAY. Thank you. I appreciate that.

General BRADLEY. Yes, ma'am.

FULL-TIME SUPPORT

Senator MURRAY. Let me turn to a broader question. Each one of you has a full-time support entity within your organization, and with the increased usage of the Reserve component, do you feel you have the full-time end strength to fulfill your obligations to each of your active duty components' requirements? And I would like each one of you to respond. General Bradley, we can start with you.

General BRADLEY. Senator Murray, we have come down in size a little over the last couple of years. We have had a 10 percent personnel cut to help pay for acquisition programs, the same kind of cut that the active Air Force underwent. And what we have had to do is evaluate what missions the Air Force needs us to do the most and what the least, and we have had to cut some things out. We have had to do some reorganization. We have cut one flying wing out of our organization, as well as doing a lot of restructuring and closing of some smaller units.

That being said, we have enough people to do everything the Air Force wants us to do now. There are more things that they would like us to do, if there were more funds. So the Air Force has on its unfunded requirements list a personnel increase, if they had

more funds available, and they have included an Air Force Reserve piece in that unfunded request, a growth of 4,200-plus positions over the course of a few years.

Senator MURRAY. An unfunded request. So we need this but we do not have the funds?

General BRADLEY. Yes, ma'am. There are more things the Air Force believes it needs to do for this Nation, and they include the Air Force Reserve and the Air National Guard and all of those kinds of missions in which they are involved and the things they see for the future. They believe with the future we are presented and the threats we face, there are some more things we could do if we had more people and more funds, but we do not have enough funds in the budget for it today.

Senator MURRAY. Thank you.

General BERGMAN. Good morning, Senator. In the full-time support category, the active component Marine Corps for decades has provided over 4,000 active component marines to support the 183 sites of Marine Forces Reserves. Those active component marines, literally from the rank of corporal through colonel, come to serve with the Reserve component for a 2- to 3-year period. They bring with them the current tactics, techniques, and procedures that the big Marine Corps is using to go to the fight. That usage of those 4,000-plus marines over the course of the last several decades has paid off big time for us because our units were ready to go to the fight from the beginning.

The better news is that when those active component marines return to the big Marine Corps, they come with the knowledge of the challenges of the Reserve component when it comes to the integration piece and how it all works. We also have about 2,200 AR, Active Reserve, billets which are our equivalent of the full-time support. They are Reserve marines on active duty. Historically they did administration type of work. The number is about right.

But what we are looking at is providing two things: number one, career tracks for that small of a population, very challenging, especially on the enlisted side; but number two, providing them tours in the appropriate place. So if they are going to be viewed by the active component folks as experts in the Reserve component, they had better have served with the Reserve component in some way, shape or form. Otherwise, they are just another marine who may or may not be able to articulate the needs of the Reserve component. So we are focusing on restructuring those 2,200 billets to provide, number one, the career potential and, two, the expertise that is needed across the big Marine Corps in order to understand the nuances.

The best opportunity I believe we have for the future here is to provide the continued numbers dollar-wise of ADOS money, formerly ADSW, to bring now the new qualified reservist on active duty for 2 or 3 years and provide them opportunities as they work through their personal continuum of service. Now you have an individual, whether it be officer or enlisted, who can talk both sides of the equation with a level of articulation that everybody needs. So that is the big picture of where we stand.

Senator MURRAY. Excellent. Thank you.

Admiral.

Admiral COTTON. The Navy has enough FTS. Just like the Marine Corps, we fully integrate them. We have got about 760 FTS deployed right now in support of combatant commanders getting joint experience. The Commission on National Guard and Reserve recommended we continue this integration. FTS stands for full-time sailor. We are part of the Navy, not separate Active and Reserve.

And I think the highlight of this right now is the commander of Task Force 76 off the coast of Myanmar, or Burma, is Rear Admiral Carol Pottinger on board U.S.S. *Essex*, and she is a full-time support admiral and she is fully integrated in command of a task force. So this is what Navy has done in the integration.

Senator MURRAY. Excellent.

FULL-TIME SUPPORT STRUCTURE

General STULTZ. I echo what Jack Bergman just said. I think in the Army Reserve, two things. One is we have got to reform the full-time support structure. We have got to get more integration with active components and Reserve soldiers moving back and forth between assignments so that we get that experience level. And we can take a soldier who is coming back—let us say he has been with the 101st at Fort Campbell. He has done two tours in Iraq. Maybe he comes back and his next tour is in a Reserve unit where he gets some dwell time, but also he brings that experience back to us and helps us train that unit. In the meantime, I take one of my soldiers and put him in the 101st and let him get that experience there. So we have got to start getting this continuum of service with soldiers moving back and forth.

In terms of the number, though, we still continue to need additional full-time support in our forces. Now, when I have talked to the Chief of Staff of the Army, General Casey, I have said there are two ways to go about it. One is to give me more additional full-time authorizations or give me back the full-time support that are in what I call the above the line. They are in the DA staff. They are in the joint staff. They are in the COCOM's.

I have got 2,700 full-time support soldiers that are Army Reserve that are serving outside of Army Reserve assignments. They are supporting the Army staff. They are supporting the joint staff. They are supporting a lot of other operations, good experience in some cases, but they are coming out of my ranks.

And so we are looking and saying we need to recapture that 2,700 whether or not it is an increase in our full-time support authorization to make up for that or to give them back to me so I can put them back into those units where the readiness really needs to be.

We also need more flexibility. This cycle we keep talking about—and it gets to what Senator Mikulski was talking about with reintegration. As a unit goes through a 5-year cycle that we are going to put them through, when they come back from theater and they are in year one, I probably need a full-time staff that looks like a supply sergeant to get my equipment straight and accounted for, maybe a chaplain for reintegration. I probably need a trainer to get school seats for soldiers who need to go to school, those kinds of

things, some admin people to get orders straight, get reassignments and promotions accounted for.

But 2 years from then when they are getting ready to deploy again, they are about 2 years from deployment, I probably need to change the mix of that full-time structure, and maybe I need a full-time commander and a full-time first sergeant and a full-time operations NCO. And so I think one of the things we have got to do is make the system we have got more flexible.

Senator MURRAY. And what is the barrier to doing that?

General STULTZ. Part of it is the type of structure we have—military technicians as full-time people who we do not have the capability to move around like that. And then our own systems of where we designate full-time positions and it takes, for lack of a better term, an act of Congress almost to get that changed. And that is our own bureaucracy. That has nothing to do with you. It is our own bureaucracy. We have got to get more flexible in the way we do things.

Senator MURRAY. Thank you very much.

Thank you, Mr. Chairman.

Senator STEVENS. Senator Durbin.

Senator DURBIN. Thank you, Senator.

MENTAL HEALTH

I would like to address an issue which is not talked about a lot, but needs to be. Admiral Mullen briefed us recently and gave us a very candid briefing about the state of our military in terms of problems they are facing, both in continuing to serve in theater and after they return. He spoke, I thought, in very candid terms and honest terms about the toll that this war has taken on many of our great citizen soldiers, as well as those in the regular Army and regular branches of the service. And he talked to us about the concern he has about how long we can continue to ask these men and women to make the sacrifices that they are making.

We recently received a report through the Veterans Administration, November 2007. It found that 42.4 percent of National Guard and reservists screened by the Department of Defense required mental health treatment after service. Many of these citizen soldiers do not live close to VA facilities and have some challenges there.

The recent VA data on suicide deaths among returning veterans from Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) indicate that Guard and reservists account for 53 percent of those suicides. Significantly, only one in five had been seen at a VA facility before they took their lives.

When it comes to these issues—heartbreaking issues—of divorce, mental illness, and suicide, can you tell me what is going on in each of your branches now, having watched this war over more than 5 years with repeated deployments, longer deployments, strains on individuals and families that they might never have contemplated? General Stultz?

SUICIDES

General STULTZ. Yes, sir. It is a big concern of mine.

Now, we have looked at the suicides. I will tell you that our suicide rates in the Army Reserve have not spiked or increased. We are averaging about 20 suicides a year. Now, we used to report only those suicides that occurred while the soldier was on duty. We changed that policy because I said, no, when I lose a soldier, I lose a soldier. It does not matter if he is on duty or off duty. And it is my responsibility. So we have been tracking them for the last 3 years, and we have averaged right at around 20.

We have looked at the suicides and to date we cannot correlate anything with the deployment and the suicide rate. A lot of my suicides occur among soldiers who have never deployed, who are not facing deployment. They just have some kind of traumatic events in their life. And so in that relationship, I said, I cannot make the correlation yet. However——

Senator DURBIN. Excuse me. The 20 is for Army Reserve?

General STULTZ. Yes, sir.

Now, that being said, just as I spoke with Senator Mikulski about, what does concern me is the stress. What I have told my soldiers is everybody suffers stress from deployment. Everybody does. When I was gone for 22 months and came back and I went back to my civilian life at Proctor & Gamble and I was sitting in a board room talking about how many sizes of Charmin toilet paper do we need on the shelf, I could not take it. I said this has nothing to do with what is the reality in the world. That is stress. Now, how you deal with that is one thing.

But what we have got to recognize is every one of our soldiers goes through stress, and to me, every one of them needs to go through the mental counseling. Do not make it voluntary. Make it mandatory that everybody gets screened so that there is no stigma attached to it. And you do it 3 to 6 months after they come back.

Senator DURBIN. That was an excellent suggestion. I heard exactly the same thing from returning guardsmen in Illinois when they were sent to Fort McCoy in Wisconsin and asked, "Before you go home, do you have any problems?" The answer was, "Of course not." And they did. They just did not want to, in any way, be delayed in going home.

General STULTZ. Well, I think the other thing we cannot forget is the families and the kids. They suffer stress also. They have got to be part of this process.

I went down to Camp Rockfish last summer, which is one of our summer camps we have for children of soldiers that are deployed. We have Operation Purple Camps for all services, and then we have some Army Reserve camps. And we were talking to one of the counselors down there, and he said, you just got to understand what is going on in these kids' minds. Two young boys sitting there talking to each other and one of them said, when my dad comes back, and the other one said, they come back? He assumed he had lost his father. We have got to understand those kids. We have got to get them reintegrated also. So the stress is not just about the soldier. It is about the entire family. We have got to address that.

Senator DURBIN. Are you tracking divorce rates as well?

General STULTZ. Not to the extent we probably should, no, sir.

Senator DURBIN. Admiral.

MENTAL HEALTH

Admiral COTTON. I agree with everything Jack just said. We have had the same experiences.

I will add one thing, though. Going as a unit is far different than as an individual, and we are doing 1-year deployments for these provincial reconstruction teams, 15 months in some cases, prison guard duty, this kind of stuff. So it is tough on an individual family. This is where our total Navy has come into play, whether Active or Reserve. We shoot it exactly the same way. We used to have Reserve centers. We do not have them anymore. They are Navy operational support centers and they are manned by Active and Reserve in a State, Illinois, for example. And so anybody can get assistance there.

I have said before that we mobilize well and we fight well. We do not do well when sailors come home. We have found that at the 3-month, 6-month, maybe as late as the 9-month mark, we need a celebration of their service through a returning warrior workshop. They go to a nice hotel at about $800 per person or couple and celebrate who they are, what they did, receive certificates, and are treated to a nice dinner. This is also when the onset of the PTSD usually kicks in, like Jack said, and this is where you have representatives from the VA, other organizations there with phone numbers, Web pages, cards, handouts, so we aggressively go after these kind of things. And that has really helped here. But we have learned this over time. So that is one of the solutions we have.

Senator DURBIN. General Bergman?

General BERGMAN. Yes, sir. To echo what John and Jack have both said, unit deployment is key. Unit cohesion is key. We as the Marine Corps Reserve deploy our units largely as infantry battalions or squadrons. So they are together before they go. They are together after they come back so that minimization of isolation, especially after they return, is a big positive factor.

Plus, we only deploy into theater for 7 months, whether you are Active or Reserve in the Marine Corps, because we maintain a worldwide base forward presence that a 7-month deployment works for us as a service. That helps. But that reservist, of course, when they mobilize, is still gone for a year whether they are across the street or across the world.

The critical time after returning in our force generation model is that first year to allow them to reintegrate into their home life, their business life, but maintain whatever level of connection with that Reserve unit while they now rebalance their personal life. The positive connection helps. We do track that.

A challenge with tracking some of the folks is from the IRR, the Individual Ready Reserve, who come from all over the country as individuals and then return—our mobilization command tracks that better than we did before because we are now aware of the numbers that we have involved. And 16,038 folks today from the IRR are mobilized, and almost all of those are forward deployed.

Sometimes when a person gets back from deployment, they leave a unit. We are providing avenues for if they do not stay in touch with us, we are not hesitant to stay in touch with them. As ma-

rines tend to do, we tend to be a little direct at times, and it works because they know in that directness we care.

Senator DURBIN. Thank you.

General Bradley.

General BRADLEY. Senator Durbin, my colleagues have given you some good, thorough answers with which I would completely concur.

What I would say in addition is we do a lot of deployments as units, but we do, in the Air Force, a lot of individual deployments. I agree having units together is better and we have done a lot of restructuring of the deployments that we do to the AOR to gather more of our people from a unit together in one place. So we gather hundreds of reservists at one place instead of spreading people out more. That is helpful.

We also, when we bring them home, whether they are individuals or units, they immediately go to their families. We do not send them to a mobilization center or something. So we have a different approach on that. I think, as General Stultz mentioned a moment ago, getting people back to their families fast helps.

Also, having unit contact. We put great emphasis in our units on commanders and supervisors, first sergeants, senior enlisted folks, looking after our people and their families before deployment, during deployment, after deployment to make sure we stay in touch with these folks and have a handle on this.

There are many things we can do better, but I think we look after this fairly well. But we still worry about that stress. I would not compare the deployments that my airmen do to those that General Bergman's or General Stultz' soldiers and marines do due to length. Our deployments are maybe 4 months long or sometimes even shorter. Theirs are 7 months, 12 months, very lengthy, tough deployments. So no comparison there, I think. But there is still stress because my units are doing multiple deployments. As I mentioned earlier, many have deployed four and five times, shorter tours, but it is a lot of turmoil in family and their employment life. So that adds stress.

EMPLOYERS

Senator DURBIN. Let me ask one last brief question. How important is it when employers of your members of the Reserve are willing to make up the difference in pay for those who are activated? Is that important?

Admiral COTTON. I would say it is huge. We just had a brief yesterday from the Assistant Secretary of Defense of Reserve Affairs of a study that was just done on this. And I just have to compliment the employers of America and what they are doing for our Guard and Reserve. We are in a long war. They have stuck with them. If anything, I think it is accelerating at home. That is a really good sign.

Senator DURBIN. Thank you. I have tried for 5 years to get the largest employer of Guard and Reserve, the Federal Government, to do this, and I failed. But I will keep trying. Thank you.

I have also submitted a statement that I would like to have entered into the record.

[The statement follows:]

PREPARED STATEMENT OF SENATOR RICHARD J. DURBIN

Chairman Inouye and Senator Stevens, thank you for your leadership in addressing a very important part of our nation's armed services—our National Guard and Reserves.

*The Long War*

Over 1.6 million servicemen and servicewomen have now served in Iraq or Afghanistan. Over 262,000 have served as Guardsmen and 208,000 have served as Reservists. We have lost 454 National Guard soldiers in Iraq, almost five times as many as were killed in Vietnam.

The war in Afghanistan has gone on for seven years. It will last longer than Vietnam. There still is no end in sight.

This summer, Illinois will see the largest deployment of its National Guard since World War II.

2,700 Illinois National Guard members will deploy to Afghanistan, where they will help train the Afghan National Army and the Afghan National Police. For some, the deployment will be their second, third, or even fourth during their service.

These are the outstanding men and women of America. We ask them for their service, their strength, their courage and fortitude. They will spend a year using their talents to help rebuild Afghanistan.

*Looking Out for Reservists*

Deployed Guardsmen and Reservists don't just leave behind their families and their jobs. They often leave behind higher civilian salaries. A pay cut hurts any family, but it is especially painful for a family that also sees a mother or father deployed to war. I've offered legislation requiring employers to cover the salary difference for Guardsmen or Reservists called to active duty. I think it's right thing to so.

There are several good proposals for improving conditions for our Guardsmen and Reservists. Perhaps the most overdue is Senator Webb's GI Bill that improves educational benefits for all members of the military, including the Guard and Reserve.

*"Stop-Loss"*

But it isn't just about the benefits we make available. We need to respect the decision to step down from service, when a service member decides he or she is ready to move on to the next phase of their lives.

Today, the Pentagon prevents some from leaving the service even if their tour of duty is soon to be completed.

Defense Secretary Robert Gates issued an order in January 2007 to minimize "stop loss" for the active and reserve forces. The Army now says it will continue this practice well into 2009. At this time last year, 8,540 soldiers were serving involuntarily. Today, that number has surged by 43 percent.

We need to end this "back door draft" approach—and let these brave men and women move on to the next phase of their lives.

*Caring for Reserve Veterans*

I know we're here to talk about those who are serving, but we can't ignore the toll this service is taking on those who have served.

Veterans from Iraq and Afghanistan are coming home with higher rates of traumatic brain injuries (TBI), post-traumatic stress disorder (PTSD), and depression, among other physical and mental wounds.

One in five suffers from TBI. One in five suffers from PTSD.

I introduced a TBI bill last year that was enacted as part of the Wounded Warriors title in the fiscal year 2008 Defense Authorization Act.

And we've expanded the VA's polytrauma capabilities to help veterans—active duty, Guard, or Reservist—suffering from multiple traumas, such as traumatic brain injuries, hearing loss, fractures, amputations, burns, and visual impairments.

These injuries are not always obvious or easy to identify, and once they are identified they will require a lifetime of care. But we owe our men and women in uniform at least that much. We're starting to see what happens when we skimp on diagnosing and treating these wounds.

*Impact to Illinois*

My home state of Illinois is feeling the impact of this war.

The Illinois Department of Veteran Affairs, led by Tammy Duckworth, launched the Illinois Warrior Assistance Program—a first in the nation program that will screen returning Illinois National Guard members for a traumatic brain injury (TBI). The program also offers TBI screening to all Illinois veterans, and a 24-hour

toll-free psychological helpline for veterans suffering from symptoms associated with Post Traumatic Stress Disorder (PTSD).

The Illinois Army National Guard needs more equipment. It has 61 percent of the "dual use" equipment it needs—equipment that can be used at war and at home for defense or disaster response.

The 2,700 soldiers deploying to Afghanistan this year serve in the 33rd Infantry Brigade Combat Team, at Urbana, Illinois.

To support this mission, the 33rd recently received $80 million for equipment. But at the same time, more than 30 percent of the Illinois National Guard's vehicles are outdated.

*Conclusion*

We need an honest and candid dialogue about the true cost of this war—not just the cost of fighting it abroad, but the cost to families, employers, and opportunities lost.

I look forward to learning what more we can do.

Senator STEVENS. Thank you very much.

Senator Cochran.

Senator COCHRAN. Mr. Chairman, thank you and thank all of you for being here today to be sure we understand and have the facts we need to help support your mission and help assure your success in defending the security interests of our country. We know this is a tough time and there is a lot of stress and questions, unknowns out there in the minds of those under your commands. And we appreciate the sensitivity that you have and that you have indicated this morning to the challenges to families and to the stability of communities in our country. We thank you for your service.

I know Admiral Cotton has this returning warrior program. You mentioned that a while ago. I am curious to know if the other services have anything similar to that. General Stultz.

RETURNING WARRIOR PROGRAMS

General STULTZ. Yes, sir. We have had, for some time, a reintegration program. Now, part of the challenge we had was the policy from the Secretary of Defense that was put out initially that said when a unit returns, for the first 90 days, there is a blackout period before they are able to drill again to come back together. We just recently got that changed because we said, no, we need to get our hands on that soldier immediately after they come back so that we can get hands on, we can talk. Plus, the soldier wants to get back with his comrades. So that was the first step, to get that policy changed.

The next step is this Yellow Ribbon Program which the Secretary of Defense and others are now pushing us to say we—they recognize that we have got to get a systematic approach that is not just you come back and 2 weeks later you are done. It is 3 months, 6 months, whatever approach, just as General Bergman said, almost a 1-year integration plan. So we are starting to put together those types of programs.

We do have programs like Strong Bonds, which our chaplains put on, where we pay for the couples to come together and talk about it like a marriage enrichment retreat. We started last year a singles program because we had a lot of single soldiers that said, what about us, and helping them dealing with problems, get reintegrated.

But we have got to do better at formalizing that and not just making it as here is where we can do this in a case-by-case basis,

but across the force. That is going to take money. It is going to take money to pay for, just as John said, getting them together in a hotel environment where you can bring the family together. It is going to take some money to bring in those types of services we need, whether it is mental screening or physical screening, or those types. But I think it is something we have got to do. If we are going to have an operational force, if we are going to be in an age of persistent conflict and we are going to call on the reserve components as we have to sustain this war, then we have got to put those kind of programs in effect.

Senator COCHRAN. General Bradley, what about the Air Force? What do you have?

General BRADLEY. Senator Cochran, sir, we do not have a formal program like Admiral Cotton described, but on a unit level, we do many things. Different units do this different ways, have welcome home ceremonies. They may have a barbecue welcoming people back, have their families, et cetera. Different units do it different ways.

We send people out as much as we can. I and other senior leaders in the Air Force Reserve try to go out and welcome people home off deployments. We like to shake hands when they get off the airplane and thank them for their service. And I go out as much as I can to visit units and thank people for what they do.

We do not have that kind of formalized program. Perhaps we should look at something like that. But each of our wings have different ways to introduce them to their families and units and thank them for their service, but no formalized program.

Senator COCHRAN. General Bergman.

General BERGMAN. Yes, sir. Both the Active and Reserve components of the Marine Corps have a defined return reunion program for the families. It varies after the point where that unit demobilizes, and now as the Reserve component, we spread out events over that year timeframe because we know for a fact, like we joke about in some ways before they leave, if we are having a family event right before that unit leaves, those folks are not paying attention to what is being briefed. They are holding onto their loved one. They know they are leaving.

When they return, they are still holding onto them because they are glad they are back. So we try to make sure that the program that is presented meets the immediate needs and keeps the door open, so 30 days, 60 days, 90 days down the road, if something develops, now they know that they have a place to go to get help. That is key.

Senator COCHRAN. We appreciate very much your leadership, and thank you very much for cooperating with our subcommittee and giving us the facts we need to help you and help defend the security interests of our country.

Senator STEVENS. Senator Bond.

Senator BOND. Thanks very much, Senator Stevens.

I want to say a sincere thank you to the great work that you are doing in leading a vitally important part of our combined forces. Without the Reserve, we would be in terrible condition, and your efforts have made a huge impact.

I am particularly proud of the Reserve A–10 unit at Whiteman Air Force Base which, I believe, has been three times to Afghanistan and apparently is preparing to deploy again. I would appreciate any comments that you have on that.

RESERVE A–10 SQUADRON

General BRADLEY. Senator Bond, I was bragging about that unit in my opening statement. I am glad you are here because I told them I would love to talk to you about it. I am very proud of them. In fact, I was honored to be the wing commander of that unit almost 20 years ago.

There is not a better unit in the Air Force Reserve than that wing at Whiteman, and they deployed last week to Baghram, Afghanistan for the third time. And I am going to visit them at the end of this month when I go over to Iraq and Afghanistan. And I will be proud to see them. They are fabulous airmen who are doing great work for America, doing close air support for soldiers and marines, NATO, and other coalition partners there in Afghanistan.

They are indicative of the other airmen we have in the Air Force Reserve, but I will tell you they are special. They also spent 9 months on the ground and in the air over Iraq from March to November 2003. So in 5 years, this is their fourth combat deployment, and I am very proud of them. And I will pass on your regard to them when I visit.

Senator BOND. Please do and give them not only our thanks and congratulations, but best wishes. Thanks very much.

General BRADLEY. Yes, sir, I will. Thank you.

Senator BOND. Thank you, Senator.

Senator DURBIN. Senator Stevens, if I might just make a comment. I would like to acknowledge, if it has not been acknowledged, that General Bradley is a few weeks away from retirement after more than 41 years of service to our country, and thank him personally for all that he has given us.

General BRADLEY. Thank you, Senator Durbin, and I have two colleagues who are not quite as old as I am who are leaving as well. And I am proud to serve with them.

Senator DURBIN. I wish you all the best. Thank you.

Senator STEVENS. Well, thank you very much.

Senator MIKULSKI. Senator Stevens, could I also make a comment, just a very brief one?

Senator STEVENS. Yes.

Senator MIKULSKI. We could talk even more with you, particularly in the area of Reserve medical units like the *Comfort*, homeported in Baltimore.

But I just want to thank you for your candid, very candid presentation here today to really talk about what more—whether it is the marines, the Air Force, the Navy, or the Army does. I just found the candor and the bluntness in the way you are standing up for the reservists to be really refreshing, and I wanted to thank you for both your service but really your advocacy for the men and women who serve under you.

ELMENDORF AIR FORCE BASE

Senator STEVENS. General Bradley, there was an experiment really at Elmendorf Air Force Base when you took the Air Force Reserve and melded them in with the active duty as far as the F–22 is concerned. Now, I understand that experiment is going to be followed now at Holloman Air Force Base in New Mexico. Would you tell the subcommittee members here what you have done and how that improves the whole operation as far as the total Air Force is concerned?

General BRADLEY. Yes, sir. I would be very glad to.

What you are talking about at Elmendorf Air Force Base is what we in the Air Force refer to as an associate concept where we have one set of airplanes that belongs to a particular wing and that wing, whether it is Active or Reserve or Guard, owns those aircraft. And then we put another organization alongside it that associates with it, and they have people who work on and fly those aircraft as well. We have done that in Alaska. We are hiring maintenance personnel. We are hiring pilots to fly our F–22's there.

And it has been very successful. I saw the active duty wing commander, General Tinsley, 2 weeks ago, and he told me he is so happy with the way this is working. And his reservists are doing tremendous work for him.

We do this all over the Air Force. Senator Murray is gone, but at McChord Air Force Base, Washington, we have a similar operation in the C–17.

We do it in many of the aircraft systems. It provides more capability, more people to work on and fly airplanes because the airplanes are more capable today than they used to be. And we need to keep them in the air more. Just as the airlines like to keep airplanes in the air, we need to keep them in the air so they can do more work because we have fewer aircraft today. So this provides more accessibility of the aircraft to the active Air Force and it also provides an experience base of guardsmen and reservists who are able to help fly these.

We have a unit in Senator Durbin's area at Scott Air Force Base, Illinois, that does this with distinguished visitor airlift and special assigned mission aircraft, Active and Reserve working together.

So at Holloman Air Force Base in New Mexico, as you asked, Senator Domenici—I have spoken to him about this. We are going to stand up a similar organization at Holloman to the one we have at Elmendorf Air Force Base where we will have Air Force reservists flying and working on the F–22 right alongside active duty airmen who fly and maintain the aircraft.

It is a great concept. We have been doing it actually in some parts of the Air Force Reserve for 40 years in the air mobility business. So this association concept works well, and we do it whether it is the Reserve associating with the Active or Active associating with us. So in different cases, a different component may own the aircraft actually and the others associate with it. It is a proven concept that works.

Senator STEVENS. Thank you very much.

## ADDITIONAL COMMITTEE QUESTIONS

The chairman and I will have some questions we will submit to you. I request you respond to them at your convenience.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

### QUESTIONS SUBMITTED TO LIEUTENANT GENERAL JACK C. STULTZ

### QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

#### YELLOW RIBBON INTEGRATION

*Question.* Gentlemen, the Department is establishing a Yellow Ribbon reintegration program for all reserve components. I know that many of the reserve components have already been providing reintegration programs. What is your component doing to support the reintegration of reservists returning from deployment and do you expect your program to change significantly with the introduction of the Yellow Ribbon program?

Answer. The Army Reserve currently provides reintegration activities to our Soldiers and their Families through the entire deployment cycle. Activities include Marriage Enrichment Retreats, Single Soldier Retreats, Pre-deployment briefings and homecoming and reunion workshops for Family members.

The Office of the Secretary of Defense Memo dated April 15, 2005 on Policy on Involuntary Training Following Demobilization prohibits military training for at least 61 days following a deployment. The Yellow Ribbon Program will dramatically expand our current reintegration activities by allowing us to bring Soldiers on duty shortly following deployment along with their Family members specifically for reintegration activities. This will help us better identify and provide help to our veterans who are experiencing difficulties.

Additionally, our intent is to gather Families at the time of unit alert and again at pre-deployment processing to prepare them for extended deployments and help identify Families in crisis or those requiring additional support. We are developing the curriculum for our commands, utilizing medical and community resources, to provide counseling and initial intervention for those in need, as well as the outlets to help them overcome a myriad of issues based on stress, trauma, or Family crisis. While our Soldiers are deployed, Yellow Ribbon gives us the ability to invite Family members to the unit, on travel orders for one day, approximately 60 days after the start of the deployment and again, for one day 60 days prior to their return to continue to help the Family with existing or new issues that may arise. Once the unit returns home, we will begin the reintegration process by conducting three reintegration weekends centrally located to the command. The first two reintegration weekends requiring Soldiers and inviting Family members to attend will be held regionally and at centralized, off-site locations. Contracted professional child care will be available to those Soldiers who have small children. The third reintegration weekend will be for Soldiers only. All events will focus on reintegration back into the Family and community, and help identify medical issues that may begin to surface. We are engaging our Combat and Operational Stress Teams, the Military Family Life consultants, and the U.S. Public Health Service to help provide the expertise and classes to accomplish these reintegration events and activities.

We expect the Army Reserve Yellow Ribbon events to help reduce the stress of combat and extended deployment and separation, reduce domestic violence, reduce the number of suicides, lessen financial difficulties and allow for more timely intervention for those suffering from emotional disorder, mild traumatic brain injuries (concussion) and post-traumatic stress disorder.

#### ARMY RESERVE—FULL TIME SUPPORT (FTS)

*Question.* General Stultz, the Army Reserve has identified a requirement of an additional 9,000 full time personnel to support training and mobilization activities. The fiscal year 2009 budget does not request a significant increase in full time support personnel. Why has the Department not supported a significant increase?

Answer. The Department does not support a significant increase because they are currently conducting an extensive study on the Full Time Support (FTS) required for an Operational Reserve. In addition, the United States Army Reserve is also conducting its own analysis of the entire FTS structure.

*Question.* And do you believe that the shortage of full time support is affecting the operational readiness of the Army Reserve?

Answer. Yes, today's full-time personnel are major contributors across the full spectrum of the United States Army Reserve (USAR) operations. Fighting the Global War on Terrorism underscores the vital role Full Time Support (FTS) personnel have in preparing units for the multitude of missions both at home and abroad. The USAR Army Guard Reserve (AGRs) sustain the day-to-day operations of the entire USAR. The readiness level of the USAR units is directly tied to its FTS program.

*Question.* The Army Reserve's full time support personnel (Active Guard and Reserve personnel and Military Technicians) currently comprise 11.9 percent of its end strength, compared to 34 percent for the Air Guard and approximately 17 percent for the other reserve components. Only the Army Guard, with 15.9 percent full time support, is faced with a similar full time support shortage. A 1998 study, re-validated in 2006, supported the addition of 9,200 full time support personnel, bringing full time support to 16.8 percent of the Army Reserve's endstrength. The Army Reserve argues that even more full time support is now justified because of GWOT-related training and mobilization requirements. A new study is currently ongoing, with a December completion date, to re-evaluate full time support requirements.

Recently, the Senate Armed Services Committee authorized an additional 3,300 full time support in their fiscal year 2009 bill. The Army Reserve has not yet provided cost estimates for this increase. In addition, although the Army Reserve is now meeting its recruiting goals after a year or two of lackluster performance, it might still be difficult for the Reserve to recruit that number of full time personnel in one year.

General Stultz, the Army Reserve has struggled to achieve its recruiting mission in previous years, if given the authority and funding to increase your full time support levels in fiscal year 2009, how many positions could you fill?

Answer. At this time the United States Army Reserve (USAR) can fill 3,000 AGR positions in fiscal year 2009 if given the authorizations. Although the USAR has struggled in achieving its Troup Program Unit (TPU) end strength, we have successfully and consistently met the AGR end strength. As a result, we are confident we could fill the additional AGR authorizations.

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## QUESTIONS SUBMITTED TO LIEUTENANT GENERAL JOHN A. BRADLEY

### QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

#### FORCE REALIGNMENTS

*Question.* General Bradley, the Air Force Reserve has been implementing several force structure adjustments as part of the Total Force Integration and base closure initiatives. The resulting closures and mission realignments have hurt Air Force Reserve retention. Now, as an additional cost saving measure, the Air Force is considering closing several reserve bases and transferring the units and personnel to active duty bases to reduce base overhead costs. How do you think this will affect the Air Force Reserve? Are you concerned that this will hurt retention levels?

*Background*

The Air Force Reserve is undergoing significant force structure adjustments. As part of the Total Force Integration plan, the Reserve is working to pool equipment and personnel resources with the active Air Force to maintain capabilities at a lower cost by associating a reserve unit and active unit with the same set of equipment. At this same time, the BRAC Commission realigned Air Force assets at over 100 facilities, recommending some bases close and other realign equipment and personnel. These changes affect 26 of the 37 Reserve locations.

The Air Force Reserve is very concerned about how these additional changes are affecting retention. Reserve forces are not as mobile as those of the active force so base closures and mission reassignments threaten to hurt personnel retention as many airmen choose not to follow their unit to another base or to learn a new skillset to perform their unit's new mission. Since these initiatives began in fiscal year 2005, the Air Force Reserve has seen a 2.2 percent decrease in retention levels with the largest losses coming from 1st and 2nd term personnel.

Now, just as the Air Force Reserve is more than halfway through this wave of restructuring, additional cost saving measures are being examined. In an effort to reduce base overhead costs, the Air Force is considering eliminating many reserve bases and relocating the unit and affiliated personnel to an active duty base. This realignment could cause the same retention difficulties created by the Total Force

Integration and BRAC initiatives because many reservists may chose not to uproot their families and leave their civilian jobs to follow their unit to a new base.

General Bradley, when do you expect the Air Force to make a decision on whether to go ahead with this restructuring?

Answer. The fiscal year 2009 President's budget request does not include any programmatic closing of additional Air Force Reserve bases beyond measures directed by the Congress in the 2005 Base Realignment and Closure round. The Air Force is currently deliberating its fiscal year 2010–15 Program Objective Memorandum (POM) submission to DOD, and as such, looks at many possible options to fund Air Force requirements. Most of the options discussed during this process never make it into the final submission to DOD. Since these options are pre-decisional it would be pre-mature to discuss any of the multiple scenarios that may be a part of the POM submission in a constrained fiscal environment. But Congress will be notified as soon as the fiscal year 2010 PB is final and releasable.

YELLOW RIBBON REINTEGRATION

*Question.* Gentlemen, the Department is establishing a Yellow Ribbon reintegration program for all reserve components. I know that many of the reserve components have already been providing reintegration programs. What is your component doing to support the reintegration of reservists returning from deployment and do you expect your program to change significantly with the introduction of the Yellow Ribbon program?

*Background*

The Yellow Ribbon program is a reintegration program for reservists returning from deployment. The program invites service members and their families to attend a weekend reintegration seminar at 30, 60, and 90 days after returning from deployment. It was started as an Army Guard program in Minnesota and is currently operational in a dozen states. The fiscal year 2008 authorization bill required the Department to establish a Yellow Ribbon program for each of the reserve components. To date, efforts are still in their infancy and the reserve components have not been given clear guidance about how to implement the Yellow Ribbon program and how to integrate it with any existing reintegration programs. So far, the Army is the only service to require military personnel to attend reintegration training, for the other components it is either optional or is incorporated into normal weekend drill activities.

Admiral Cotton, General Bergman, and General Bradley, I have been told that currently reintegration training is only mandatory for the Army, have you considered requiring your service members to attend reintegration activities?

Answer. Given the purpose of the Yellow Ribbon Reintegration Program, it is very likely that the required training will be mandatory and although optional for family members, will be strongly encouraged. High emphasis will be placed on providing our Airmen and their families with sufficient information, services, referrals and proactive outreach opportunities throughout the deployment cycle. Our mobilization process is often not unit based as compared to the Army and therefore our deployment distribution varies widely depending on the mission demands. Mass reintegration activities may not be our best avenue to help. We would also like the opportunity to personalize our efforts. Therefore, we are exploring the most efficient, effective, and creative ways to take care of our deploying Airmen and their families. We are currently exploring the use of telephonic outreach, screening and advocacy services by licensed behavioral health clinicians to personally contact and follow our deployed Airmen at the 30/60/90 day intervals. At the same time, we are taking a hard look at our current policies and perceptions to lessen concerns and stigma associated with seeking help. Available counseling services will be presented positively and communicated in a way that by electing to receive help, the Reservist's career will not be jeopardized. We also realize that trust must be built before reintegration activities achieve their intended purpose, mandatory or otherwise.

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QUESTIONS SUBMITTED TO LIEUTENANT GENERAL JOHN W. BERGMAN

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

REINTEGRATION TRAINING

*Question.* General Bergman, I have been told that currently reintegration training is only mandatory for the Army. Have you considered requiring your service members to attend reintegration activities?

Answer. Yes. As we move forward in our planning, we envision providing some of these activities at mandatory events, such as drills or musters.

RESERVE REINTEGRATION

*Question.* What is your component doing to support the reintegration of reservists returning from deployment and do you expect your program to change significantly with the introduction of the Yellow Ribbon program?

Answer. Since deployments commenced in 2003, the Marine Corps Reserve has developed and implemented programs to support Reserve Marines and their families, from predeployment through reintegration. The recent authorization to involuntarily activate Marines from the IRR introduced new challenges, and we expanded our embrace to Marines who had no experience with the Reserve, families who may have had no experience with the Marine Corps at all, and families dispersed far from any Marine Corps facility. Throughout the deployment cycle, we have experienced tremendous support from local communities and volunteer agencies, and see the Yellow Ribbon Program (Joint Deployment Support and Reintegration Program) as a tremendous asset in coordinating all of the available support. We also view the funding as an important component of the program, allowing Marines and their families to travel to activities that may have been otherwise impractical.

They JDSRP will open many doors for us, allowing the Marine Corps to tap into and share assets with other services, the State National Guard Bureaus, and the multitude of support services available through state and federal Veterans Administrations. It has defined the criticality of supporting Marines and their families throughout the four stages of deployment, but we are most aggressively formulating plans specifically designed to support the reintegration of our returning IRR Marines.

Current reintegration activities include:

—Tailored in-theater training for our unit leaders, focusing on combat operational stress control (COSC) programs (the symptoms and risks of untreated combat stress, how to recognize it, and both in-theater and home base resources to assist in its treatment).

—A standardized "Warrior Transition" presentation is delivered to each unit prior to leaving the theater of operations by the unit chaplain or CREDO trained chaplains.

—A standardized "Return and Reunion for Marines" presentation has been developed for delivery in theater by Chaplains or other qualified personnel. All Marines receive this brief before returning home.

—Upon arrival at the home location, Marines are made aware of the supportive services available through the Chaplains, Marine Corps Community Services (MCCS), Medical Treatment Facilities (MTF's) and Military One Source.

—To the maximum extent possible, Commanders are advised to allow time (through half work days perhaps) for returning Marines to "decompress" from their battlefield experience.

—Upon arrival at the home location, a Command Safety brief takes place prior to Marines being sent on liberty. This usually includes aspects such as standards of conduct, safety, alcohol and substance abuse, sexual harassment, suicide prevention, stress and anger management, and financial management. Our families also receive return and reunion information and support to ensure successful homecomings.

—Managed Health Network (MHN), one of the nation's leading mental and substance abuse health care organizations, provides counseling specialist(s) to individual units who are remotely located and unable to access local services and/or to augment local counseling providers. MHN is available to assist with predeployment briefs, deployment issues and especially return and reunion/reintegration issues.

—Post deployment telephonic contact for IRR Marines from Managed Health Network care providers at least once per month for three months after return from deployment and periodically for the following nine months.

—IRR administrative screening musters at Marine Corps Reserve sites, in large metropolitan areas and at Veterans' Administration hospitals which tie Marines into local services and employers as well as introduce them to VA and VA services.

We envision educating our dispersed families not only through web based support but through partnering with other service programs such as CREDO and Strong Bonds. We see moving beyond educating our Marines and families, and are even now working to build stronger relationships with employers and educational institutions, to ensure that our Marines have support in all aspects of their reintegration.

While the "Yellow Ribbon Program" is still in its infancy, we have provided a Reserve Marine representative to the Joint Deployment Support and Reintegration Program office and have worked with them already on our specific challenges and potential solutions. We coordinated most recently for the JDSRP office and the other Service Reserve Agencies, at the annual DOD IRR Conference.

RECRUITING AND RETENTION BONUSES

*Question.* General Bergman, to continue recruiting and retaining good people despite the high operational tempo, the Marine Corps Reserve has tripled bonuses this year from $5 to $15 million. The fiscal year 2009 budget requests only $5 million for bonuses. Do you believe that is sufficient to maintain your recruiting and retention efforts?

Answer. The fiscal year 2009 incentive dollar figure of $3.6 million was the original planning figure submitted during the budget programming process in the previous years. The fiscal year 2009 budget, like the fiscal year 2008 budget, will be adjusted to meet the Selected Marine Corps Reserve recruiting and retention requirements. The tentative dollar amount for fiscal year 2009 is $15 million, which we believe to be sufficient to maintain our recruiting and retention.

OPERATIONAL TEMPO AND MORALE

*Question.* How is high operational tempo affecting morale?

Answer. One of the methods used to gauge the morale of the troops is to look at retention and reenlistment rates. Our reenlistment rates have held steady over the past few years, indicating Reserve Marines are showing a desire to continue their service even during this period of high operational tempo.

Also, we have had over 200 Reserve Marines so far this fiscal year request to augment to active duty. Some of this is due to the fact that the active component has been authorized to grow to 202,000 and some new incentives have been introduced for augmentation. But also, we have seen a good number of Marines request to augment to active duty after demobilizing because they get a taste of the active duty lifestyle while activated and desire to stay active.

The Marine Corps Reserve continues to recruit and retain quality men and women willing to manage commitments to their families, their communities and their civilian careers, and their Corps. In fiscal year 2007, the Marine Corps Reserve achieved 100 percent of its recruiting goal for non-prior service recruiting (5,287) and exceeded its goal for prior service recruiting (3,575).

One of the initiatives we have implemented to help prepare Marines to serve during periods of high operational tempo, is the Total Force Generation Model.

The implementation of the integrated Total Force Generation Model lays out future activation, deployment and dwell schedules for Marine units. This predictability allows the individual Reserve Marine to strike a balance between family, civilian career and service to community as well as country and Corps by being able to confidently plan for the future.

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## QUESTIONS SUBMITTED TO VICE ADMIRAL JOHN G. COTTON

## QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

YELLOW RIBBON

*Question.* The Yellow Ribbon program is a reintegration program for Reservists returning from deployment. The program invites service members and their families to attend a weekend reintegration seminar at 30, 60, and 90 days after returning from deployment. It was started as an Army Guard program in Minnesota and is currently operational in several states. The fiscal year 2008 authorization bill required the Department to establish a Yellow Ribbon program for each of the Reserve Components (RC). The program is being fully established, with OSD (RA) as the lead, to assimilate it with any existing reintegration programs. So far, the Army is the only service to require military personnel to attend reintegration training, for the other components it is either optional or is incorporated into normal weekend drill activities.

Gentlemen, the Department is establishing a Yellow Ribbon reintegration program for all RCs. I know that many of the RCs have already been providing reintegration programs. What is your component doing to support the reintegration of Reservists returning from deployment and do you expect your program to change significantly with the introduction of the Yellow Ribbon program?

Answer. Navy Deployment Support Programs were expanded to support Individual Augmentations (IAs) from both the RC and Active Component (AC), and they provide support through all phases of the Deployment Cycle.

The primary reintegration event for returning mobilized personnel is the Returning Warrior Workshop (RWW), a weekend retreat in a non-military setting designed to attract spouse participation. The participating Sailor and spouse are provided cost orders to attend, and it satisfies an RC Sailor's drill obligation. The RWW assists members and their families in identifying any immediate or potential issues, and provides access to resources to resolve those issues. A key element of the program is a dinner honoring the Sailors' service and recognizing family members' sacrifices. The desired timeframe to attend an RWW event is approximately four to six months after deployment. Events are held in a wide variety of geographic locations, enabling Sailors and their families to attend. Attendance is voluntary, but strongly encouraged.

The RWW Program has requested and received additional funding, and it is undergoing a significant expansion in fiscal year 2008. The revised program will meet many of the additional requirements contained in the Yellow Ribbon Reintegration Program legislation.

REINTEGRATION ACTIVITIES

*Question.* Admiral Cotton, General Bergman, and General Bradley, I have been told that currently reintegration training is only mandatory for the Army, have you considered requiring your service members to attend reintegration activities?

Answer. The Returning Warrior Workshop (RWW), a weekend retreat in a non-military setting designed to attract spouse participation, remains the primary reintegration event for returning mobilized RC personnel. Events are held in a wide variety of geographic locations to make attendance easier for Sailors and their families. The attending Sailor and spouse are provided cost orders to attend, which also satisfies the Sailor's drill obligation. The RWW assists members and their families in identifying any immediate or potential issues, while also providing access to resources to resolve those issues. A key element of the program is a dinner honoring the Sailors' service and recognizing family members' sacrifices.

Attendance at an RWW is currently voluntary, but strongly encouraged. The RWW Program has requested and received additional funding and is undergoing a significant expansion in fiscal year 2008. As part of that expansion, we are reviewing alternatives to making the program mandatory for Sailors deploying in excess of 180 days. The revised program will meet many of the additional requirements contained in the Yellow Ribbon Reintegration Program legislation.

NAVY RESERVE OFFICER RECRUITING

*Question.* Although the Navy Reserve achieved its overall recruiting goal in fiscal year 2007 after falling significantly short in fiscal year 2006, the Reserve still fell far short of its officer recruiting goal. The Navy Reserve fell short of its recruiting goal by 48 percent in fiscal year 2007 and 56 percent in fiscal year 2006. In fiscal year 2008, the Reserve is on track to reach a reduced recruiting goal, scaled back to give the recruiting command a realistic target.

Navy officials attribute the shortfalls to high mobilization rates in some Reserve communities and the demographic of officers. Officers tend to be older, more likely to be married, have children and have better career prospects than many enlisted sailors so those sailors who leave the active component, tired of frequent deployments, are unlikely to risk frequent Reserve mobilizations.

In an effort to address the problem, the Navy Reserve increased the number of recruiters targeting officers and continues to offer more money for officer and medical officer bonuses. Last fall, the Reserve increased officer affiliation bonuses. For medical and dental officers serving critical wartime specialties, the accession bonus can be as much as $75,000 and a monthly stipend of $1,907 while studying in a medical residency program. The request for fiscal year 2009 requests $14.6 million total for officer bonuses, an increase of $3 million over fiscal year 2008 levels.

Admiral Cotton, in fiscal year 2007, the Navy Reserve fell 48 percent short of its recruiting goal of 2,000 officers and in fiscal year 2008 is recruiting to a reduced goal of 800. What measures are you taking to attract and retain more officers?

Answer. In fiscal year 2007, Navy achieved 52 percent of its Reserve Officer recruiting goal. The goal for fiscal year 2008 was set at 1,200, as opposed to 800 as stated in the question. We have also established upper bands that exceed the goal in several programs to allow and encourage overshipping to a level of 2,148. Through the end of April, 84 percent of the recruiting goal has been either commissioned or selected awaiting commission.

We are offering several monetary incentives to attract Officers to affiliate in the Navy Reserve: a $10,000 affiliation bonus for entry into 16 different designators; repayment (up to $50,000) of outstanding loans used to obtain certification in Critical Wartime Specialties in the Health Professions; special pay of $25,000 per year for Medical Corps, Dental Corps, and Nurse Anesthetists and $10,000 per year for Medical Service Corps and Nurse Corps; and a monthly stipend of $1,605 (which will increase to $1,907 on July 1, 2008) for officers in a medical residency program or post baccalaureate education program in a Critical Wartime Specialty.

A mobilization deferment was established as a non-monetary incentive to encourage Officers leaving active duty to affiliate with the Reserves. Those who affiliate within six months of transitioning from the Active Component qualify for a two-year deferment from involuntary mobilization and those who affiliate within twelve months are eligible for a one-year deferment.

We are making a concerted effort through advertising and other initiatives to reach out to Officers before they separate from active duty to inform them of opportunities in the Navy Reserve. Initiatives include increased advertising on Navy bases and in military newspapers, targeted direct mail, and e-mail to the members as well as their spouses. We have also encouraged Commanding Officers through the "Stay Navy" NAVADMIN to regularly discuss Reserve opportunities with their wardrooms.

To ensure continued future success, we have programmed an increase in Reserve Officer Recruiters in the field beginning in fiscal year 2009.

To improve retention among Selected Reserve officers, we are currently conducting analysis to determine which designators may benefit from application of a critical skills retention bonus. To assist in the retention of skilled medical officers and to encourage medical officers to acquire critical wartime subspecialties, eligibility for the Medical Special Pay, Loan Repayment, and Stipend incentives have been expanded to include current Selected Reservists accepted into a residency program.

NAVY RESERVE OFFICER SHORTAGE

*Question.* Admiral Cotton, how is the shortage of officers, particularly in critical specialties, affecting the readiness of the Naval Reserve?

Answer. For clarification of the first preamble paragraph, the following is offered: The Navy fell short of its Reserve Officer recruiting goal by 48 percent in fiscal year 2007 and 56 percent in fiscal year 2006. In fiscal year 2008, the Navy is on track to reach a reduced Reserve Officer recruiting goal to meet end strength requirements.

On a percentage basis, the top three specialties mobilized to date are Civil Engineers, Supply Corps, and SEALs. Although inventory is below requirements in these communities, the Navy Reserve is able to meet current mobilization requirements in all of these specialties, therefore maintaining required readiness.

We are encouraged by the success of this year's recruiting efforts. Through April, we are exceeding last year's attainment in all three specialties, in both real numbers and percentage of goal attained. To support affiliation, Officers in these specialties receive the maximum Reserve affiliation bonuses allowed by law, and Veterans transitioning from Active Component to Reserve Component within six months after their end of obligated active service are provided a two-year deferment from mobilization to allow establishment of their civilian careers. A retention bonus will be funded for RC Officers as resources are available. The retention bonus will target Junior Officers in specialties that are determined to be limited supply/high demand by Officer Community Managers.

**STATEMENT OF LIEUTENANT GENERAL H STEVEN BLUM, CHIEF, NATIONAL GUARD BUREAU**

Senator STEVENS. We are now going to move on to the next panel. We do thank you for your service. Again, the three of you are retiring as young men. I have recognized that. You should follow the advice of my first father-in-law who said only in the English language does the word "retire" mean other than go to bed. So I expect you to have full careers after you leave this job. We might even welcome you up here. You ought to think about it.

Thank you very much.

We will now ask General Blum, General Vaughn, and General McKinley to come forward to testify concerning the National Guard Bureau.

Thank you very much. We will now to turn to panel two. Our witnesses are Lieutenant General H Steven Blum, Chief of the National Guard Bureau, and Lieutenant General Clyde A. Vaughn, the Army National Guard Director, and Lieutenant General Craig R. McKinley, the Director of the Air National Guard.

Gentlemen, as we indicated, your statements will be included in the record in full. We appreciate if you would make your statements or whatever presentations you wish to make to the subcommittee. We will first call on General Blum.

General BLUM. Ranking Member Stevens and distinguished members of the subcommittee, it is an honor and privilege to be before you here today with my two colleagues, General McKinley and General Vaughn, my right hand and left hand when it comes to the Army and the Air Guard. The leadership of the National Guard Bureau is here today, and we brought our senior enlisted leaders to talk to you about the readiness of your National Guard and answer any concerns or questions you might have.

At this time, I would ask General Vaughn to introduce his senior enlisted advisor and a guest, please.

Senator STEVENS. General.

**STATEMENT OF LIEUTENANT GENERAL CLYDE A. VAUGHN, DIRECTOR, ARMY NATIONAL GUARD**

**ACCOMPANIED BY SERGEANT MAJOR JOHN GIPE, ARMY NATIONAL GUARD**

General VAUGHN. Senator Stevens, distinguished members, thank you very much. It is quite an honor to be here.

We have an enormously strong Army National Guard. We appreciate everything that this subcommittee has done. We just could not have come close and stayed here and be in the position we are at today. A couple years ago, it was an entirely different story. And we have a lot to appreciate from this subcommittee.

I would like to introduce the command sergeant major of the Army National Guard, all 358,000 of them. Sergeant Major John Gipe.

Sergeant GIPE. Thank you, sir. Mr. Chairman, it is my distinct honor here today to introduce two outstanding young Americans from Ames, Iowa, Specialist Jay Winkowski and his wife of 9 months, Lisa. Specialist Winkowski mobilized with the Iowa Army National Guard in October 2005 with Charlie Company, 1st Battalion, 133rd Infantry for a deployment to Iraq. They arrived in Iraq in March 2006 at Al Asad Air Base in Al Anbar Province where he served for 16 months.

Specialist Winkowski's duties while he was deployed was as the battalion commander's driver and communications specialist. While deployed, he was honored with being named the battalion soldier of the quarter and the soldier of the quarter for Al Asad Air Base. He also earned the combat infantryman's badge for direct combat action against the enemy.

When he returned home in August 2007, after being deployed for 22 months, he attended the warrior leaders course where he graduated as a distinguished graduate.

It is a great honor to introduce these two fine, outstanding young Americans to you. Thank you, sir.

Senator STEVENS. We welcome you and your new bride. Thank you.

General BLUM. Similarly, I would like General McKinley to have the same opportunity on the Air Guard side.

**STATEMENT OF LIEUTENANT GENERAL CRAIG R. McKINLEY, DIRECTOR, AIR NATIONAL GUARD**

General MCKINLEY. Thanks, General Blum.

It is a pleasure, Senator Stevens, to be with you and your subcommittee today representing the great men and women who make up the Air National Guard. It is also, indeed a privilege for me to introduce my command chief master sergeant. Chief Smith from Ohio has served the Air National Guard as its senior enlisted advisor for the past 4 years, and he will retire at the end of this year. It has been a great honor and privilege for me to serve with Chief Smith, and I would like him to stand and introduce our special guest.

Chief SMITH. Thank you, sir.

Mr. Chairman and subcommittee, I would like to introduce to you Senior Master Sergeant Donna Goodno. She is from San Diego, California. She is a mission support flight superintendent at the 147th Combat Communications Squadron in San Diego, California. She has three deployments to Iraq, to her credit, many great accomplishments that I will not go into while she deployed. But because of those accomplishments on her deployments, she has recently been selected and named as the outstanding senior non-commissioned officer for the entire Air National Guard. So it is my honor and pleasure to present to you our great American, Senior Master Sergeant Donna Goodno.

General BLUM. If I could, let me add because I think you understate her capabilities. When all of the general officers could not find their way to get an instrument landing system into Kabul, Af-

ghanistan, she found one. When we deployed her to Iraq, she immediately identified a systemic problem in the communications security that had been missed by everybody that had been over there, and she got it corrected very quietly and quickly. She is outstanding in every measurable way.

Donna, we are proud of you.

Senator STEVENS. Sergeant Major, we congratulate and thank you for your service.

General BLUM. Senator Stevens, members of the subcommittee, when it comes to readiness of your National Guard, it is all about having three things. This subcommittee knows it well. You have to have people. You have to have the part-time people that you need, the citizen soldiers and airmen, but you heard our reserve counterparts tell you say that you must have the full-time cadre to make it work.

And the reason the Air National Guard works and the reason the Air Force Reserve works so well is that they have that cadre. They were used as an operational reserve starting 30 years ago. Their readiness is superb. They can go out the door in 72 hours any place on the planet. We need to follow that same kind of model now that we are asking General Vaughn and the Army Guard to have basically that same kind of readiness standard to meet.

PERSONNEL

Full-time manning is a big issue and part-time manning, having enough soldiers and enough airmen in the ranks that are fully trained and enough airmen and soldiers over strength so that your training pipeline does not count against you for readiness, in other words, so that everybody in the unit is fully trained and ready and those that need to go to school are held in school account over and above what your unit requirement is what we need.

EQUIPMENT

Second, you need equipment. Everybody in this subcommittee knows about that, and thank God for the National Guard and Reserve equipment account because of that and because of the staunch support of Congress and the interest of Congress and now the commitment, serious commitment, on the part of the Secretary of Defense and the service secretaries and the chiefs of staff of the Army and the Air Force, every single day our equipment condition improves. And so the status that I presented to you last year is much better today than it was last year, and next year it will even be better

Again, that is because of your continued support for the National Guard and Reserve equipment account. When that money is authorized and appropriated, we are able to place those dollars exactly against buying readiness, nothing but readiness. And that readiness is to be able to respond in the ZIP code right where your constituents live and raise their families. So that is very important.

TRAINING

The third thing is training. We must have the resources to train the force so that we do not have to waste time, when these forces

are separated from their families and from their businesses, to get training they should have received before they were called up for the service of this Nation.

PREPARED STATEMENT

So with that, Mr. Chairman and members of the subcommittee, we await your questions.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL H STEVEN BLUM

INTRODUCTION AND EXECUTIVE OVERVIEW

LIEUTENANT GENERAL H STEVEN BLUM, CHIEF, NATIONAL GUARD BUREAU

In the 371-year history of our National Guard, the year 2007 will no doubt be remembered as one of historic proportions. We are members of a National Guard in the midst of significant evolution.

We have become an operational force, fighting side by side with our active duty partners, working hard to win the long war against terrorism that began some six and half years ago. While we are an essential force multiplier in the overseas warfight, we also remain focused on and connected to our constitutional roots as the organized militia of the states, prepared to rapidly respond domestically under the command of our nation's Governors whenever and wherever we are needed in the 54 states and territories.

The President, Congress, the Secretary of Defense, the Secretaries of the Army and Air Force, the Governors and the Adjutants General all agree: The country needs a National Guard that is manned, resourced, ready, and structured to meet the security challenges of the 21st century.

RESOURCES

Our greatest resources are our Citizen-Soldiers and Airmen. Today, these brave men and women are the most professional, most experienced, most capable, and most relied upon that our National Guard has ever had in its ranks. Hundreds of thousands of our Soldiers and Airmen have deployed to the warfight—many more than once. At one point in this war, National Guard members made up about half of the ground combat forces in Iraq.

Even in the face of increased deployments, shorter dwell times, and extended separations from families and civilian employers, we are retaining members of the National Guard at extraordinary rates. Our recruiting numbers are equally impressive. Right now, the Army and Air National Guard are contributing to the overseas warfight in staggering numbers approaching 513,500 (309,786 Army and 203,700 Air) mobilizations as of December 31, 2007.

Parallel to our support of the overseas warfight is our support of the nation's Governors as the first military responders to incidents and disasters, whether natural or man-made. Each day, an average of 17 Governors call on their National Guard for everything from weather related assistance to suspected anthrax contamination. The National Guard does all of this while remaining an all-volunteer force.

These young men and women who have volunteered to serve are a testament to what it means to answer the call to something bigger than ourselves. We must continue to work hard to recruit and retain them; they are the future of the National Guard and the future of America.

READINESS

When looking at the readiness levels of the National Guard, it is important to consider two of the core elements of readiness: equipment and personnel.

*Equipment*

Our objective for the Army and Air National Guard is to have modern equipment on a par with that of the Title 10 forces. Make no mistake—our deploying Citizen-Soldiers and Airmen have the equipment they need to deploy overseas, and it is the same equipment our active duty Soldiers and Airmen take with them to the warfight.

However, over a period of years, the domestic levels of equipment available to Governors have fallen to unacceptable levels. For example, in 2006, the Army National Guard had about 40 percent of its equipment available domestically. As of

September 30, 2007, that number is about 61 percent. By the end of 2009, it will be close to 70 percent; and by 2013, it will be 77 percent. This is just one illustration of the unprecedented support and commitment Congress and the Department of Defense has given this issue.

While the Air National Guard has most of its required equipment, the primary challenge is modernizing the aging fleet. Continuing Air Force and Congressional support will be important as we move to meet the Air National Guard equipment challenges ahead. Last year, Congress appropriated an additional $800 million for the National Guard and Reserve Equipment Account. This support is critical to the National Guard Soldiers and Airmen—who are serving a nation at war.

*Personnel*

Equally essential to our readiness is having the people necessary to accomplish our missions, and America's National Guard needs more people. The President's fiscal year 2009 budget asks Congress to increase the Army National Guard's end-strength authorization from 351,300 to 352,600. That request also seeks additional full-time support.

Most of our National Guard Soldiers and Airmen have full-time civilian careers and devote a minimum of 39 days each year to military training. A far smaller number of full-time active National Guard and Reserve technicians are integral to the readiness of the part-time force. They perform the administrative, maintenance, readiness and training preparation essential to ensuring productive time spent by the part-time force as they participate in weekend drills and annual training.

STRUCTURE

On January 28, 2008, the President signed into law the National Defense Authorization Act (NDAA) of 2008. This law contains the most significant and sweeping reforms in the administration and organization of the National Guard Bureau, and indeed the National Guard itself, since the National Defense Act of 1916.

Of significance, the 2008 NDAA designates the Chief of the National Guard Bureau as the principal advisor to the Secretary of Defense, through the Chairman of the Joint Chiefs of Staff, on matters involving non-federalized National Guard forces, and on other matters as determined by the Secretary of Defense. The Chief of the National Guard Bureau will continue to serve as principal advisor to the Secretaries and Chiefs of Staff of the Army and Air Force on the essential role of the National Guard as a reserve component of each of these services. The law also designates the National Guard Bureau as a joint activity of the Department of Defense.

These and other reforms contained in the 2008 NDAA serve to strengthen the role of the National Guard within the Department of Defense to meet our growing responsibilities, at home and abroad.

STATE PARTNERSHIP PROGRAM

The National Guard's State Partnership Program, establishes partnerships between foreign countries and American states and is an important contribution to the Department of Defense's security cooperation programs conducted by the Combatant Commanders.

This program was created in 1993 to assist the United States European Command's engagement with defense and military establishments of former Warsaw Pact nations after the fall of the Berlin Wall. The State Partnership Program fosters long-term, mutually beneficial and enduring relationships between states and America's friends and allies around the globe. National Guard Soldiers and Airmen apply both military and civilian skills to support defense reform and military transformation, promote democracy, encourage economic development, and further regional cooperation and stability.

The State Partnership Program currently has 58 state partnerships throughout the world focused on military-to-military, military-to-civilian and civil security exchanges with United States security partner nations. This high value program will continue to grow in both numbers of partner nations and strategic importance to the Combatant Commanders.

THE FUTURE

The National Guard remains focused on operational readiness to answer the calls of our Governors and the President in doing our part to secure America's future. As the nation and our world change, the impacts on our force will be significant. The warfight overseas and our response to crises here at home are but two important areas of our reach. We will continue to invest in our family programs, our youth-based programs such as ChalleNGe, our counterdrug programs and many others.

As Assistant Secretary of Defense for Reserve Affairs Thomas Hall recently noted, "Today's National Guard members are the continuation of the Minuteman spirit that defended our citizens and way of life. National Guard members have earned the respect of their fellow Americans by performing above and beyond the call of duty."

With the 2008 NDAA, Congress gave the National Guard new responsibilities and clarified roles. This unity of effort will continue to solidify our foundation for the next 371 years of National Guard excellence. We will remain "Always Ready, Always There."

The following is a full report on our recent accomplishments and an explanation of our requirements for fiscal year 2009.

LIEUTENANT GENERAL CLYDE A. VAUGHN, VICE CHIEF, NATIONAL GUARD BUREAU AND DIRECTOR, ARMY NATIONAL GUARD

MESSAGE FROM THE DIRECTOR

The Army National Guard (ARNG) continued to step up to new challenges as well as confront the ongoing realities of persistent global conflict. As fast as units returned home from Iraq and Afghanistan, new ones were mobilized, trained and deployed overseas—some for their second or third such deployments.

The Army National Guard also defends American borders. Under Presidential mandate, Operation Jump Start continued along our nation's southwest border. There we worked with U.S. Customs and Border Protection to stop illegal immigrants and drug traffickers. Army National Guard Soldiers responded to the numerous natural disasters and emergencies created by blizzards, floods, tornadoes, hurricanes and wildfires.

In addition to the above accomplishments, we continued our transformation to a modular design. Doing so allows the Army National Guard to remain an important force in the nation's emergency preparedness network with missions both at home and abroad.

We had an admirable track record of successes in 2007. In particular, our continued achievements in recruiting and retention have been commendable. Our recruiting and retention efforts are keeping our organization strong, and are handing the future of our force to a new generation of determined and capable leaders.

The Army National Guard understands the human price of freedom and national security. By maintaining and improving the Army National Guard's full potential, we honor the Soldiers who have paid the ultimate price. We have redoubled our efforts to provide our units with equipment needed to replace that left behind from overseas deployments, and lost due to damage or end of serviceable use. With the aid of Congressional funding and a new Memorandum of Understanding with the Army, we have made considerable headway in rebalancing, resetting and re-equipping our force for the future.

In January 2007, the Secretary of Defense directed that Army National Guard units be scheduled for mobilizations of no more than 12 months. To maximize the availability of National Guard troops to Combatant Commanders, we must maximize and certify home state (regional) pre-mobilization training.

The Army Chief of Staff has directed that the Adjutants General have certification authority. This will reduce training time away from the home state or territory and increase "boots on the ground" time. We look forward to the full implementation of the Army Chief of Staff's policy.

The following pages summarize the Army National Guard's key programs and operations during fiscal year 2007, highlighting organizational and transformational changes and outlining requirements and goals for the future.

READINESS

The U.S. Army uses Army National Guard units as an operational force. Units mobilized and deployed for support during the era of persistent conflict have maintained high levels of readiness. High readiness levels translate to successful missions.

With lower-than-historical averages of equipment availability, increased mobilizations and deployments, and heavy personnel demands continued in fiscal year 2007. Despite these difficulties, the Army National Guard met all mission requirements and continued to support military actions abroad.

Our ability to respond reflects the value of the National Guard. Since September 11, 2001, the Army National Guard has deployed Soldiers as follows:

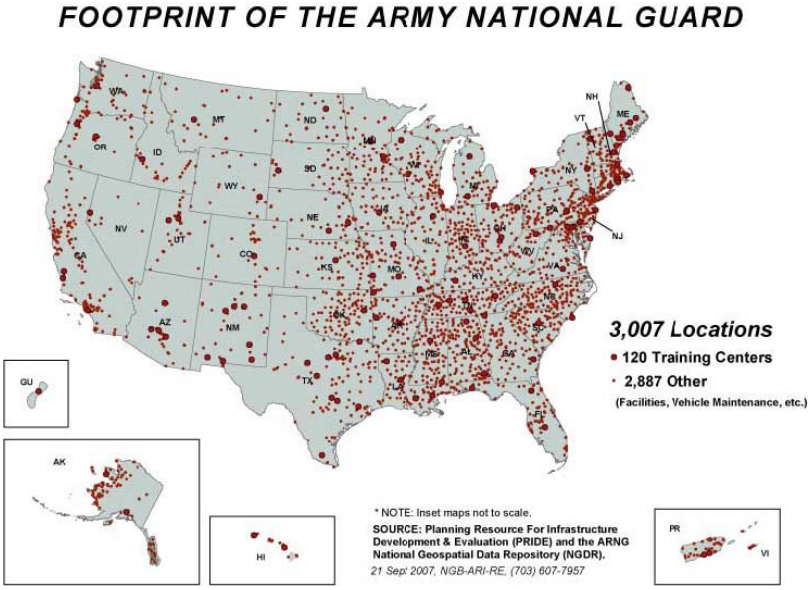
ARMY NATIONAL GUARD—A TRADITION OF SERVICE TO AMERICA

| | Title 10 Orders | Title 10 and Title 32 |
|---|---|---|
| Total ARNG Mobilized Since 9/11 | 309,786 | 401,840 |
| Operation or Event | Service in 2007 | Serivce since 9/11/2001 |
| Operation Iraqi Freedom | 34,947 | 172,988 |
| Operation Enduring Freedom (Afghanistan) | 5,951 | 24,109 |
| Operaion Noble Eagle | 164 | 35,327 |

*Full-Time Support*

Full-time support personnel are vital to the full spectrum of Army National Guard operations. Meeting readiness needs, especially in an era of persistent conflict, underscores the vital role of our full-time support personnel.

Our previously validated Army National Guard full-time support requirement is 84,800 (Technician: 42,329, active Guard Reserve: 42,471). These authorizations are based on the perception of the Army National Guard as a strategic reserve.




*Transformation through Modular Force Conversion and Rebalancing*

As part of the Army's continuing modular conversion, the Army National Guard is restructuring to create forces that are more independent and interchangeable (modular). Brigade Combat Teams are structured and manned identically to those in the active Army. Because of this, they can be combined with other Brigade Combat Teams or elements of the joint force, facilitating integration and compatibility.

The Army National Guard has transformed over 1,500 operating force units to these new designs. An operating force represents units specifically organized to engage in combat and provide service support. At the current pace, the Army National Guard will successfully convert more than 1,300 additional units to the new modular designs by the end of fiscal year 2008.

DID YOU KNOW?

The Army is transforming (through Modular Force Conversion) from a division-centric force (18,000 Soldiers) to a more flexible brigade-centric force (4,000 Soldiers) and is restructuring its organizations to create forces that are more stand-alone and alike (modular) while enhancing their full-spectrum capabilities.

The Army National Guard's transformation into modular formations gives us the ability to function as an interchangeable operational force. This effort impacts Army National Guard units across all 54 states and territories.

*Lower-Than-Historical Levels of Available Equipment Affects Rebalancing*

The rebalancing plan also ensures that Army National Guard units—many under-equipped after leaving deployed equipment behind for follow-on units—receive replacements equal to their active duty counterparts. While the Army National Guard continues to receive more National Guard and Reserve Equipment Appropriation funding, equipping levels are still lower than historical levels because of transformation and persistent conflict requirements. The average non-deployed unit has about 61 percent of authorized equipment needed to conduct training, handle future deployments and respond to domestic missions.

By subtracting unacceptable/non-deployable substitute items, the equipment available falls to an even lower level. The fiscal year 2009 budget will increase equipment funding levels, increasing the amount of equipment on hand available to National Guard units. Despite these equipment challenges, the Army National Guard stands ready to respond to any federal or state mission.

*Dual Mission Operations*

The Army continues to work with National Guard leaders to refine requirements for critical dual-use equipment (equipment usable both in wartime and in domestic operations) and to ensure that the states and territories have sufficient resources during a catastrophe. This collaborative effort has successfully garnered Congressional support to better equip and modernize the Army National Guard for critical federal and state capabilities.

*Domestic Operations*

In May 2007, a severe tornado leveled the Kansas town of Greensburg, leaving in its wake 10 fatalities, more than 100 injuries and a swath of incredible destruction. The Kansas Army National Guard was at the ready. The Kansas Guard's 278th Sustainment Brigade established a joint task force near the site; the Army National Guard deployed an additional 366 Soldiers; and the Air National Guard provided 200 Airmen. The National Guard established shelters, distributed food and water, and supported first responders with search and rescue, power generation, logistical support, debris removal and law enforcement assistance.

In August, the I–35W bridge in Minneapolis collapsed, claiming 13 lives. It was the worst independent structural disaster since a 1983 failure on Interstate 95 in Connecticut. A local network of first responders was on the scene quickly to work the rescue and recovery effort, including the Minnesota Army National Guard.

That same month, Texas prepared for Tropical Storm Erin, which made landfall on August 16 near Lamar, Texas. Erin dropped 3 to 6 inches of rain before moving northward, resulting in emergency declarations for 70 counties, some with up to 10 inches of rain. At least 17 fatalities were attributed to the storm, and an already severe flooding problem in the state was exacerbated. At the height of the emergency, 151 Texas Army National Guard Soldiers worked to help the communities recover.

*End-strength: Recruiting and Retention*

The Army National Guard is authorized by law to have a limit of 351,300 Soldiers. Due to a multiple-program team approach, fiscal year 2007 was a strong year for recruitment and retention. By March 31, 2007, the Army National Guard exceeded the 350,000-Soldier goal for first time since May 2004. By December 31, 2007, the Army National Guard strength stood at 353,979 Soldiers.

Several innovative programs, Soldier incentives and command emphasis helped the Army National Guard successfully achieve and maintain Congressionally-authorized end-strength levels. They include:

*Active First Program*

Launched October 1, 2007, and set to run through 2013, Active First is a pilot program under evaluation by the Army National Guard. The program applies to people with no prior military service. Recruits join the National Guard and agree to serve in the active Army first. After completing an active duty tour, a Soldier can either re-enlist in the active Army or revert back to the National Guard to complete his or her military obligation.

The Active First program increases bonus maximums to $20,000 for enlistments, $15,000 for re-enlistments and $15,000 for prior service enlistments. The National Guard also raised retention bonuses from $5,000 to $15,000.

*Guard Recruiting Assistance Program (G–RAP)*

G–RAP is a recruiting program that employs civilian assistants to provide recruiting services. As of December 31, 2007, the Army National Guard had approximately 123,000 active recruiting assistants—one of whom has single-handedly recruited 49 Soldiers (and counting).

*Every Soldier a Recruiter*

Every Soldier a Recruiter is a referral bonus program established by the Army to motivate every Soldier to be a recruiter. Launched in January 2006, the program has helped bring nearly 3,700 new Soldiers into the Army National Guard.

Continued success in boosting prospect numbers by offering the potential for increased monetary compensation could lead to reductions elsewhere, such as recruitment advertising on radio and television. Only Soldiers assigned specific recruiting and retention positions are excluded from participation in the program.

*Army National Guard Recruit Sustainment Program*

The Army National Guard Recruit Sustainment Program is a formal process for transitioning new non-prior military service enlistees into the life of an Army National Guard Soldier. The Recruit Sustainment Program prepares recruits by endowing them with the physical and mental abilities to withstand the rigors of basic training and Advanced Individual Training. By doing so, the program works to reduce training pipeline losses.

Since instituting the Recruit Sustainment Program, the Army National Guard has reduced training pipeline losses by more than 10 percent with the rate of graduation from this program exceeding 95 percent. Long-term prospects of keeping new accessions on duty after the first year are also showing improvements with gains leading over losses by 88 percent.

*Logistics—Depot Maintenance*

The Army National Guard Depot Maintenance Program played an integral part of sustainment activities during fiscal year 2007. Unlike the active Army, which uses a loaner system, the Army National Guard's program is based on a "repair and return to user" premise. Additionally, program funding must stretch beyond repair work to cover testing, measurement and diagnostic equipment calibration.

Funding for the Army National Guard's surface depot maintenance requirement was increased by six percent in fiscal year 2007. During fiscal year 2007, the Army National Guard Depot Maintenance Program funded the overhaul of 2,276 tactical vehicles.

TRAINING

*WAATS (aka "Gunfighter U")*

The Western Army National Guard Aviation Training Site (WAATS) gives Army Aviation Soldiers the skills to defend our nation. Its mission is to conduct training in support of Army aviation readiness.

Also known as "Gunfighter University," it provides the Army National Guard and active Army counterparts the flexibility to train attack helicopter units to meet mobilization requirements. With realistic training opportunities in desert, mountainous and urban operations, the school is a premier attack helicopter training site. It provides skills training in all areas necessary to sustain the AH–64 Apache Attack helicopters, and their maintenance technicians and aircrews.

In 2007, WAATS supported a significant student load playing a critical role in the Army's Aviation Transformation plan as active and Army National Guard attack battalions transition to the AH–64D Longbow.

*Ground Operating Tempo*

Collective maneuver training is the foundation of unit readiness and depends primarily on ground operating tempo (OPTEMPO) funding. These funds cover oper-

ation and maintenance of authorized equipment and training, administration, and housekeeping supplies for all units in the Army National Guard. Funding for OPTEMPO impacts Army National Guard unit readiness in operations such as Iraq and Afghanistan, southwest border security and domestic preparedness.

In fiscal year 2007, Ground OPTEMPO funding totaled $723 million. Significant equipment remains in theater even after a National Guard unit's return from deployments. Equipment shortages at home stations compel greater use of what is available. These demanding conditions accelerate wear and tear resulting in rapid "aging" of equipment.

Maintaining leadership, management oversight and support of the ground OPTEMPO program is one of the keystones to maintaining readiness of equipment on hand.

SUPPORTING OUR SOLDIERS

*Medical Readiness*

The Army's community-based health care organizations provide the best medical care for Soldiers in the Medical Holdover Program and augment medical treatment facilities. This program allows a recuperating Soldier to remain at home on active duty during recovery.

Program highlights include:

—Manned primarily by mobilized Army National Guard Soldiers;
—Oversees more than 1,000 Soldiers;
—Soldier well-being managed by community-based health care organizations;
—Case managers coordinate health care appointments, track the Soldier's progress and ensure that care is up to standards; and
—Medical care is focused on returning Soldiers to their pre-mobilization health status.

The Army National Guard has mobilized 11 state and territorial medical detachments to staff newly created community-based health care organizations. They are: Alabama, Alaska, Arkansas, California, Florida, Hawaii, Massachusetts, Puerto Rico, Utah, Virginia and Wisconsin. Plans are developing to open additional state medical detachments as needed.

*Incapacitation Pay*

In March 2007, the Army National Guard started testing the Incapacitation Pay software scheduled for release in fiscal year 2008. The goal of this paperless process is to legally compensate Soldiers who are unable to perform military duties and who demonstrate a loss in civilian-earned income resulting from an injury, illness or disease incurred or aggravated in the line of duty.

The incapacitation pay program allows Soldiers to focus on their families, concentrate on rehabilitation and work towards a speedier recovery without the hardships of income loss.

*Family Readiness Programs*

The National Guard Joint Forces Headquarters within each state, territory and the District of Columbia coordinates family assistance for all military dependents within each respective location.

Recent accomplishments and activities that help Army National Guard families include:

—The National Guard Bureau Family Program Office which provides training to families to help make them self-reliant throughout the deployment cycle process.
—The Army Families Online website which provides information of interest to families of National Guard Soldiers www.armyfamiliesonline.org.
—The Department of Defense (DOD) Military OneSource program which provides benefits to all military families (for example, counseling services, resources for parents, assistance with consumer credit, and free access to online tax return preparation).
—The DOD Military HOMEFRONT web portal which provides information about Quality of Life programs and services such as childcare, elder care, and programs for resolving domestic abuse or domestic violence problems www.militaryhomefront.dod.mil.

Family readiness is not an option; it is an essential part of our mission.

*Family Assistance Centers*

As part of our commitment to those who remain behind when our Soldiers deploy, 325 Family Assistance Centers are strategically placed in every state and territory to overcome the geographic dispersion of Army National Guard families from cen-

tralized, installation-based service providers. Each Family Assistance Center is staffed monthly with military and civilian personnel, members of the Recruiting and Retention force, Soldiers on active duty special work orders, contract personnel, temporary technicians, state employees and volunteers.

The continued operation of the Family Assistance Centers in fiscal year 2008 is necessary to support services for families' long-term welfare during an era of persistent conflict.

*Freedom Salute Campaign*

The Freedom Salute Campaign, one of the largest Army National Guard recognition endeavors in history, is designed to publicly acknowledge Army National Guard Soldiers and those who have supported them in service to our nation. So far, the campaign has recognized more than 100,000 deserving Soldiers, family members, friends, employers, and other important persons for their contributions since the terrorist attacks on September 11, 2001.

LIEUTENANT GENERAL CRAIG R. MC KINLEY, VICE CHIEF, NATIONAL GUARD BUREAU AND DIRECTOR, AIR NATIONAL GUARD

MESSAGE FROM THE DIRECTOR

Since before the birth of manned flight, Airmen have embarked on proving the validity of mastering the third dimension of warfare. Our Air Force is the proven leader in this era of air dominance—an advantage no other nation on earth has ever matched. However, now is not the time for complacency.

We can't predict what challenges are on the horizon. What we know, however, is that the speed of advances in technology is eroding and encroaching on our technological advantage. We must remain vigilant and prepared to counteract this dangerous erosion.

We support civil authorities in protecting life and property through rapid response airlift, supplementing search and rescue, assisting aerial fire fighting, providing wide-area situational awareness, and airdropping food and supplies to those isolated by floods or blizzards. We also provide support capabilities to primary airpower missions such as medical triage and aerial evacuation, civil engineering, security force augmentation, infrastructure protection and HAZMAT response.

Ninety-four Air National Guard units provide security at home-station and deployed locations through law enforcement patrols, integrated base defense and antiterrorism/force protection initiatives. Security Forces professionals also provide nuclear security, information security, combat training, combat arms training and maintenance services. Every day, more than 6,000 Air National Guard members stand watch, patrolling the skies and assisting civil authorities protecting U.S. borders.

At the same time, approximately 7,000 Airmen are deployed around the world fighting terrorism in Southwest Asia and Africa, and supporting joint and coalition forces through their airlift, air refueling, intelligence, surveillance and reconnaissance capabilities.

Whether fighting overseas, protecting the homeland, or responding to hurricanes, fires and tornadoes, Air National Guard members continue to play an integral part in disaster response in communities throughout America and abroad.

In 2007, throughout the world, the Air National Guard:

—Supported 34,554 activations (31,922 voluntary and 2,632 involuntary).

—Deployed 29,524 (26,920 voluntary and 2,604 involuntary).

—Deployed service members to dozens of countries on every continent, including Antarctica.

—Participated in missions in Iraq, Afghanistan and Bosnia; humanitarian airlifts to Southeast Asia and Africa; drug interdiction in Latin and South America; exercises in Europe and Japan; and many other missions.

The Air National Guard is forward thinking. We adapt to ensure we have the capability to meet the needs of our nation. In the past year, the Air National Guard expanded into new capabilities including unmanned aerial systems (MQ–1 Predator and RQ–4 Global Hawk), intelligence collection and exploitation (DCGS Sentinel), space operations support and cyberspace. Air National Guard members have adapted their traditional community-based organizations to associate more closely with both active duty and other reserve components. New organizational structures are designed to capitalize on the Air National Guard's competitive advantage of cost effectiveness and our core competency of experience.

A crucial part of the American military, the Air National Guard remains vigilant and prepared. The Air National Guard of the 21st century stands as a sleek, efficient and dedicated part of our nation's defense.

HOMELAND DEFENSE AND DOMESTIC OPERATIONS

*Securing the Home Front While Defending the Nation*

In every natural disaster occurring in the United States, the Air National Guard provides critical air capabilities to the states. Airpower is crucial for protection against unknown eventualities including national emergencies. As a nation, we cannot afford to assume otherwise.

Since September 11, 2001, thousands of Air National Guard personnel have provided complete air sovereignty across the United States. We provide 95 percent of our nation's fighter interceptor aircraft, 85 percent of the aerial refueling capability, and 100 percent of the air defense command and control system. Maximizing the traditional basing locations, capitalizing on high experience levels and leveraging a long professional history in Air Defense operations, the Air National Guard continues to serve as the backbone of this vital mission for the near future.

In early 2007, the Air National Guard provided disaster relief during a Colorado snowstorm and a Kansas tornado. Since October 1, 2007, our Modular Airborne Fire Fighting systems have spread 132,479 gallons of retardant on wildfires. Air National Guard pararescue and special tactics units, highly experienced, reliable and ready forces, are not only deployed in combat missions but also serve in homeland defense/disaster relief contingencies. Air National Guard squadrons are deployed in combat; they secure public safety against missile launches; provide rescue coverage for the space shuttle if necessary; and provide full-time search and rescue coverage for Alaska.

Through its counterdrug operations, the Air National Guard provides specialized airborne resources critical in the effort to stem the flow of drugs and associated violence crossing our borders. Moreover, as a strong component of the President's Operation Jump Start and other missions, the Air National Guard helps keep America's borders secure.

Since July of 2006, Operation Jump Start Air Guard has:

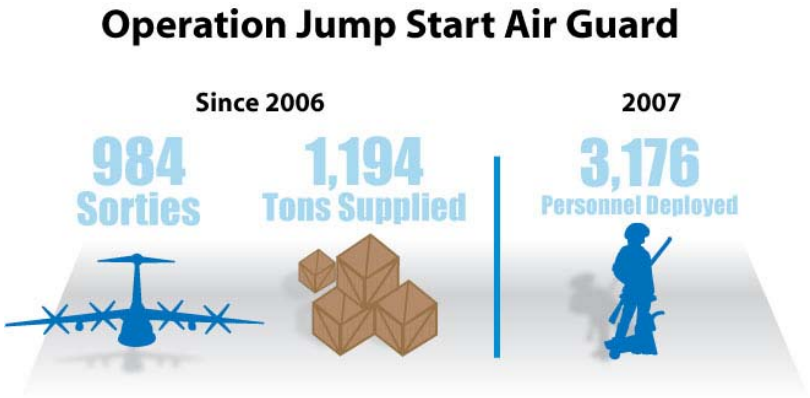
—Flown 984 border sorties (13,922 passengers).

—Airlifted 1,193 tons of materials and supplies.

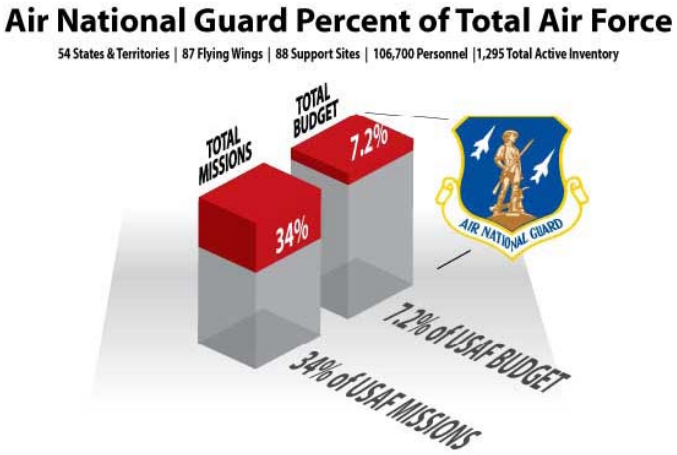
In 2007 alone, the Air National Guard supported Operation Jump Start by:

—Activating 3,250 personnel (3,150 deployed).

—Participating in infrastructure protection and border surveillance resulting in a 75 percent decrease in illegal border crossings.




In 2007, the Air National Guard provided 2,676 individuals and 274,705 duty days using RC–26B aircraft to assist local, state, and federal law enforcement authorities in conducting counterdrug operations.




CRITICAL TO TODAY'S FIGHT

Like the Air Force, the Air National Guard is integrated into America's fighting force overseas. Protecting the homeland from terrorist threats begins on American soil and extends overseas. On September 11, 2001, Air National Guard aircraft were the first to respond. Since 1991, the Air National Guard has provided the highest percentage of its force, more than any other reserve component, in responding to America's needs.

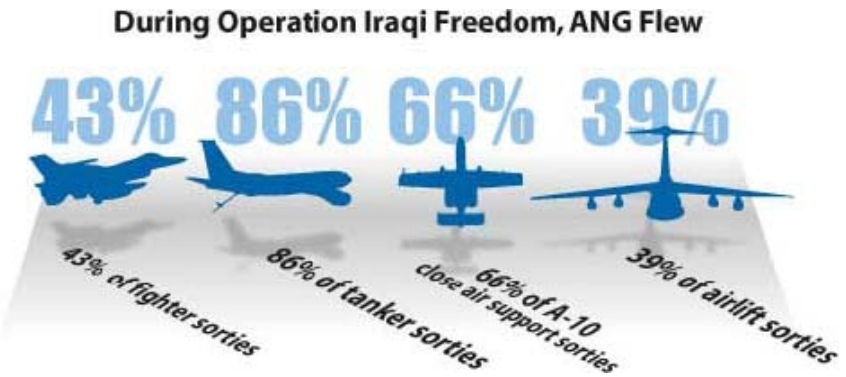
Over the past six years, we have:

—Deployed more than 203,700 Airmen (92 percent voluntarily deployed).

—Flown more than 179,000 missions.

—Logged more than 558,000 flying hours.

During the peak of Operation Iraqi Freedom, more than 22,000 Air National Guard members were either mobilized or volunteered to support today's fight.




During the same period, in support of Operation Enduring Freedom, the Air National Guard flew more than 25 percent of both fighter and tanker sorties. In addition, the intelligence, surveillance and reconnaissance air support provided by the Air National Guard in both Operation Iraqi Freedom and Operation Enduring Freedom contributed significantly to safeguarding the troops on the ground while pursuing and terminating terrorist leaders.

In addition to our airborne capabilities, the Air National Guard has contributed ground forces in the following manner:

—15 percent of the Air National Guard's expeditionary combat support was engaged during Operation Iraqi Freedom and Operation Enduring Freedom.

—60 percent of the Air National Guard security forces made expeditionary combat support contributions.

—25 percent of the Air National Guard's intelligence, services and weather personnel were mobilized.

DEVELOPING ADAPTABLE AIRMEN

Readiness remains a top priority for the Air National Guard. Our goal is to continue to develop adaptable Airmen, service members who are always in a state of readiness and are willing and able to accomplish the job at hand. Proper funding for continued recruitment and training will ensure that the quality of our service members remains high. We are developing Airmen for leadership roles to meet the needs of our Total Force—today and tomorrow.

RECRUITING AND RETENTION

Adaptable Airmen are critical to the Air National Guard. They are combat-ready to defend national interests and balance global strategic risk. To preserve these assets, we need significant investment in our personnel, operations and maintenance accounts.

The top priority for Air National Guard recruiting and retention is to meet year-end goals, and build and retain a quality force to meet mission requirements.

For fiscal year 2007, the Air National Guard reported an end-strength of 106,254, or 99.3 percent of our goal. We accomplished this goal in the face of challenges like base realignment and closure decisions, and Total Force Initiatives implementation.

Air National Guard retention is also solid and has exceeded annual officer retention goals for fiscal year 2007. The Air National Guard ended fiscal year 2007 retention at 89.5 percent overall. The Air National Guard continues to have an excellent retention rate, which decreases the cost of replacing valuable members. To maintain this momentum we continue to work to ensure the Air National Guard Recruiting and Retention program is adequately funded.

TRANSFORMING INTO A CAPABILITIES-BASED FORCE

Transforming from a platform-based force to a capabilities-based force is critically important for the Air National Guard. We have to ensure our force is building the capabilities of the Combatant Commanders, Air Force and National Guard need to defeat tomorrow's adversary and support our domestic needs.

The Air National Guard's capabilities-based force realignment requires shifting functions, organizational constructs, and realigned priorities across the entire force. This has to be accomplished while fully engaged in today's fight. Simply put, we will

transform at mach one speed; we do not have the luxury of pausing operations while re-equipping and resetting our force.

Some of our missions demand a different force than the one we have today and will affect us in these ways:

—Mission changes, aircraft movements and programmatic decisions will directly impact about 15,000 Air National Guard members in 53 of the 54 states and territories.

—Estimated cost for fiscal year 2009 is $350 million; and involves a complex interplay of people, training, equipment and facilities.

—Fully implementing, retraining and rebalancing our force will take 5 to 10 years.

As we shift aircraft and missions, some units are transitioning into ground-based capabilities including intelligence, surveillance and reconnaissance duties. This transition is necessary for the Air National Guard to maintain its essential role as part of our nation's defenses.

In a few years we'll be able to reflect on this period of change and recognize how hard work, tough decisions and forward thinking reshaped our National Guard into a more capable force.

EQUIPPING AND MODERNIZING THE AIR NATIONAL GUARD

Developing and fielding "dual-use" capabilities are the cornerstones of the Air National Guard's cost effective contribution to combat and domestic operations. In fiscal year 2008, with Congressional assistance, we will address critical Homeland Defense shortfalls.

Specifically, we will address:

—Additional Expeditionary Medical Support suites;

—Enhanced deployable wireless communication capability;

—More fire fighting vehicles (current fleet averages 30 years old);

—Upgraded security weapons;

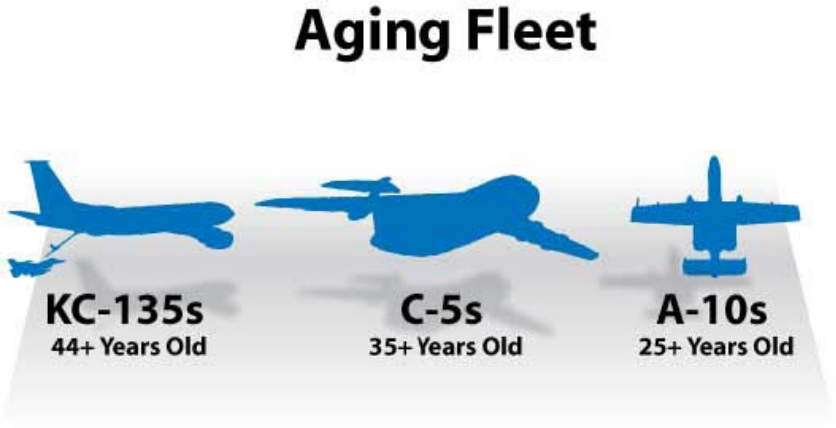
—Enhanced explosive ordnance disposal; and

—Improved hazardous material handling equipment.

The Air National Guard has forces in every Air Expeditionary Force deploying to the current combat theaters. Consequently, the Air National Guard must be equipped with the active duty force to meet combat mission demands. The age of the fleet, mission demands, and combat readiness require a parallel approach to aircraft modernization working in tandem with active duty forces.

*An Aging Fleet*

Our Air Force is struggling with sustainment bills versus recapitalization funding, which directly impacts the Air National Guard. More than 42 percent of the Air National Guard fleet is 25 years or older:




*Navigation and Combat Systems Modernization Needs*

The Air National Guard is critically important to the Air Force's Total Force effort. Forty percent of the Air Force's C–130 fleet resides in the Air National Guard. In fiscal year 2007, Air National Guard C–130s flew over 11,000 hours in support of Operation Enduring Freedom and over 4,200 hours in Operation Iraqi Freedom.

In support of the Aeromedical Evacuation mission, Mississippi Air National Guard C–17 aircraft returned over 19,000 patients to Germany and the United States from Iraq.

*C–130, C–5 and C–17*

The C–130, C–5 and C–17 aircraft all operate in environments of increasing levels of threat and complexity. We must ensure these aircraft continue to provide our Airmen with the best protection and warning systems available.

*Combat Aircraft*

Air National Guard combat aircraft—A–10, F–15 and F–16—comprise approximately 30 percent of the Air Force's combat capability. Our maintainers continue to keep our fleet combat ready and lethal.

*E–8C Joint Surveillance Target Attack Radar System*

The E–8C Joint Surveillance Target Attack Radar System (JSTARS) continues to be the Combatant Commander's command and control system of choice. JSTARS supports the warfighter by locating, classifying, and tracking ground targets and movement, day or night, in all weather conditions, at ranges in excess of 150 miles. All 17 E–8Cs are operated by the Air National Guard's 116th Air Control Wing at Robins Air Force Base in Georgia. Our challenge is to keep the system modernized while maintaining the current operational tempo. The most urgent modernization need for the JSTARS includes re-engining.

*Rescue Squadrons*

Air National Guard Rescue Squadrons comprise 30 percent of the Air Force's high-demand combat deployable pararescue capability while special tactics personnel provide 25 percent of the Air Force's Special Tactics capability. These squadrons provide the highly experienced, skilled and reliable force for both deployed and domestic operations support.

*Predator/Reaper Operations Center*

The Air National Guard conducts predator operations and training in Arizona, California, North Dakota, New York, Nevada and Texas Air National Guard units. We continue to pursue development and acquisition of an integrated Predator/Reaper Operations Center (POC). The POC will allow smooth operation and control of current and future transformational warfighting and homeland defense missions. The new POC design will integrate the multiple systems that currently run independently.

*KC–135*

To meet continuous demands of global power projection, the Air National Guard KC–135s are effective. These aircraft are crucial to supporting the warfighter.

*Operational Support Aircraft*

Finally, Air National Guard Operational Support aircraft—C–40, C–38 and C–21—meet the special mission transportation needs of distinguished visitors and Congressional delegations.

TRAINING

Significantly important to the Air National Guard's training of Airmen is the Distributed Mission Operations program. The program supports all weapons systems. It includes flight and mission crew trainers to provide high fidelity, immersive simulators for individual, team, inter-team and full mission rehearsal training.

MAJOR GENERAL WILLIAM H. ETTER, ACTING DIRECTOR, JOINT STAFF, NATIONAL GUARD BUREAU

MESSAGE FROM THE DIRECTOR

The National Guard Bureau (NGB) enters 2008 with Congressional designation as a joint activity of the Department of Defense (DOD) and not strictly as a joint bureau of the Army and Air Force. How important is that to the history of an institution that has served this nation for more than 371 years?

From a historical perspective, this change in law is on a par with the National Defense Act of 1916 which created the term "National Guard" and made the state militias a component of the U.S. Army.

New levels of responsibility and authority come with the new law—requirements for plans and protocols for change. As a joint DOD activity, for example, manpower requirements for the bureau are now under the purview of the Secretary of Defense

in consultation with the Chairman of the Joint Chiefs of Staff. The Secretary and the Chairman, working in consultation with the Secretaries of the Army and Air Force, are responsible for the development of a new charter for the National Guard Bureau.

While there will be changes, one thing will remain constant for the Joint Staff and the Chief of the National Guard Bureau. They will serve as the channel of communication between the Defense Department and the Governors of these sovereign states via their Adjutants General.

At the end of 2007, National Guard members were doing remarkable things in Iraq, Afghanistan, Kosovo, the Horn of Africa, and 40 other countries. They were also serving here at home, protecting our borders, fighting fires, providing rescue and recovery in the wake of disasters, and interdicting the flow of illegal drugs.

SUPPORTING OPERATION JUMP START

In May of 2006, the President asked the National Guard to temporarily provide support to the Department of Homeland Security's (DHS) effort to secure the southwest border. In 2008, that mission will end as originally conceived. While never meant to replace border patrol agents with Guardsmen on a one-to-one basis, the National Guard's support has provided DHS with time to grow its own capabilities. U.S. Customs and Border Protection is now better resourced and equipped than when the mission started. National Guard members from every state and territory have served in the four southwest border states under the command of the Governors and at the direction of U.S. Border Patrol.

As of November 30, 2007, National Guard members:

—Helped DHS apprehend more than 169,000 aliens and seize more than 269,000 pounds of marijuana, 4,900 pounds of cocaine, and 7,900 vehicles.

—Built more than 37 miles of fence, 18 miles of road and 70 miles of vehicle barriers.

—Provided support to local, state and federal law enforcement through the Counterdrug program.

—Conducted non-core border activities which allowed 581 Border Patrol agents to direct border security missions, and to hire and train additional agents.

—Allowed Border Patrol agents to enhance their law enforcement and border security efforts against all threats—illegal aliens, drugs, weapons and possible terrorists.

—Aided in apprehending 137,387 aliens in the past year, increasing more than six times the number recorded in the first five months after operations began in June 2006.

NATIONAL GUARD COUNTERDRUG PROGRAM

Because of the National Guard's Title 32 status, we are not restricted by posse comitatus (the federal law that otherwise prohibits support of local law enforcement by members of the uniformed services), it serves a particularly unique role for the Department of Defense in the fight against illicit drugs. Since Congress authorized the National Guard to perform interdiction and anti-drug activities in 1989, the program has worked tirelessly with civilian law enforcement agencies and community-based organizations.

Counterdrug program highlights include:

—Employing more than 2,500 Soldiers and Airmen in the 54 states and territories to support over 5,000 law enforcement agencies at the local, state and federal levels, preventing illicit drug import, manufacture and distribution.

—Contributing numerous liaison officers to work with State Joint Force Headquarters within the four southwest border states (Texas, Arizona, New Mexico and California).

—Allowing the states unprecedented access to National Guard Bureau assets resulting in a seamless flow of communication between the Joint Force Headquarters and National Guard Bureau.

—Reaching about 2.8 million people in fiscal year 2007 through drug demand reduction efforts, the National Guard Counterdrug program has unparalleled relationships within its communities; studies have shown that this can lead to drug use prevention among youth.

—Participating in nearly 80,000 drug-related actions.

—Supporting local law enforcement who seized more than 1.4 million pounds of illegal drugs (including more than 3 million "designer drug" pills known by the street name, ecstasy).

In order to continue to support the new light utility helicopter, currently used for the counterdrug mission, adequate funding is required during all of the acquisition

years of 2008–2013. The equipment is critical to both counterdrug, as well as in support of first responders during natural disasters.

The National Guard Bureau Joint Staff continues to focus on "mission first, people always." We continue to increase functions and services that enhance the quality of life for the men and women of the National Guard and our communities. In the following paragraphs, we offer a sampling of the accomplishments that demonstrate our commitment to this nation, and the Citizen-Soldiers and Airmen who protect it.

DOMESTIC OPERATIONS

*Information Sharing Environment Initiatives*

The National Guard Bureau and the State Joint Force Headquarters are key partners in the development, implementation and execution of the National Strategy for Information Sharing Environment initiatives.

This partnership was instrumental in assisting a unified command leadership to effectively allocate resources and handle hot spots during the 2007 California wildfires. The ability for key federal, state, local and tribal partners to view a real-time common operating picture enhanced command, communications and coordination.

*Critical Infrastructure Protection and Mission Assurance Assessment (CIP–MAA)*

The National Guard Bureau is developing 10 National Guard Vulnerability Assessment Teams to provide analysis of sites deemed critical by the Department of Homeland Security. With a newly developed web-based automated reporting tool, the Critical Infrastructure Protection and Mission Assurance Assessment office can provide continual, detailed readiness information to National Guard Reaction Forces in all states and territories.

SUPPORT TO CIVIL AUTHORITIES

The National Guard Bureau and the 54 states and territories are prepared to provide response to a wide variety of homeland defense/civil support missions.

The National Guard has supported homeland security missions guarding airports, nuclear power plants, domestic water supplies, bridges, tunnels, military assets, counterdrug operations and more. Across the country, National Guard members have responded to hurricanes, snow storms, wildfires, border security and other missions requiring individual assistance. During fiscal year 2007 the National Guard Bureau Joint Domestic Operations Division provided subject matter expertise and facilitated information sharing across federal, state, and local agencies in over 554 instances of non-federalized National Guard support to civil authorities.

*State Active Duty Support to Civil Authorities*

During fiscal year 2007, the National Guard supported hundreds of disaster and crisis response missions using state active duty Soldiers and Airmen. These humanitarian relief operations included construction, security, communications, aviation, medical, transportation, law enforcement support, search and rescue, debris clearance and relief supply distribution.

The following is a more detailed list of those disaster and crisis response missions:

—6 Hurricane and Tropical Storms affecting the Gulf Coast states, Guam and the Virgin Islands;
—20 flood disasters in 14 states;
—11 tornado recovery responses in 14 states;
—17 winter and spring storm response missions affecting 23 states;
—11 water supply and purification missions in 11 states;
—1 earthquake response in Hawaii;
—1 bridge collapse in Minnesota;
—17 missions in support of law enforcement in 14 states; and
—304 search and rescue missions in 25 states.

Additionally, the National Guard provided critical infrastructure protection for facilities deemed critical by the states. Joint Force Headquarters Louisiana alone maintained a cumulative total of 109,500 duty days in ongoing support of law enforcement for Hurricane Katrina in fiscal year 2007. (Possible "Did you know" Box)

*Joint Enabling Teams and the Liaison Officer Program*

The National Guard Bureau Joint Enabling Team program assists the 54 states and territories with communication and request flow processes.

Since development of the Joint Enabling Teams in fiscal year 2006, they have been successfully employed in live emergency responses to Hawaii for an earthquake; Kansas for tornadoes/floods; Hawaii and Puerto Rico for hurricanes; Texas for a tropical storm; and California for wildfires.

The Joint Enabling Team program must be maintained in a collaborative effort with the supported states and territories to save lives and mitigate suffering.

*Joint Continental United States (CONUS) Communications Support Environment*

The National Guard continues to provide communication systems for non-federalized National Guard Forces involved in domestic operations for civil authorities and homeland defense activities. This is an essential requirement for non-federalized National Guard domestic operations; particularly in those cases similar to Katrina, in which a large number of states provided National Guard forces in support of a particular Governor. This capability is even more critical with the passage of the National Guard Empowerment Act, and we must provide Congress clear visibility within the President's budget for the funding support required for non-federalized National Guard domestic operations.

*National Guard Support to Civil Fire Fighting*

The National Guard provides military support to wildland fire fighting as a part of the Department of Defense response plan.

In fiscal year 2007, National Guard assets delivered more than 5.3 million gallons of retardant during some 6,800 fire suppression drops in fire fighting efforts across the country. In September 2007, over a five-day period, National Guard helicopters spread more than 35,000 gallons of retardant on the California Lick Fire, aiding in preventing the destruction of homes, commercial buildings and livestock.

National Guard assets are available year-round but are especially focused from April to October—the prime period for forest fires. Aviation fire fighting assets reside in North Carolina, California, Wyoming, Florida, Nevada, New York and Oregon National Guard aviation units and have been greatly successful in past years.

Throughout the 54 states and territories, National Guard units also have 249 "bambi buckets" strategically located to combat wildfires nationwide. These fire buckets range in size from 144 to 2,000 gallons and can be carried by UH–1, UH–60, HH–60 and CH–47 helicopters from the Army and Air National Guard. Fire fighting assets and crews assisted state and federal forest fire fighting efforts in California, Nevada, Florida and Georgia in fiscal year 2007. (Possible "Did you know" Box)

*Vigilant Guard Regional Exercise Program*

Vigilant Guard provides an opportunity for National Guard Joint Task Forces and field units to improve command and control, and operational relationships with internal, civilian, and military partners against homeland security threats. The exercise involves all the command elements of Northern Command, National Guard Bureau, Department of Defense, U.S. Transportation Command, Department of Homeland Security and other supporting U.S. government agencies.

The states, divided into regions, have four opportunities per year to test coordinated tactics, techniques and procedures among state and federal civil and military partners in response to a regional level incident. The desired outcome is an increase in readiness while developing partnerships at all levels to enhance the unity of effort in the future.

Vigilant Guard highlights include:

—Eight Vigilant Guard regional exercises have involved 34 participating states.

—In May 2007, a combined Vigilant Guard and U.S. Northern Command exercise in Indianapolis tested more than 2,000 National Guard personnel from Indiana and surrounding states.

*Joint Interagency Training and Education Center*

An integral part of continuing the National Guard's transformation for the future is building relationships and capabilities with our interagency partners.

Joint Interagency highlights include:

—Interagency training capability has afforded critical training and interaction with over 90 different organizations and agencies in over 800 exercises during more than 30,000 days of training since September 11, 2001.

—The Defense Department established some funding support to develop National Guard interagency training capability in 2007.

More than 200 training, exercise, or assessment activities are scheduled in 2008. With continuing support from both DOD and Congress, the National Guard will continue to transform itself into a premier homeland security and defense organization, leveraging state and federal responses, capabilities and expertise.

SUPPORTING THE WARFIGHTER—CONNECT THE COMMUNITY

*National Guard Family Program*

The National Guard Bureau Family Program provides members and their families with education, training, community outreach, and partnerships in three critical areas:

—Family Readiness is a six-step process that prepares families for having a loved one in the National Guard. The process covers all phases of service, including a welcome brief, in processing, training, pre-deployment, deployment, reunion and reintegration.

—Family Assistance provides support to military families during long or short-term deployments. Over 400 contracted personnel across the nation provide crisis intervention and community outreach services, as well as information and referral services on legal, financial, medical and dental matters. Help is also available for families online at: www.guardfamily.org.

—Program Services provides support services, education, and information to assist the National Guard members and family members. This is accomplished through family services, youth programs, community outreach, national volunteer programs and training initiatives.

*Home Station Transition Support*

Last year, Congress appropriated funds for National Guard pilot programs to help returning veterans reintegrate to their civilian lives. Congress also established the Yellow Ribbon Reintegration Program in the fiscal year 2008 National Defense Authorization Act. In the year ahead, the National Guard Bureau looks forward to working closely with the Office of the Assistant Secretary of Defense for Personnel and Readiness to implement the program. We will develop these capabilities in view of the best practices of the several states that have created their own programs. These programs support the difficult process of transitioning from a combat deployment to civilian status by offering support on civilian employment, the Department of Veterans Affairs, educational benefits and health care.

*Youth ChalleNGe Program*

The National Guard Youth ChalleNGe Program is a community-based concept that leads, trains, and mentors at-risk youths, ages 16 to 18, and assists them in becoming productive citizens. The National Guard Youth ChalleNGe Program is the second largest mentoring program of its kind in the nation—second only to the Boy Scouts of America. ChalleNGe is a coeducational program, consisting of a five-month "quasi-military" residential phase and a one-year post-residential phase. The young adults targeted to become Cadets in this program are unemployed high school drops outs—but must be drug fee and have no police record.

Since 1993 ChalleNGe has grown to 34 sites in the United States and Puerto Rico. The program has graduated over 76,000 young men and women.

A 1998 Vanderbilt University report placed the value of intervening in the life of such young people somewhere between $1.5 and $2 million per youth. Today, at an average cost of $14,000 per student per year, the taxpayer reaps an estimated savings of $109 million in juvenile corrections costs annually.

*Veterans Affairs Liaison*

Sustained mobilization of the National Guard since September 11, 2001 has resulted in a larger number of members eligible for entitlements through the Department of Veterans Affairs (VA).

Since the May 2005 memorandum of agreement was signed to support National Guard members, significant progress has been made to improve the services available to National Guard members and their families. A permanent liaison has been appointed in both the National Guard Bureau and Department of Veterans Affairs

to work out issues at the federal level. Additionally, 57 Transition Assistance Advisors have been trained and placed in the Joint Forces Headquarters to act as liaisons among the members entitled to VA benefits within a state and the local Veterans Affairs, veterans' service organizations and community representatives.

*Employer Support of the Guard and Reserve*

The basic Employer Support of the Guard and Reserve (ESGR) mission continues to be gaining and maintaining the support of public and private employers for the men and women of the National Guard and Reserve.

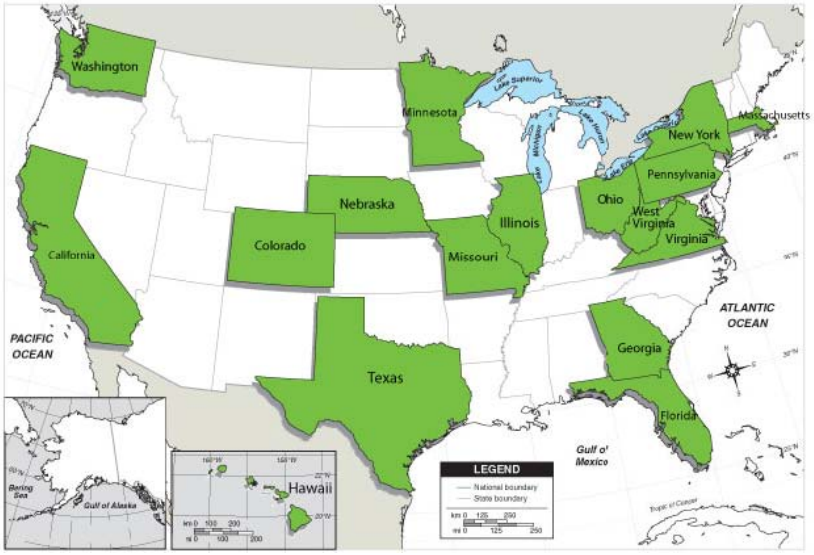
Today, nearly 4,200 volunteers serve on local ESGR committees. With resources and support provided by the National ESGR Office and the National Guard Bureau, these 54 ESGR committees conduct Employer Support and Outreach programs. This includes information opportunities for employers, ombudsman services, and recognition of employers who support and encourage participation in the National Guard and Reserve.

TRANSFORMATION FOR THE FUTURE

The National Guard continues to staff and publish logistics doctrine and plans for domestic contingency operations and emergencies. The National Guard Bureau is committed to the transformation and integration of the best available information technology enablers into our joint logistics plans, exercises and operations.

Important upgrades and new equipment have been fielded for the 57 Civil Support Teams and 17 Chemical, Biological, Radiological, Nuclear, and High-Yield Explosives (CBRNE)-Enhanced Response Force Package (CERFPs) locations. The next generation of Civil Support Team equipment was fielded for various operational systems; consisting of the Unified Command Suite, Analytical Laboratory Suite and Advance Liaison Vehicle. Additionally, a ground transportation equipment program for the CERFP units was staffed for resource allocation consideration. Staff assistance visits were conducted to identify and fill equipment shortfalls in the initial 12 CERFP organizations to bring them to the same level of capability as the five latest additions to the CERFP force structure. Based on these assistance visits, accountability procedures and material fielding plans were established to synchronize new equipment delivery.

**CBRNE Enhanced Response Force Package Locations**




*Seventeen CERFPs are currently assigned with at least one in each of the 10 Federal Emergency Management Agency regions, with some having up to three based on population density for that area.*

With the ongoing support of Congress and the American people, the National Guard will continue to secure the American homeland while defending her interests abroad. America can depend on the National Guard to be "Always Ready, Always There."

STATE ADJUTANTS GENERAL

Alabama: Major General Abner C. Blalock Jr.
Alaska: Major General Craig E. Campbell
Arizona: Major General David P. Rataczak
Arkansas: Major General William D. Wofford
California: General William H. Wade, II
Colorado: Major General H. Michael Edwards
Connecticut: Major General Thaddeus J. Martin
Delaware: Major General Francis D. Vavala
District of Columbia: Major General David F. Wherley, Jr., Commanding General
Florida: Major General Douglas Burnett
Georgia: Major General William T. Nesbitt
Guam: Major General Donald J. Goldhorn
Hawaii: Major General Robert G. F. Lee
Idaho: Major General Lawrence F. Lafrenz
Illinois: Major General (IL)[1] William L. Enyart Jr.
Indiana: Major General R. Martin Umbarger
Iowa: Major General Ron Dardis
Kansas: Major General Tod M. Bunting
Kentucky: Major General (KY)[1] Edward W. Tonini
Louisiana: Major General Bennett C. Landreneau
Maine: Major General John W. Libby
Maryland: Major General Bruce F. Tuxill
Massachusetts: Brigadier General (MA)[1] Joseph C. Carter
Michigan: Major General Thomas G. Cutler
Minnesota: Major General Larry W. Shellito
Mississippi: Major General Harold A. Cross
Missouri: Major General King E. Sidwell
Montana: Major General Randall D. Mosley

Nebraska: Brigadier General (NE)[1] Timothy J. Kadavy
Nevada: Major General Cynthia N. Kirkland
New Hampshire: Major General Kenneth R. Clark
New Jersey: Major General Glenn K. Rieth
New Mexico: Brigadier General (NM)[1] Kenny C. Montoya
New York: Major General Joseph J. Taluto
North Carolina: Major General William E. Ingram, Jr.
North Dakota: Major General David A. Sprynczynatyk
Ohio: Major General Gregory L. Wayt
Oklahoma: Major General Harry M. Wyatt, III
Oregon: Major General Raymond F. Rees
Pennsylvania: Major General Jessica L. Wright
Puerto Rico: Brigadier General (PR)[1] David A. Carrion-Baralt
Rhode Island: Major General Robert T. Bray
South Carolina: Major General (Ret) Stanhope S. Spears
South Dakota: Major General (SD)[1] Steven R. Doohen
Tennessee: Major General Gus L. Hargett, Jr.
Texas: Major General Charles G. Rodriguez
Utah: Major General Brian L. Tarbet
Vermont: Major General Michael D. Dubie
Virginia: Major General Robert B. Newman, Jr.
Virgin Islands: Brigadier General (VI)[1] Renaldo Rivera
Washington: Major General Timothy J. Lowenberg
West Virginia: Major General Allen E. Tackett
Wisconsin: Brigadier General (WI)[1] Donald P. Dunbar
Wyoming: Major General Edward L. Wright

[1] Denotes Brevet Rank.

IN MEMORIAM

Our Dedication to the men and women of the National Guard who sacrificed all for their nation and state.

Senator STEVENS. Thank you very much. We have about 50 minutes left and there are seven of us. I would urge members to just follow the concept of 7 minutes apiece. We have the chairman and co-chairman of the National Guard Caucus. So I will call on Senator Leahy first and then Senator Bond and then those who came in order.

Senator LEAHY. Well, thank you very much. Both Senator Bond and I are proud to co-chair the National Guard Caucus. We have 95 of 100 Senators on it, and it is hard to get 95 to agree on the time of day around here. That is because we are proud of the 450,000 men and women in the Guard. We are also very proud of the three of you, General McKinley, General Blum, General Vaughn, for the work you do.

General Blum, I understand there is still at least a $10 billion shortfall on the long-range Army budget plans to re-equip the Guard. That is gear that is absolutely necessary to allow the force to carry out its dual missions. I also look at the Air National Guard modernization book which reveals our best pilots and operators say they need at least $8 billion in upgrades just to carry out their missions.

It seems a little bit better than it has been in recent years, but you cannot get around the basic fact that these equipping gaps exist. We understand why. With the war in Iraq and all, a lot has been drawn down. But we also to prepare for natural disasters as well as threats worldwide which simply increase every year.

Can you tell us what plans there are to close these kind of gaps?

General BLUM. I will give it to you, Senator Leahy, at the macro level. Then if you want further detail in the Army program, Gen-

eral Vaughn will provide it or General McKinley will provide it for the Air National Guard, if you so desire.

All three Departments that really influence how we get equipped and where the resources come from have re-examined their strategies and their priorities as far as the National Guard is concerned. There is a serious commitment on the part of the Army and the Air Force and the Department of Defense to make sure that we have those items of equipment that are absolutely necessary to be a Federal reserve of the Army, a Federal reserve of the Air Force, to meet our joint requirements that are out there, and also to satisfy the finally recognized mission of supporting the Governors in a realistic manner, no notice, here at home in case of weapons of mass destruction, terrorism, or a catastrophic event brought on by mother nature, as you have seen this week with the tornadoes, the hurricane and——

Senator LEAHY. It is the no-notice part that I worry the most about. It is one thing if you have got plenty of time. You can ramp up. You can borrow from this guy's unit or that guy's unit, given plenty of notice. I am far more worried about the no-notice.

General BLUM. Right.

Senator LEAHY. And I am not sanguine enough to assume we are not going to have some no-notice problems.

General BLUM. We share that concern and we now finally have some partnering with the Department of the Army and the Air Force and their responsibilities to help us with that no-notice response. This is unprecedented in the historical past of the Army and Air Force. It is a good step forward.

But you have accurately laid out that even with—while I have to support and do support the President's budget, if more resources were to be applied earlier, then we have the capacity to absorb those resources and turn that authorization or that appropriation into real readiness capability, meaning the equipment that we need to go out the door in a no-notice response tonight if necessary or this afternoon.

Senator LEAHY. My staff will continue to work with yours and with General McKinley's and General Vaughn's on that because I am getting very, very worried that we have gone beyond a tipping point.

General McKinley, you will not be surprised if I talk about the 158th Fighter Wing in Vermont. It is proudly flying the F–16 Fighting Falcon. It is one of over 15 units in the Air Guard that fly the aircraft. That is a sizable percentage of the Air Force tactical air capabilities. It is getting kind of old—that airplane. It is going to be around a while until we see the F–35 or whatever comes in to replace it.

What kind of upgrades are needed? Do we have the funding for that?

General MCKINLEY. Senator Leahy, I appreciate your strong support, and yes, the Burlington, Vermont unit is one of our finest, and I am very proud of them.

We meet annually. As you know, members of your staff have worked with us closely to bring up the types of equipment issues that are necessary to keep the legacy fighters that the Air National Guard has relevant. And we publish annually a modernization

book that is really developed by our weapons and tactics officers in the squadrons. This is not some theoretical concept. This is what the actual fighter pilots who train our members use. And so we are able to collect that data. We have collated it. Senator, you have a copy of it. And that is where we go back to the Air Force, and through your help with the National Guard and Reserve equipment account, and try to make sure that the legacy fighters continue to serve our Nation well because we are going to expect these fighters to continue to perform for the next decade or so. So it is vitally important, and I thank you again and members of the subcommittee for your help to maintain these aircraft.

Senator LEAHY. And I am sensitive to the time and I agree with Senator Stevens on that. So you will get at least private calls from me on community basing.

General MCKINLEY. Yes, sir.

Senator LEAHY. I think that is a great idea. I know it is growing substantially in Vermont. We talk about other places it might go, and we will keep working on that.

General Vaughn, we talk about the full-time personnel in the Army National Guard. I understand the requirements for full-time manning have not been reworked since well before September 11th when the Guard made up such a high percentage of the forces on the ground in Iraq and Afghanistan.

Can you tell the subcommittee about the role the full-time personnel have in Guard units and what kind of requirement is there for additional full-time personnel?

General VAUGHN. Thank you, Senator Leahy.

The full-time support piece, as you talked to, is based upon a 1999 strategic reserve model. We think it is out of date and we think it needs to be revamped. The Army is working that through a study. We think that readiness of our forces to move quickly, as you stated earlier, and do the things that the Governors and the President need demands that we have a higher level of full-time support. We have the capacity and capability to grow whatever it is that we are told to grow to. And we should grow.

Senator LEAHY. Thank you. Well, you have a sympathetic committee here on both sides of the aisle and I applaud all of you being here.

Thank you, Mr. Chairman.

Senator STEVENS. Thank you.

Senator Bond.

Senator BOND. Thank you very much, Senator Stevens. And I join with my co-chairman, Senator Leahy, in expressing the confidence and the appreciation of the Guard. I welcome General Blum, General McKinley, General Vaughn.

General Blum, thank you for your service. You work so well with the National Guard Caucus. We very much appreciate meeting with you regularly and we thank you for the good information.

I would say by summary of what could be a long speech, that I really think the Guard is the most respected and capable organization we have. Every mission that our Nation has asked the Guard to execute, it has done so. Whether it is fighting terrorists in Iraq or Afghanistan, protecting the sovereign air space over the United States, securing the Southwest border, fighting the war on drugs

through the counter-drug program, creating new futures for at-risk youth through Youth Challenge, or leveraging the Guard's civilian skills or "smart power," as I like to call it, the Guard has been and will be there.

With respect to the Guard's smart power, General Vaughn, I appreciate your leadership in developing the National Guard agriculture development teams in Afghanistan. With roughly 80 percent of the Afghan population depending upon agriculture, they will be training Afghans in sustainable agriculture and develop projects that will contribute to rural development.

Would you give the committee an update on the ag development teams? Because I think this is a vitally important effort that was referenced, I believe, at least indirectly by Secretary Gates in his comments yesterday.

General VAUGHN. Thank you, Senator Bond.

It plays right to the strength of what we do best and that is incorporate the States at every level, especially in a non-kinetic venture like this. It uses civilian acquired skills, of course, that being in this instance farmers. Now, that is kind of out of the box because it does not sound like a military solution. But it is aimed at the poppies. It is aimed at the plight of the farmers that simply need a better way of life, and it is about doing good in uniform.

There are 10 agriculture soldiers from the State of Missouri. Missouri has been in the lead. We appreciate your great support. We appreciate the great support of Charles Cruz with the Farm Bureau. We looked at this and said, you know what we need to do is get some energy and support from the farming community of a State and link a State with a province. And that is exactly what we have done. It is a 50-person team. It has 10 professional agriculture soldiers on it. The other 40 come from agriculture backgrounds. The State of Missouri has wrapped their arms completely around these soldiers. It is playing in the papers, as you well know. There is great interest in it, and they are deployed in Jalalabad today.

The 82nd Airborne and the 101st have wrapped their arms around it, and as you know, there are other States now queued up ready to go. Texas is coming next, Nebraska, Tennessee, Alabama. I think there is a great deal of support for a non-kinetic solution at this time.

Thank you, sir.

Senator BOND. Thank you very much, General Vaughn. And here the Guard is really playing a lead. They have got 17th century agriculture, and with what the Guard can bring them in terms of know-how, not only training of farmers, but training the people who will be training the farmers, have the possibility of bringing them up at least a couple of centuries so they can be more self-sufficient. And I hope we continue to use that model.

General McKinley, Senator Leahy, and I recently wrote you about the Air Force fifth generation TACAIR procurement strategy and the effect on the air sovereignty alert. We know the Air Force is facing billions in recapped costs and a 800-plus aircraft shortfall. Yet, despite the questions we have raised, they have refused to come up with a plan B to provide the equipment we need. With the number of F–22's capped at 183 and the F–35 initial operating ca-

pability slipping and the cost going up, how does this impact the Air Guard's mission, particularly the ASA and other paramount flying missions? Where are you going to be in terms of aircraft in the very near future?

General MCKINLEY. Thank you, Senator Bond, for your advocacy and for your support of the air sovereignty alert mission.

As you know, sir, we have 16 fighter units that presently sit alert over the United States of America. They all fly aging F–16 and F–15 aircraft. In fact, a unit in your home State, St. Louis, Missouri, lost an F–15 earlier this year, a catastrophic bulkhead failure. It shows the age of the aircraft.

The plan B for us, sir, is to continue to extend these aircraft, to put modernization into them, but it is not going to solve the problem long-term because as early as fiscal year 2015—General Blum and I have looked at this, and we have determined that at that early date, we will start attritting aircraft out of this fleet and we will be leaving the combatant commander of NORTHCOM unable to meet his requirements. General Blum and I are working very closely with the Air Force to make sure we do not have that bathtub, but today, as we look at it, there is a bathtub.

Senator BOND. Would newly produced F–16's and F–15's at what, I might add, would be about one-third or less the cost or the F–22's enable you in the interim to fill that gap?

General MCKINLEY. Sir, you obviously know those are not in the Air Force procurement budget. But either one of those aircraft have served this Nation exceedingly well for the past 20 to 30 years. And we need to modernize an air sovereignty alert fleet that can serve this Nation.

Senator BOND. I believe in that, and I believe that plan B is a necessity.

General Vaughn, let me finish up commending you and the Army Guard for pushing the top in recruiting with quality recruits. The Army National Guard has the Guard Recruiter Assistance Program, which serves as a model.

Can you provide us an update on the Army Guard recruiting effort, and what, if any, are some of the challenges facing you for which you may need assistance?

General VAUGHN. Senator Bond, we have done great things. In the last 2½ years, we have grown 28,000 soldiers, and we recruit nearly 70,000 soldiers a year. As you referred to, we put into place a program that takes advantage of peer recruiting, uses our soldiers, incentivizes those soldiers to go out and recruit their communities and make their organizations to look just like them. You know, we go to school, church, play ball with every recruit that is out there. We are at 358,000 soldiers.

The authorization through 2009 is 352,600. We were given authority from the Office of the Secretary of Defense to go ahead and not slow down this recruiting program that is attracting youngsters at a record rate to serve their country.

And so General Blum mentioned something a while ago. We have a couple things going. We have got the equipment piece going in the right direction, which we have to monitor. We have the full-time support piece that we have to get to work on. The other piece is we have to have a serious debate about what the real end

strength of the Army Guard should be because over history, as a dinosaur and as a system that is outdated, we have all of our training pipeline sunk into our units, which is the wrong thing to do. So we have to look at how much strength we really need in the future.

Senator BOND. Thank you very much, General Vaughn.

Senator STEVENS. Thank you.

Senator Mikulski.

Senator MIKULSKI. Well, good morning, Generals, and thank you for both being here and for your service. And as always with the Guard, thank you for your candor and the willingness to tell it like it is. I appreciate the charts that you have given to us that actually identify your budgetary needs and where the base shortfalls are. It is rare that we get it and so straightforwardly.

General Vaughn, it is great to see you at this table joining with our colleagues in the National Guard Caucus. We would like to see you at the Joint Chiefs table.

But let me get right to my questions. First of all, to you, General Blum—my colleagues, General Blum is a fellow Marylander and we are very proud of him and his position in our military.

But in the Yellow Ribbon reintegration program, I want to thank you for the fact that you furnished Maryland $1 million out of your discretionary funds to help with the Maryland reintegration program. As of April 1, over 1,000 Maryland guardsmen were serving in either Iraq or Afghanistan. Many are now on their way home. We wanted to operationalize the program. We are one of 15 States, but the civilian leadership at the Pentagon had failed to fund it. Your $1 million and Governor O'Malley, willing to step up for what is essentially a Federal responsibility, with $3 million, we have been able to do it.

But I want you to know we had a roundtable with guardsmen and they are very grateful for what you were able to do, which takes me right to the Yellow Ribbon Program.

We are going to put the money in the supplemental, thanks to Senators Inouye and Stevens, and we are looking to implementing it here. As I understand it, 15 States have a Yellow Ribbon Program. Of course, that means 35 do not. Do you anticipate that all 50 States will develop a program, and do you see that all 50 States need them?

General BLUM. Senator Mikulski, you are at the essence of a very critical issue. Every soldier that we deploy, every unit that we deploy and goes into harm's way has to be reintegrated. The first panel that was in here—you were spot on, right on target on what the needs are. General Stultz told you. We recruit soldiers. We retain families. To maintain those families, to even put them back to the way they were before the deployment requires a systematic reintegration process that heretofore we had not paid enough attention to.

We have a pilot program with 15 States that is proving to be tremendously successful in encountering some of the concerns of Senator Murray and yourself as to the ill effects of the deployment on their families and the soldiers and how they reintegrate back into the workplace and into the household. Every single soldier and their family deserves this program.

Now, if they are called by the Governors to do something in the State, then the State probably should bear the responsibility for that.

Senator MIKULSKI. Right.

General BLUM. But when you are called in the Federal service of your country and you go overseas for a year, we owe them everything we would give any other soldier, airman, marine, or sailor in the Armed Forces. The fact that they happen to be guardsmen is irrelevant in my view.

Senator MIKULSKI. So do I take that as a yes——

General BLUM. Yes.

Senator MIKULSKI [continuing]. That you need 35 more?

General BLUM. Yes, ma'am.

Senator MIKULSKI. And is the reason that we do not have 35 more because the pilot did not work or is it a wallet issue? Is it a real issue?

General BLUM. It is a resource issue.

Senator MIKULSKI. So it is a wallet issue.

General BLUM. The pilot worked magnificently well. As a matter of fact, right now I would say Minnesota is the gold standard. Maryland is right up there.

Senator MIKULSKI. Yes. Do not start that.

General BLUM. Well, what I am saying——

Senator MIKULSKI. We will all suit up and fight for our guardsmen.

General BLUM. What I am saying is that the States have really embraced this, taken it serious. The fact that Governor O'Malley would put that kind of money into that program out of the State coffers just to jump start it and make it possible is very commendable, but it should not be sustained that way.

Senator MIKULSKI. So what you are saying is what we have now in the supplemental we anticipate will keep the programs going for 15, but we really need to face up to the fact that it should be integrated, that there should be this substantial list for all of the guard units coming home so that they would have parity with active duty on a reintegration program.

General BLUM. Yes, ma'am, absolutely. Clyde, do you want to add anything to that?

General VAUGHN. Senator, the Army has looked out there and seen this, and they have listened. And they integrated the family action plan by the Army which, unfortunately, because of the resource tail, it is a little further out. They have this program, Yellow Ribbon, in this integrated family action plan. And it has got to be resourced to make it happen. But they have seen the light, and they are working this very hard.

Senator MIKULSKI. Let me go then to this. Do you have at the Guard really those who are looking at evaluating the program? And let us say what you have now is very good. What the Guard tells us, as we meet in family roundtables, is that when they come home, it is not a linear process. In other words, you have it very well sequenced, but some feel they do not need the services until maybe they have been home a year or they need it when they have been home for 3 months and it dawns on them they need it. Or they have assessed the family financial situation, and they find

that they need a lot of counseling just in terms of getting out of debt.

There are two things going on. One, an evaluation that 1 year is not enough, that a guardsman can come in at any point? And number two is that really the reintegration program should have almost like an alumni association where they would periodically be able to come back for at least another year after they return home or before they deploy again because it is after they get home to get reintegrated. But then there is that undercurrent of anxiety of the redeployment. So you have got two significant dynamics going on in the family: one, to reintegrate and then the possibility of saying goodbye all over again.

General BLUM. If we are going to have an operational National Guard, which this Nation must have, with an All-Volunteer Force, the only way we can sustain the defense of our Nation right now is to optimize and operationalize the Reserve component. That includes the National Guard. If we are going to have repeated deployments, the conditions, the symptoms that manifest themselves come, as you well described, at irregular times. They are different for each person, and they really are cumulative. If you have deployed two and three and four times, the intensity of your symptoms and when they manifest themselves is different than if you go one time for a short deployment and come back.

So we want to build as much flexibility in this program because we are looking to keeping soldiers and their families really for a continuum of service, basically as a career. We do not use our most precious resources to bring them in for one enlistment and then let them go out the door. We spend a lot of time and effort. They become more valuable to us with each passing day. We need to realize that in the programs that support and sustain these soldiers and their families.

Senator MIKULSKI. Well, thank you very much. I know others have asked questions related to equipment and retention and so on. But thank you and thank all who serve as well. Thank you.

Senator STEVENS. Senator Murray.

Senator MURRAY. Mr. Chairman, thank you very much and thank you to all of you for your tremendous service and those who serve under you and with you.

I wanted to ask General Blum. I have been following the KC–X recapitalization effort. And in reading your prepared testimony and General McKinley's, I see that the Air Guard flew 86 percent of the tanker sorties in Operation Iraqi Freedom and 25 percent of tanker sorties in Operation Enduring Freedom. Pretty impressive. So considering that the Air Guard is very heavily involved in the operations of these mid-air refueling tankers, I am curious how much input you or your staff had in the KC–X recapitalization process.

General BLUM. The joint staff did not have any. Did the Air Guard staff?

General MCKINLEY. No, sir.

General BLUM. This is pretty much consistent with what General Bradley told you. It would not be normal that the Air Guard or the Air Force Reserve would participate in an acquisition action.

Senator MURRAY. Even though you fly a large majority of the sorties.

General BLUM. Pardon?

Senator MURRAY. Even though you fly the vast majority of the sorties.

General BLUM. Yes. But how new aircraft are acquired does not take into account the advice and consultation of the Chief of the Air Force Reserve or the Director of the Air National Guard.

Senator MURRAY. I know that there are going to be associated costs with either the Boeing or the Airbus plane. But I want to know what impact the difference in size and weight of the two tankers would have on our future budgets. And there is a lot of costs associated with upgrades of hangars and ramps and taxiways.

Has the National Guard conducted an evaluation of the construction costs for the various beddown locations?

General BLUM. That is ongoing. Do you want to handle this, General McKinley?

General MCKINLEY. That, Senator Murray, was done several years ago as a what-if drill because——

Senator MURRAY. For both the larger tanker, Airbus tanker——

General MCKINLEY. I would have to get that back to you for the record. I know we have looked at a larger aircraft tanker beddown for Milcon and hangar space. I know that. So I will get that to you for the record.

Senator MURRAY. So you could provide me with the information on both of those planes and the costs?

General MCKINLEY. Yes, I can.

Senator MURRAY. Okay, for the record. Thank you. I appreciate that.

[The information follows:]

As part of routine tabletop and internal "what-if" planning drills conducted several years ago, my engineers verbally discussed with several Air National Guard (ANG) tanker wing commanders potential beddown issues such as facilities, ramp space and hangars for future recapitalization efforts.

At the 20 ANG sites where tanker assets are currently based, we estimate the facility costs would be approximately $50 million to $275 million for the KC–45 and $50 million to $250 million for the Boeing aircraft depending on location. For example, at a notional ANG-only base, we estimate costs to be approximately $70 million for either aircraft selected. And, at a notional civilian location, costs range from $250 million to $275 million. These MILCON estimates will be used for potential ANG KC–X bases and are intended to assist in the Guard's initial planning for potential aircraft replacement. These estimates were not part of the Air Force's formal acquisition process.

In coordinating this response, we were informed by the Air Force that part of the official KC–X Source Selection process, the Air Force calculated and took into consideration MILCON cost estimates for representative active duty CONUS/overseas locations, as well as sample Guard and Reserve bases. The Air Force conducted site surveys at several existing active duty tanker bases. These surveys were used as a basis for estimating MILCON costs for the Most Probable Life Cycle Cost (MPLCC) which would address ANG and overseas locations. It's important to note that MILCON cost estimates were not considered in isolation by the source selection team, but were included as a component of the MPLCC, accounting for approximately 2 percent of the total cost.

When Air Mobility Command coordinates the final KC–45A beddown with the MAF and the plan is approved by Headquarters Air Force, the National Guard Bureau will lead the site survey processes at selected Guard locations. Initial MILCON cost estimates will be updated based on the specific requirements of each location. Local experts will be an integral part of the site survey team, as is the case with all site surveys.

Senator MURRAY. And, General Blum, I wanted to ask you specifically your opinion on flying the Boeing 767. And the reason I am asking that is because shortly after the—well, within a day after the announcement of the procurement of the Airbus plane was made, Loren Thompson, who is with the Lexington Institute, released a paper extolling the benefits of the Airbus platform and hinting that somehow the Boeing plane was a lesser plane.

Now, that was before we were given any kind of debriefing. Boeing was not given any kind of debriefing. I have been asking Secretary Wynne and General Moseley and even Secretary England how that could happen, and no one knows.

But regardless of that, some of the misinformation from that analysis has left people wondering whether the 767 is a plane that your forces would be willing to fly. And I wanted to ask you specifically if you have an opinion about the Boeing 767.

General BLUM. Well, I am probably the least qualified person to comment on that, but I think General McKinley could probably offer a more credible opinion on that.

Senator MURRAY. General.

General MCKINLEY. Ma'am, we are under advice that while the contract is under protest, the order is under protest, that we are supposed to leave it at that.

So all I can tell you is we have 17 great KC–135 units in the Air Guard. They fly great missions. They are looking for new equipment. That equipment is very old and needs to be replaced very badly.

Senator MURRAY. Okay. Well, let me change directions a little bit.

General Vaughn, I had a question for you. I know that the psychological issues for our men and women who are returning are something that you care about. And I saw that in February, the Army released the MHAT–5 report that had a number of findings. Some of them were them more positive; some were more troublesome. And I was pleased to see that the report said morale had increased throughout the ranks of the Army and that stigma had decreased for mental healthcare.

But I was alarmed to see that the suicide rates for soldiers who were deployed to Iraq and Afghanistan were up. Additionally, that report found a significant increase in mental health problems for soldiers deployed to Afghanistan.

Could you comment a little bit on whether this transition to heavy use of the National Guard and operational forces has had an impact and what you think we should be doing?

General VAUGHN. Thank you, Senator Murray. Yes, I think there is no question it has had an impact, and we are all disturbed by the numbers. But it is the stress that probably all of us, all services, find ourselves in today with the repeated use, and this is what the Nation has asked us to do.

Now, how do we fix it and what things can we do? I think the thing that you may have alluded to—and I had a sister that has coached me for years in head injuries. So my concern, after the last couple of trips, was with all of the soldiers, sailors, airmen, and marines that had taken repeated blows and there were in incidents that we had no record of. And so I said when I look back at this

in the Guard and Reserve especially, our soldiers come back and then they return to the civilian populace. They are not on active duty any longer. Rather than them having to come forward, why is it we cannot do something in the integration piece and at 30-, 60-, 90-day checks? And then you ask yourself, well, who is it that is going to be doing that?

And when we look around, I think long-term, if we are looking at something that is kind of like the Agent Orange piece, you know, the Vietnam war, then we should have a database on all these soldiers who took these repeated blows in a blast or whatever it is, which is an operational nature. What I am saying is if they are hurt, they are already captured and in the personal side of the medical records, and that is protected. But if we did something operationally that said, when that soldier comes back for redeployment and if he goes through the demobilization station, perhaps the State needs to be there with us. Every State probably will handle this a little bit differently, but there are head injury counsels out there that I think ultimately are going to be kind of the case managers and folks that move them in various directions.

I think our responsibility—and I have had this discussion with the hospitals in Afghanistan and Iraq and I have had this with the senior leadership in the Army. I think our responsibility is to accumulate that track record on each one of those soldiers.

Senator MURRAY. And that is not being done currently?

General VAUGHN. Ma'am, that particular piece for the Army National Guard is not being done currently. And to me it is a command responsibility to report it in through chains and for us to be able to give it to our great adjutant generals out there and get it in to the interagency community of that State. And then we will figure out which direction they need to go.

But rather than them swimming upstream with a stigma and saying I have a problem, we ought to know whether this soldier is likely to have a problem. And when they look at that, there is a database that says, oh, yes, you were this, this, this, and this. And that is what we are trying to work right now.

It is an emotional issue to us, and we have tried to attack this, and we are going to keep pushing it. And we would like to have all the help we could get.

Senator MURRAY. What are the barriers? What can Congress do to help you with that?

General VAUGHN. A barrier for us—and I will just be very open with this and ask the Chief to throw in, if he wants to. A barrier for us is the command relationships with our organizations that are deployed today. Our units are spread out over such a big area that if our brigades and the command relationships were in place where they had command and control and the reporting chains were all there, we could get them to report this data up through the chains to us. But as it is, they are segmented all over the place.

This is going to take some work, and it will not just be Army and Air Guard and the other the Reserve components. It will also be the other active soldiers that do not go through the 20 years that are not really, really hurt that is going to come back into the State environment. So we need to take care of it for everyone for good.

Senator MURRAY. General Blum, did you want to comment?

General BLUM. I would just add my solid support for that.

What General Vaughn says is absolutely correct. It is a challenge for the Army Guard to document whether Specialist Winkowski has been exposed to one improvised explosive device (IED) or two IEDs or three IEDs. I do not know. His chain of command would know.

Senator MURRAY. He just said two? You were exposed to two?

General BLUM. So that is two. That needs to be recorded someplace.

Senator MURRAY. Was that recorded anywhere for you?

Mr. WINKOWSKI. I do not know.

General BLUM. He does not know and we do not know, but that is information that is very vital to know if we are going to understand what we——

Senator MURRAY. Well, everything we are being told is that symptoms can occur 1 year, 2 years, 3 years later. I thought we were asking the question when soldiers came home if they had been in the vicinity of an IED. We are not doing that?

General VAUGHN. Ma'am, we are asking that question, but for all the right reasons, tough folks want to get home to their families, all these things, and plus they miss several of them. And then they ask the question, they say, oh, by the way, who else was in there with you? And so we need to be accumulating this for the soldiers.

General BLUM. Nobody is refusing to do it and nobody does not want to do it. We do not have a good system to do it yet. We are struggling to do this. This is hard to do for the active force. It is even more difficult for the Army National Guard because of the unintended consequences of breaking—the way we are employing our units today needs to be looked at hard. General Vaughn and I are working with Army leadership on this because one of the unintended consequences of the way we are desegregating our leadership from our units, once we send them overseas, in some cases makes what we are describing here an almost impossible task.

So we are not condemning anyone, but this is a problem that we must address as senior leaders, and I think this is for the Army to fix for the soldiers. And when I am talking about the Army, I am talking about the total Army, active, guard, and reserve, soldiers I am talking about are active, guard, and reserve soldiers.

Senator MURRAY. Well, thank you. I am way over my time. Thank you, Mr. Chairman.

Senator STEVENS. Thank you.

Senator Cochran.

Senator COCHRAN. Mr. Chairman, thank you.

We are very proud of the fact that in Camp Shelby, Mississippi, near Hattiesburg there is a National Guard training facility. The Army has been there for quite a while, since World War II. As a matter of fact, Senator Inouye was sent there for initial Army training before he was deployed in World War II. So there is a rich tradition and heritage that we honor at Camp Shelby.

Camp Shelby is now engaged in a total immersion training program where they have villages and buildings that resemble the facilities that you will encounter in the combat zones that we have been involved in Iraq and Afghanistan and other places around the world.

The point I am making here is that just recently they had a tornado that came through there and tore up some of those buildings, damaged some of them severely. And we have asked for supplemental funding to repair those and restore those facilities so they can continue to be used.

Is it the plan of the Army National Guard to continue to use Camp Shelby as a training facility for guardsmen who are being deployed?

General VAUGHN. Senator Cochran, absolutely. When you look at the premier facilities all the way around and what generates combat power, especially for our brigade combat teams, Shelby handles large formations. As you know from the museum out there, you can see who all has gone through there. It is just a fabulous place and we intend to put the kind of resources that it takes to continue to keep that going within our limited capabilities. But I also believe that the Army, the big Army, the total Army, stood up to do exactly that too. And all we need to know is whether something is amiss on that or not because we cannot afford for Shelby to be out of step with what we are doing today.

Senator COCHRAN. Well, I am hopeful and I expect that we will include funds in the supplemental to be able to repair and put the facilities back in full operation.

General BLUM. Senator, I will take that question for the record, but it is my understanding that it has been done. But I want to make absolutely sure. And I think General Vaughn is right. I think that was done with Army funds. But we will take that for the record and we will get it back to you.

Senator COCHRAN. Well, thank you very much.

[The information follows:]

To date, the Army National Guard has not received any federal funds to repair the damage to Camp Shelby caused by a tornado on March 4, 2008. This tornado caused extensive damage to facilities, including three barracks (36-soldiers capacity) and one latrine all of which had to be torn down due to safety concerns. The latrine facility was critical since it served a block of buildings and rendered them un-usable. The impact was a loss of capacity to house soldiers. Work-arounds were accomplished by immediate repair where possible, relocation of soldiers, and continued use of the minimally damaged buildings. One headquarters building and office facilities also incurred tornado damage. Emergency or temporary repairs have been performed on all facilities to mitigate immediate safety hazards. These repairs were completed by diverting scheduled maintenance and repair funds. Only the most critical of repairs were completed. Funding estimates to repair tornado damage include $11.5 million in Military Construction funds and $866,000 in Operations and Maintenance funds.

Senator COCHRAN. Well, it is a high honor to be a host in Mississippi to such a good training facility. I remember when my son trained down there when he was in the 155th Combat Brigade, a tank platoon leader, in preparation of going to Kuwait to deal with that situation. He called me up and he said, Dad, I am not sure our training is going to be complete by the time that thing is over over there. I think I need to be transferred to a unit that is going. And I said, well, I cannot do anything about that. The Army knows where they want you. And he said, well, I will call Congressman Montgomery then.

Well, one other thing that I just want to comment on and that is the recruiting and retention by the Army National Guard. It has been very impressive, particularly at a time when deployments to

hostile areas and serious combat may be involved. I know your recruits have been deployed multiple times in support of our national security interests, and I want to commend you for the quality of the leadership you have provided to these men and women. We are very proud of them in our State and they continue to engage in training and are serving out their commitments. They are not dropping out. They are staying in.

So at the time when the overall size of the Army Guard is growing, are you able to meet your retention goals nationwide? I know it is good in Mississippi.

General BLUM. I will let General Vaughn brag about this. This is a great success story.

General VAUGHN. Senator, we have met every goal. We set a retention factor of 18 percent across the Nation, and we are exceeding that. We are much younger than we have been because we are attracting so many youngsters, and they are obligors and they are staying.

So attrition and recruiting—there are two elements of this: keeping the folks with you and taking care of them. And the biggest piece of that is that the community really, really shows their affection for them. Both sides of the aisle—you know, they are on the side of the soldiers. And they feel not like second-class or third-class citizens. They feel like first-class citizens. And our communities and Governors and congressional delegations have just taken wonderful care of these soldiers when they return.

Senator COCHRAN. That is reassuring and good to hear. And I congratulate you for the great job you all are doing in making this happen. Leadership makes a difference.

General McKinley, I know you are probably aware that the 186th Air Refueling Wing currently flies KC–135 tankers out of Key Field in Meridian, Mississippi. In the base realignment and closure process in 2005, these aircraft were reassigned to another base. But the Air Force, as I understand it, is considering replacing those tankers with joint cargo aircraft, but it may not be in time to avoid a gap in the training that will be available to air guardsmen at Key Field.

I would like for you to look into this and see if there is any way to reduce that gap or eliminate it if it can be done so that the training of highly qualified flight crews and maintenance personnel can continue with real-world missions assigned to Key Field.

General MCKINLEY. Thank you for that question, sir. You know we have experienced a lot of mission change as a result of base realignment. Meridian has a great history and a great record. General Blum has worked very closely with the leadership of the Air Force on finding this future mission which is the C–27. But we are looking collectively as the National Guard Bureau on how to bridge the gap between 2011 and 2015 when those new aircraft come. So I will make sure we get back with you or your staff and let you know how we are progressing.

General BLUM. And, Senator, you need to know that the intent—and Senator Dorgan knows this well because we worked his issue early, starting about almost 3 years ago. We had to take out the oldest F–16s because of base realignment and closure (BRAC) out of North Dakota, and they were not going to get the C–27 aircraft

in time for it not to be a gap. So we arranged a bridge mission for that unit, and we will do the same thing for Meridian.

I have made a commitment to all of the adjutants general and Governors that we do not want—we want this to be like a relay race or a baton pass where we do not let go of the baton until someone has grabbed it. We do not want a gap and drop it. If we do that, it will be very costly in terms of recruiting, retention, and resources to reestablish that unit after it has been disestablished. So it would be much better to have a bridge mission to transition it from what it used to be to what it is going to be, and we are committed to doing that with you, as well as the other States.

Senator COCHRAN. Thank you very much.

Senator STEVENS. Senator Domenici.

Senator DOMENICI. It is nice seeing all three of you again.

General Blum, last year a GAO report studied the National Guard domestic equipment requirements and readiness and indicated that the nondeployed Army National Guard forces in New Mexico did not rank very high. As you recall, they ranked the last in the Nation in equipment readiness with less than 40 percent of the total amount of dual-use equipment they were authorized to have for warfighting missions.

Since that report, it is my understanding that things are better. The dual-use equipment availability has increased to 61 percent. According to your posture statement, it looks as if we are slowly going in the right direction. Is that correct?

General BLUM. Yes, sir, that is correct. And it is because of the extremely helpful assistance we got from this subcommittee and the Congress with the National Guard and Reserve equipment account. We were able to literally put the capability and the capacity exactly where we needed it. We were able to apply that $800 million that Congress appropriated and authorized last year for the National Guard and Reserve equipment account, and New Mexico was one of the beneficiaries. You are now at exactly the same as the national level. You are coming up at the same rising tide as the rest of the Nation.

Senator DOMENICI. How does the 2009 budget request address this situation?

General BLUM. If additional resources or funds were made available, we could apply them to accelerate moving from the 60 percent level or the mid-60 percent level where we are and we could probably increase that in terms of quantity and quality by a rough order of magnitude of 10 percent by next year, which I think is probably very useful to do.

Senator DOMENICI. I do too.

The National Guard's role in border security. General, again, Operation Jump Start will end this June. We really appreciate the fine work that was done by our guardsmen and women in supporting Department of Homeland Security (DHS) on the border security mission. I also want to thank you for your support of our communities and the law enforcement agencies with the counterdrug program.

Can you tell us a little bit more about the National Guard's work as part of Operation Jump Start and its counterdrug work?

General BLUM. Those two are separate programs, Senator, as you well know, but they are somewhat related.

Senator DOMENICI. Right.

General BLUM. Before Operation Jump Start ever happened, we were on the Southwest border for about 20 years largely through the counterdrug program. Lots of good things were done that have beneficial effect with some of the issues that the Governors and the President had to deal with with our international border and our State borders down there.

Operation Jump Start was a limited operation that was only supposed to last 2 years and only funded and authorized for 2 years. It will come to conclusion in July. We have met and exceeded everyone's expectations, the Governors', the President's. Everyone is happy with it and we will complete that mission at the end of July.

That does not mean that you will not see the National Guard on the Southwest border of the United States. We were there in two legitimate ways for many years before Operation Jump Start, and I think we will probably be there for the foreseeable future, probably using those two programs again.

One of them is the innovative readiness training program that is run out of the Department of Defense where all of the Reserve chiefs that were here this morning and us send our soldiers, sailors, airmen, and marines to go down there and actually practice and perfect their military skills in a way that is useful to also helping secure the border and improve the infrastructure along the border which helps secure the border.

The second program is the counterdrug program. If the counterdrug program were fully authorized and fully funded, it could do even more than it is doing right now. And what it is doing right now has a very beneficial and synergistic effect for border security as well as interdicting illicit drugs and people that are trafficking through the border.

Senator DOMENICI. General, are you saying that when Jump Start ends, there are still some programs, aside from just a general involvement, that will perhaps be used on the border until it is better taken care of by the fully operational Border Patrol activities?

General BLUM. I am not sure I would say it exactly that way. I am saying that the National Guard will be involved in the counterdrug program in California, New Mexico, Arizona, and Texas for sure even after Operation Jump Start is over. And I think you will see the Guard and Reserve specialized units, engineers, medical communications. The same people that you saw for 25 years in the past will probably return to that vicinity to do their training which has a synergistic beneficial effect as well. But it will not be Operation Jump Start. Jump Start was a very limited operation authorized for a specific purpose.

Senator DOMENICI. A number of Governors on the border have officially asked us to extend Jump Start, and I do not know that that is going to happen. But the reason I am inquiring of you is what is it going to look like if Jump Start is not there. And my understanding is that in an ad hoc way you are still involved. You are asked to do things and you do them, but it will not be Jump Start.

General BLUM. I think that is an accurate and fair way to phrase it. I really do.

Senator DOMENICI. Thank you very much.

Senator STEVENS. Senator Dorgan.

Senator DORGAN. Well, thank you very much. I believe I am last, so I will be mercifully brief. You have had a long morning, and I have not been able to be at all of the hearing.

But I wanted to ask just a couple of questions. One is about—well, first of all, I should thank all of you. I will be Saturday in Grand Forks, North Dakota, at a coming home ceremony for some soldiers that are on their way back from their mission in Afghanistan. And all of us do that frequently to thank soldiers and their families, especially their families who carry on while they are gone. It is always a source of great pride. So thanks to the men and women of the Guard and Reserve.

The Air Guard units—particularly in Fargo, the Happy Hooligans, of course, are now flying Predators. I am told that the Air Guard Predator units are manned to operate one Predator unit 24 hours a day, 7 days a week. That is the way they are staffed. I am also told that they are now operating two orbits with essentially that same staffing. That is a substantial tempo for them. Can you tell me what the background is on that and will that be relieved at some point?

General MCKINLEY. Senator, thanks for your support. Secretary Gates has testified that the need for increasing ISR capability is very necessary. So he has asked the Chief of the National Guard Bureau and me to ramp up the training in the units that have the Predator in the Air National Guard, as a result of base realignment, to pick up the tempo to be fully mobilized to do as many airborne combat air patrols as possible to help the soldiers and marines on the ground.

The Hooligans have stepped up in a great way, as well as our other units who fly the Predator.

This mission will probably transition itself from MQ–1 Predator to MQ–9 Reaper because it will give the combatant commander more fire power on the ground overseas. So that demand signal has been given. The North Dakota Air National Guard has stepped up. It is going to increase and I do not see this tempo lessening, Senator, for the foreseeable future.

General BLUM. The good news, Senator, is it works so well. The guys like Senator—I mean, Specialist—maybe a future Senator, but right now Specialist Winkowski—he depends on them greatly to identify who is placing the IEDs, where they are placed, who is manufacturing these vehicle-borne IEDs and ground-buried IEDs. In an unclassified setting, I will tell you they are enormously effective in saving the lives and reducing the suffering of our American soldiers deployed. So anything that we need to do to provide more orbits for the people in the field right now we are doing.

Senator DORGAN. I had heard reported a statement by Secretary Gates. The way the report came out, it seemed to imply some concern about the Air Force. I think the Air Force and the Air Guard are involved in putting almost everything up that they have got and doing, I think, by all accounts of other services, a terrific job. I checked too and my understanding is that reporting is not exactly what the Secretary of Defense had in mind. I think the Secretary of Defense is, from my understanding, pleased with the tempo and

the work done by both the Air Force and the Air Guard with respect to UAVs. This is a new part of the Air Force in many ways, used in a new way as well.

I want to ask about the joint cargo aircraft because you talked about the bridge with Senator Cochran, I believe, on that issue. The budget documents that we have say the Air Force plans to buy 24 joint cargo aircraft between 2010 and 2013. And I think that there are a number of Guard units that are candidates to receive the joint cargo aircraft.

Can you tell me what we will expect? I mean, we involved with you I think several years ago—3 years ago now. What do we expect with respect to the Air Guard in Fargo and the Happy Hooligans with this bridge mission?

General MCKINLEY. Chief, thanks. If I could just carve out the Air National Guard piece of this. Right now in the Air Force budget, there are 26 C–27s in the budget, and the allocation right now—we have six units that have been designated as receivers of those aircraft, thereby making the math easy for four planes per unit on the Air National Guard side. And General Vaughn, obviously, is going to get a tranche of airplanes for the Army National Guard.

Senator DORGAN. I understand it then. I was trying to reflect those numbers in terms of what General Blum and I had talked about previously.

Well, Mr. Chairman, I will perhaps submit some other questions.

But again, I make one additional observation, and that is this. The National Guard has done just a terrific job. I do think that now, over a period of a number of years, 5 and going toward 6 years, that frankly we are using the National Guard in a way that was not previously intended. And that works for a while. I mean, you can move things around and units around. It will work for a while.

But I do think that multiple, repeated deployments will—I think there is a huge price for that at some point because the National Guard is capable of it, but it is not constructed to do that. And I think my hope is, as I think the hope is of everybody in this Congress, we are able to extract ourselves from this war at some point soon. But I also hope that we understand, when we get back to more normal times, the specific mission of the National Guard.

General BLUM. Senator, if we do not change how we man the force with full-time manning and allow over-strength for the units for the part-time manning or the traditional guardsmen, if we do not equip the Guard to be an operational force and we do not resource them and train them to be an operational force, then what you said is exactly right. If we do those three things, I think we can sustain the volunteer force and the citizen soldier indefinitely, particularly if we are allowed to grow capacity so that we are not turning the units and the individual soldiers as fast as we are today.

Senator DORGAN. But the short answer to that is we are not meeting those needs. There are shortfalls in the percentage of equipment that is necessary for the various units. We are regrettably not having the resources to make that full commitment.

General BLUM. We cannot do things the same old way and use the Guard in a whole new way and make it work and sustain it. I agree.

Senator DORGAN. Well, I thank all three of you for your leadership.

Mr. Chairman, thank you for your time.

Senator STEVENS. Thank you. Thank you very much.

I have sort of restrained myself a little bit here on questions today. So I will submit most of the questions.

But I do want to ask you two things. General McKinley, I am told the Alaska Air Guard has the second lowest manning level in the Air National Guard. And they are working with the Guard Bureau to try to find the personnel to support the C–17 mission that is coming there. What is the situation? Are we going to have the planes and no people to fly them?

General MCKINLEY. Sir, General Campbell and I are working a plan right now to make sure we put our main effort on the C–17. It is critical. It is vital to our Nation. There are ways for us to adjust manpower in Alaska. I will be coming to the Chief of the Bureau with several courses of action here shortly, but it is a high priority. In fact, we have a team in Alaska today working those manpower issues with the adjutant general. So I share your concern. We are looking for ways to solve those issues, and I think we will be able to alleviate the stress.

Senator STEVENS. Well, General Blum, when I asked General Campbell about it, my staff and I, we were told there is a concept of cross-balancing manpower. Now what is that? I do not understand that.

General MCKINLEY. What we need—and it is an Air Force term. What we are looking for is a balance of possibly active duty manpower working with Guard manpower to alleviate the immediate shortfalls. Working with General Lichte at Air Mobility Command, we are looking at all those options. And I have not brought to the Chief what our courses of action are, but believe me, it is number one on my list.

Senator STEVENS. We are planned to move the Guard unit onto Elmendorf Air Force Base. Will that assist at all in this concept?

General MCKINLEY. Well, as you know, sir, that move from Kulis to Elmendorf is as a unit, and it has integrity of its own right. And we cannot rob manpower from it or we will have a similar crisis with another unit. So I think as I bring these courses of action to General Blum, we will give several ways to remediate this and then we will pass them on and make sure they are coordinated with General Campbell.

Senator STEVENS. Okay.

General Vaughn, I am told that Alaska Army National Guard recently transformed the 207th Infantry Group to the 297th Battlefield Surveillance Brigade. Now, can you tell us how this new mission will improve the role of the Guard as far as its support capabilities?

General VAUGHN. Absolutely, Senator. The battlefield surveillance brigades are very needed and valuable organizations. They have a military intelligence capability but they have a scout capability that fits a lot of the kinds of structure that we originally had

up with the famous 207th Scout Group. And so when we looked at the conversion piece, because it is a brigade level formation, we looked at it and we thought that fits pretty well. That fits Alaska. We talked to the adjutant general of Alaska and everybody agreed with that. And I think it is a phenomenal piece of structure.

General BLUM. It is a much more capable unit, Senator Stevens, and it places strength that has historically been demonstrated by Alaska Army Guard. We did the same thing in my home State of Maryland, taking the infantry brigade and turning it into a battlefield surveillance brigade, far more useful to the Governor and far more useful to the United States Army. They are a modern, 21st century capability. They really are.

Senator STEVENS. As I said, I have got a bunch of questions. I will submit them.

Let me ask you just generally. How is recruitment and retention in our State in Alaska?

General VAUGHN. Excellent. Senator, recruitment and retention in Alaska pretty much goes the same all the way across the Nation. It is the same phenomenon of youngsters stepping forward to serve their country. But it is excellent. They are doing great. I was concerned a couple of years back, and I think we have just done wonderful.

Senator STEVENS. I was told that one of the units reenlisted 100 percent. Is that correct?

General VAUGHN. That is correct. We had some time to visit some units that were doing some phenomenal things in Afghanistan, for instance, and it just makes you so proud to see, regardless of where they are from. But they reenlisted 100 percent of their soldiers.

Senator STEVENS. Thank you.

General BLUM. When the history of Afghanistan is written and brought up to currency, you are going to be quite proud of what the Alaska Army National Guard did, particularly down in Kandahar. The City of Kandahar may be in the right hands today because of the Alaska Army National Guard's contribution, frankly.

## ADDITIONAL COMMITTEE QUESTIONS

Senator STEVENS. Well, thank you. I am going to see them soon. I will be happy to pass on your comments, General.

We thank you, General Blum, General Vaughn, and General McKinley, for your testimony. I thank everyone today for their cooperation.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

## QUESTIONS SUBMITTED TO LIEUTENANT GENERAL CLYDE A. VAUGHN

### QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

#### ARMY NATIONAL GUARD: "ACTIVE FIRST"

*Question.* General Vaughn, the Army National Guard has initiated a new recruiting program called "Active First" which targets new recruits who would serve on active duty for a period of time, and then transfer to the Army National Guard. Participants can receive bonuses of up to $60,000 depending on the length of their commitment. How is this program coming along?

Answer. The program is moving ahead of schedule. Our fiscal year 2008 goal was to provide the Army with 1,600 Soldiers. We are on target and should have these Soldiers transitioned on or before September 1, 2008. The program kicked off on October 1, 2007 and the first Soldier completed his Initial Entry Training (IET) and transition into the Active Army was on February 22, 2008. As of June 3, 2008, 86 Soldiers have completed their IET and transitioned into the Active Army. There have been 1,923 Active First enlistments with 1476 scheduled to access into the Active Army.

*Question.* Is it meeting expectations?

Answer. Yes. In order to fully evaluate if the program is meeting complete long term expectations, we must wait until the Soldiers return to the Army National Guard (ARNG). The program has two expectations: one is service in the Active Army and the second is to return as a drilling member of the ARNG. The program is unique in that the Soldier enlists for eight years without the ability to go into the Individual Ready Reserve (IRR). The Soldier must either return to a drilling unit in the ARNG or reenlist in the Active Army. Our expectation is that between 65 to 70 percent will return to an ARNG unit.

*Question.* The Army National Guard has initiated a new program called "Active First" which is designed to fill up its ranks with prior service Soldiers.

Recruits who enlist under this program serve in the National Guard until they complete their initial entry training (basic training and job training) and are then transferred to the Army for active duty for the time period specified in their enlistment contract (30, 36 or 48 months). After their active duty period, then can either re-enlist on active duty, or serve the remainder of the obligated service in the Army National Guard.

In the past, many Soldiers traditionally enlisted in the Army National Guard after serving on active duty. In fact, in years past, the Army National Guard got more than 60 percent of their new enlistees from prior service Soldiers. However, in the past five years, this percentage has dropped by half, most likely because National Guard units deploy much more often these days.

National Guard officials hope this new program will recruit as many as 2,000 Soldiers, and expect to see as many as 1,400 of them return to the Guard after their active duty period.

General Vaughn, what factors led to this program being developed and offered to new recruits?

Answer. There were several factors that led to the development of the Active First recruiting program. First, the Army National Guard (ARNG) was exceeding our end-strength goals and beginning to reach our Congressionally-mandated ceiling. This was a means to continue the recruiting momentum and also provide a cost-effective means to help the Active Component in attaining their "Grow the Army" objectives. The word "cost-effective" is used because the costs associated with the program were primarily an opportunity cost. The ARNG managed to recruit the Active First Soldiers without adding any additional resources to our manpower or to the Army training base. This is of great benefit to the taxpayer because the single greatest cost associated with recruiting is the expense of our full-time recruiting force, of which the ARNG did not add any additional recruiters.

Secondly, this program supports the continuum of service that the Army is trying to attain. Our formations will benefit from the experience an Active First Soldier will bring back to the ARNG when they return from the Active Component. By allowing our applicants to select a choice of going Active First we are also building a future base of Soldiers that will return to their communities already duty qualified.

ARMY NATIONAL GUARD—END STRENGTH

*Question.* General Vaughn, the Army Guard plans to finish fiscal year 2008 with 358,200 guardsmen. This is 7,000 more than budgeted and is equal to the entire end strength growth planned for the Army Guard. Does the Guard intend to continue growing in fiscal year 2009?

Answer. The Army National Guard (ARNG) has clearly demonstrated the ability to grow beyond 358,200 Guardsmen. The Department of Defense authorized the ARNG to grow beyond the fiscal year 2008 351,300 congressionally-authorized and budgeted end strength in accordance with the "Accelerated Grow the Army" plan supported with the Office of the Secretary of Defense-directed reprogramming and supplemental funding. This increased authorization leverages the demonstrated momentum of the ARNG recruiting force to meet mission manning and readiness requirements to support a nation in an era of persist conflict. The sustainment of this end strength above the approved Grow the Army ramp of 358,200 in fiscal year

2013 is tied directly to continued supplemental funding as are each of the other Army components Grow the Army plans. To continue to leverage the momentum demonstrated by the ARNG, additional funding via supplemental budgets, while substantiating the current authorization (358,200) in the base appropriation is required.

As the ARNG Force Structure Allowance (FSA) approaches steady state of 358,000 in fiscal years 2010 and 2011, continued end strength growth beyond 358,200 will permit the ARNG to address the challenge of having the ARNG training pipeline embedded within the operating strength. Creating a "Recruit Sustainment Program" for end strength above the FSA, similar to the Trainees, Transients, Holdees, and Students (TTHS) personnel accounts presently in the other Army service components, will allow the ARNG to fill the entire operating force with trained deployable soldiers to meet mobilization readiness requirements and support the transition of the ARNG to an Operational Reserve.

*Question.* And how does the Guard plan to pay for the additional guardsmen recruited this year?

Answer. The current level of Army National Guard (ARNG) bonus execution at $700 million includes contractual payments for student loans, statutory anniversary payments for prior-year accessions, critical wartime medical bonuses, and foreign language incentives. To resource both non-discretionary bonus payments and to support new incentive programs authorized by Congress, the ARNG implements cost controls to pinpoint bonuses to force shaping requirements.

fiscal year 2005 was the first year the ARNG received supplemental Recruiting and Retention (R&R) funding and by the beginning of fiscal year 2006 those funds along with new recruiting strategies began to pay off. Since supplemental funding began the ARNG has demonstrated a unique ability to grow its end strength. In fiscal year 2006 the ARNG recruited over 19,000 more Soldiers than it did in fiscal year 2005, demonstrating that when resourced, the ARNG can meet its recruitment and retention targets in a wartime environment. With the recruiting successes, both the dollar bonus amounts and eligible recruiting populations have increased due to congressional support. In order to maintain our current momentum and achieve accession targets at 65,000 per year, recruiting bonuses must be fully funded to support an operational end strength sustainment environment.

ARNG recruiting bonus costs will maintain a steady state to fiscal year 2007 spending. ARNG bonus program growth levels off at fiscal year 2007 spending after recent National Defense Authorization Act bonus amount increases. We do not project a significant increase in bonus takers in out-years. It is significant to note that the ARNG requested bonus costs for the Program Objective Memorandum 2010–15 are 60 percent less than the active component cost for approximately the same number of recruits (65,000 vice 71,000).

*Question.* The Army's Grow the Force plan had the Army Guard increasing by 1,300 soldiers per year. The Guard's actual end strength growth has far exceeded the budgeted Grow the Force plan. The Guard expects to finish fiscal year 2008 with at least 358,200, which is 7,000 more soldiers than budgeted and equal to the Guard's final end strength under the Grow the Force initiative. The Guard will not say whether they plan to keep growing.

To achieve this growth the Army Guard continues to spend large sums of money on recruiting. In fiscal year 2007, the Army Guard spent $417 million on recruiting bonuses out of a $7 billion military personnel budget. In fiscal year 2008, the Guard is planning to spend $720 million on recruiting bonuses. In fiscal year 2009, the Guard has requested $373 million with presumably a large request in the supplemental.

The Army Guard has not yet provided an estimate of the cost of these additional personnel in fiscal year 2009. In fiscal year 2008, the additional personnel costs are minimal because most recruits are still awaiting basic training.

General Vaughn, after falling short of recruiting goals in fiscal year 2005, the Army Guard has turned around its recruiting efforts but, to achieve this, the Guard is spending over $700 million per year on recruiting bonuses. Are you concerned that this cost is unsustainable?

Answer. The success of the Army National Guard (ARNG) recruiting program is a direct result of a whole program approach. While bonuses and other monetary incentives are a significant part of the program, so is our innovative marketing and cutting edge recruiting philosophy.

The current level of ARNG bonus execution at $700 million includes contractual payments for student loans, statutory anniversary payments for prior-year accessions, critical wartime medical bonuses, and foreign language incentives. To resource both non-discretionary bonus payments and to support new incentive pro-

grams authorized by congress, the ARNG implements cost controls to pinpoint bonuses to force shaping requirements.

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## QUESTION SUBMITTED BY SENATOR RICHARD J. DURBIN

### BLAST INJURIES

*Question.* Veterans from Iraq and Afghanistan are coming home with higher rates of traumatic brain injuries (TBI), post-traumatic stress disorder (PTSD), and depression, among other physical and mental wounds. One in five suffers from TBI. One in five suffers from PTSD. I introduced TBI legislation last year that was enacted as part of the Wounded Warriors title in the fiscal year 2008 Defense Authorization Act that requires routine brain injury screening tests for military personnel. I was disturbed to learn that the Army National Guard is not tracking soldiers' exposure to blasts in Iraq. This information would be very valuable in assessing and treating TBI in returning service members.

To what extent do you plan to track the incidence of blasts soldiers are exposed on the battlefield?

Answer. The Army National Guard (ARNG) plans to be as proactive in this critical area as possible and we thank you for asking the question. The ARNG is currently developing and executing a reporting process to identify and track all blast exposed Soldiers. The intent is to track every Soldier immediately after the event occurs. This system will not be tracking Soldiers that have been seen by the medical system as they are fully covered and cared for. The Soldiers we will track have been exposed to these events (some multiple), not sought medical care, and may be at risk for future medical problems both while in theatre and after redeployment due to the event. Following up with these particular Soldiers will allow for early identification of potentially related issues to include traumatic brain injury and post-traumatic stress disorder and aid in providing needed support to all Soldiers, Families, and Employers.

The result will enable the force to more accurately forecast the potential needs related to services in the future. The ARNG will be able to identify trends in blast exposure and their impact on Soldiers and Families and the force and what programs may be needed their futures.

I have directed all deployed ARNG units to collect and report data on Soldiers exposed to blasts. Commanders will have the discretion to determine which Soldiers should be included based on their proximity to the blast. The intent is to capture data on Soldiers that do not seek immediate medical treatment, but may have been impacted by the blast. This data will be used to follow up with individually impacted Soldiers in theatre and will be maintained in an ARNG database that will be provided to states upon redeployment of ARNG units. States will partner with appropriate civilian agencies to provide Soldiers with needed services, but at a minimum will follow up with Soldiers during the 30, 60 and 90 day reintegration events.

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## QUESTIONS SUBMITTED TO LIEUTENANT GENERAL H STEVEN BLUM

## QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

### CIVIL SUPPORT READINESS

*Question.* General Blum, recent GAO reports have addressed the Guard's readiness for civil support missions. According to GAO, the Guard is resourced and prepared for average state level events but does not have adequate guidance nor planning for a medium to large scale, multi-state domestic emergency. What is the Guard doing to improve its preparation for these types of events?

Answer. The National Guard is improving its preparation for responding to a medium to large scale, multi-state domestic emergencies by conducting exercises titled "Vigilant Guard" which reinforces that all incidents are local. These exercises demonstrate the capabilities of the National Guard Joint Force Headquarters and the

Emergency Management Assistance Compact—a process where Governors reach out to other Governors for more assistance. Specific National Guard homeland defense capabilities include the National Guard Reaction Forces, Weapons of Mass Destruction (WMD) Civil Support Teams and the Chemical, Biological, Radiological and Nuclear Enhanced Response Package teams.

States that have participated in Vigilant Guard Exercises include Tennessee, Missouri, Georgia, Illinois, Indiana, South Carolina, Florida, Virginia, North Carolina, and Ohio. States planning to participate in future Vigilant Guard Exercises include Hawaii, Nevada, California, Guam and Iowa.

The National Guard Bureau also participates in the National Level Exercises (e.g. NORTHCOM sponsored Ardent Sentry), which exercises continuity capabilities to include the National Essential Functions, Federal Government Essential Functions and to manage emergency from dispersed locations. Previous exercises focused on exercising hurricane preparedness, response capabilities and responding to terrorist WMD threat/attack, to include the integration of Defense Support of Civil Authorities.

These tactical, operational and strategic level exercises allow the states and the National Guard Bureau opportunities to capture lessons learned in order to improve the processes in which the states plan, respond, as well as coordinate additional capabilities and resources from other states.

*Question.* A recent GAO survey of state adjutant generals (TAGs), reported that many TAGs were greatly concerned about their state's ability to respond to a medium to large scale, multi-state incident while they felt comfortable that their state guard had adequate planning and resources to respond to a typical state-level disaster. According to GAO, the U.S. government has not adequately planned for medium to large scale disasters that require multi-state involvement. For this reason, the Department of Defense and National Guard Bureau do not have clear guidance as to their roles in these types of events and are limited in their ability to plan and equip for these events.

Detailed state-level emergency response plans exist and help the TAGs in planning and equipping for state missions but there is no standardized method to track civil support readiness for larger events because there is no required table of equipment nor training for civil support missions.

The National Guard Bureau has identified significant Army and Air Guard shortfalls in dual-use equipment. These are items that are part of the required list of war-fighting equipment but also have civil support applications. The Guard estimates the cost to completely eliminate this equipment shortfall as $10 billion for the Army Guard and $2.5 billion for the Air Guard. However, without clear guidance as to the Guard's responsibilities during a multi-state event, it is unclear if this equipment requirement is accurate.

General Blum, GAO has reported that the Guard has not been provided with clear guidance on its responsibilities during a medium to large scale disaster or other incident. Without this guidance, how does the Guard assess its dual-use equipment requirements and prioritize its equipment requests?

Answer. Assessing National Guard Readiness for Domestic Operations is a function of understanding the requirement, the required capabilities and enablers and management systems for data collection, analysis, reporting and information sharing with stake-holders. I have asked all 54 State Adjutants General/Commanders to develop a written "Joint Combined State Strategic Plan" that addresses state-specific goals and objectives while allowing supporting entities, such as the National Guard Bureau (NGB), to have a clear picture of each state's external needs. Those assessments are then input to the Joint Capabilities Database (JCD). The current authoritative Department of Defense (DOD) readiness reporting system, the Global Status of Resources and Training System, does not presently assess homeland defense missions or emergency response equipment requests by the Governors.

NGB is working closely with the Office of the Under Secretary of Defense for Personnel and Readiness as DOD transitions to the new Defense Readiness Reporting System to ensure the functionality of our JCD is incorporated. The JCD is a complimentary, unclassified, separate and unique system of evaluating every state's preparedness for National Guard Domestic Operations (NGDO). The JCD captures the readiness of the National Guard of every state and territory for Domestic Operations missions at two levels: (1) to respond to the most frequent NGDO missions experienced over the last ten years, and (2) to respond to major catastrophic incidents as articulated in the National Planning Scenarios. From this assessment, we've become aware that dual-use equipping levels vary from state to state. NGB continues to work closely with each state and DOD to ensure critical equipment is pre-positioned at the optimum locations to ensure maximum effective response. If it is in the National Guard, and the Governor needs it, they will get it either

through national-level coordination efforts or through pre-existing state to state Emergency Management Assistance Compacts.

LIGHT UTILITY HELICOPTER

*Question.* General Blum, the Army National Guard is slated to receive the majority of the new Light Utility Helicopter. However, the rising price of that helicopter means that fewer are being requested in the President's budget. What effect will slowing the fielding of the Light Utility Helicopter have on National Guard homeland defense missions?

Answer. The effect of slowing the fielding of Light Utility Helicopter (LUH) (UH–72A Lakota) to the Army National Guard (ARNG) would be significant with respect to ARNG aviation support to homeland defense missions. However, the Army has ensured the ARNG remains positioned early in the Army's overall LUH fielding plan and the expectation is that early ARNG LUH fielding will remain true. Required aircraft modifications caused some small aircraft quantities to be shifted to the out-years, but the Army is addressing those minor modifications in the current fiscal years 2010–15 Program Objective Memorandum. Additionally, the Army is working to achieve maximum production rate within the LUH program. The Security and Support Helicopter Battalions (SSHBNs) are currently operating aging legacy OH–58A/C aircraft. The UH–72A modernizes the SSHBNs and provides an enhanced aviation platform to conduct security, support and medical evacuation aviation missions and thus better support the National Guard's homeland defense requirements.

*Question.* The Light Utility Helicopter, or UH–72A Lakota, is a commercial helicopter that has been adapted for military use within the United States. Its primary missions relate to homeland defense, medivac, and movement of small numbers of personnel. The LUH is intended to fill these missions in areas with no risk of combat, so that the larger, more expensive, and battle-ready Black Hawks can be freed up for deployment overseas.

The price of each LUH rose from $5.3 million to $6.2 million this year after early tests found a need to upgrade various equipment. This cost growth has reduced the rate at which the Army is procuring the helicopters.

General Blum, the Army National Guard has identified four major aviation modernization or upgrade programs: the Light Utility Helicopter, the Black Hawk, the Chinook, and most recently, the Apache conversions. Since budgets are always limited, how would you prioritize those programs?

Answer. As over 40 percent of the Army's Modified Table of Organization and Equipment (MTOE) requirement for helicopters resides in the Army National Guard, our reserve component units represent a significant portion of the Army's aviation forces available to meet National Security challenges. Each of the programs that you mention has a distinct and important part in the long-term capabilities of the Guard to provide aviation support to the current and future warfighters. Because of the discreet mission sets that each of these platforms perform it's difficult to put them in a clean-cut prioritized list; however, here are the compelling needs for these platforms in the order in which they should be addressed.

The Army National Guard (ARNG) is short more than 18 percent of the CH–47s required by our reserve component MTOE units, the largest shortage within the National Guard aviation community. While this aircraft continues to be in high demand due to its ability to perform a myriad of missions in all environments, the ARNG must find ways to fill these holes. Additionally, these shortages are exacerbated in the short term by the need to take a CH–47D from a unit and induct it into the production line to create a CH–47F.

Four of the eight battalions in the ARNG AH–64 fleet are well on their way to being modernized. They are in the process of receiving AH–64Ds and will then be available for sourcing to the warfight. The remaining four battalions need to be accelerated in their modernization so that they, too, can be added to the pool of attack helicopter units available for utilization in the current fight. The attack community is heavily deployed and utilized and these additional assets will contribute significantly to our ability to provide aviation formations in the future.

The UH–60 fleet is the largest fleet in the ARNG, but also has the most holes in our formations being 113 aircraft short which represents over 14 percent of its required numbers. The Blackhawks needed by the ARNG predominantly reside within the MEDEVAC community as we try to grow the number of MEDEVAC units available for today's deployments. Additionally, as the UH–60As first entered service in the late 1970s, the modernization of this fleet to UH–60Ls and UH–60Ms is an important piece of the ARNG's ability to provide relevant aviation support into the future.

When one talks of ARNG aviation, it's difficult to do so without talking about the Joint Cargo Aircraft. It's a critical piece of the entire modernization strategy for ARNG aviation and Army aviation in general. It is the capabilities of the C–27J that will provide critical logistical support for ground commanders well into the future. It is also the platform that will provide the ability to divest our 1980 vintage C–23s and keep this cargo fleet viable well into the 2020s and beyond.

The Light Utility Helicopter (LUH) is the cornerstone of National Guard aviation transformation as it has enabled the ARNG to create S&S battalions within their Aviation Brigade structure. Its ability to satisfy both general support and MEDEVAC aviation missions in permissive environments has afforded the Army the opportunity to cascade UH–60s to the ARNG in support of the warfight and will also enable the Army to divest the remaining legacy aircraft (UH–1s and OH–58A/Cs).

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## QUESTIONS SUBMITTED TO LIEUTENANT GENERAL CRAIG R. MCKINLEY

### QUESTION SUBMITTED BY SENATOR DANIEL K. INOUYE

#### FORCE REALIGNMENTS

*Question.* General McKinley, the Air Guard is undergoing significant force structure adjustments as a result of the Total Force Integration and BRAC. Many bases have been closed and many units have been assigned new missions. These realignments mean that many airmen are being asked to either retrain on new equipment, or worse to uproot their families and leave their civilian jobs to follow their unit to a new location. I understand that this is creating significant challenges in training capacity and retention. How is the Air Guard addressing these issues? Has the Air Force been supportive in providing the training spaces needed to re-train the large number of airmen who have new missions?

*Background*

The Air Force is undergoing significant force structure adjustments. As part of the Total Force Integration plan, the Air National Guard is working to pool equipment and personnel resources with the active Air Force to maintain capabilities at a lower cost by associating a reserve unit and active unit with the same set of equipment. At this same time, the BRAC Commission realigned Air Force assets at over 100 facilities, recommending some bases close and others realign equipment and personnel. These changes affect 60 percent of all Air Guard units.

Another significant challenge, as reported by GAO in May 2007, is finding a sufficient amount of training spaces and funding to re-train the large number of airmen who are changing missions. There are also concerns with morale as personnel are required to train on new equipment mid-career, or worse, to temporarily train on equipment for a gap mission only to have to retrain again when the new equipment comes on line. To date, the effects on retention have varied by unit.

Retention levels may have remained strong due to a significant increase in bonuses. In fiscal year 2006, the Guard spent $29.5 million on re-enlistment bonuses while in fiscal year 2007 the level increased to $45.5 million. Fiscal year 2008 projections are comparable to fiscal year 2007 levels.

General McKinley, you have greatly increased the amount of money spent on re-enlistment bonuses in the last two years. The fiscal year 2009 budget reverses that trend, requesting only a third of current levels. With the retention challenges you are facing, why wasn't more funding requested?

Answer. The Air National Guard faces many budget challenges in fiscal year 2009, including recruiting and retention. We recognize the level of risk the budget request reflects and are counting on our leadership at the unit level as well as the flexibility within the budget execution year to continue to help us in the area of retention.

Due to the importance of achieving retention and recruiting goals, often funds are reprogrammed from other programs to address additional funding requirements. Unfortunately, we must assume risk in other programs to meet the challenges of sustaining a viable reenlistment program.

## QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

### NEW MEXICO ANG F–16 UPGRADES

*Question.* The 150th Fighter Wing at Kirtland Air Force Base has a proud heritage as part of the Air National Guard. The 150th used to fly Block 40 F–16s, but gave them to the Active Duty force to assist in meeting mission priorities. Now the 150th flies Block 30 F–16s, which will soon be retired.

Has there been any thought given to upgrading the Block 30 F–16s such as those used by the 150th to enable them to continue providing their outstanding service to New Mexico and the United States? What type of upgrades?

Answer. Yes. A portion of the 150th Fighter Wing's F–16 Block 30 aircraft recently received upgraded radios prior to deployment in support of Operation Iraqi Freedom. The Air Force, Air National Guard, and Air Force Reserve Command are pursuing the completion of this modification for all combat coded Block 30 aircraft. Additionally, the 150th Fighter Wing's F–16s are fully funded for replacement of the aging video tape recording system with a digital video recorder, greatly enhancing training effectiveness and post-mission assessment. Software releases currently in development will enable employment of new weapons such as the small diameter bomb. Numerous hardware modification programs for the F–16 Block 30 fleet are detailed in the Air National Guard's 2009 Weapons System Modernization Book. These efforts include upgraded fire control computers with ethernet connections, helmet mounted cueing systems, advanced targeting pod improvements, digital radar warning receivers, advanced line-of-sight and beyond line-of-sight radios, improved color displays capable of image transfer, and advanced interrogators for identification of friendly, suspect, and enemy aircraft. With adequate funding, these upgrades will greatly enhance the 150th Fighter Wing's ability to robustly support in-theater and homeland defense operations.

### NEW MEXICO ANG F–35S

*Question.* Earlier this year the Air Force Chief of Staff released his "roadmap for the future". This roadmap names Kirtland AFB as a potential bed-down location for the F–35 and the Combat Search and Rescue Aircraft (CSAR–X). We are excited that Kirtland AFB and the 150th Fighter Wing (FW) are included in the roadmap, but there are some additional points about Kirtland and the 150 FW that I would like to bring to your attention.

—Kirtland AFB scored the highest of 33 locations on the BRAC 2005 score sheet for Air National Guard Fighter sites.

—Kirtland is the sixth largest Air Force Base in the country with the best airspace, ranges and weather in the country.

—Multi-role fighter aircraft from Kirtland AFB can provide adversary fighter training for the F–22s at Holloman AFB.

—These same F–35 aircraft can provide needed air-to-ground fighters for close air support training at Cannon AFB, White Sands Missile Range, and Fort Bliss, Texas

Kirtland AFB and the 150th Fighter Wing seem to be a natural fit for the F–35. What are you doing to develop the F–35 fighter mission for the Air National Guard at Kirtland Air Force Base?

Answer. On January 16, 2008, General Moseley, the Chief of Staff of the Air Force, released his strategic roadmap, his long-term plan for basing of the next-generation weapon systems. Kirtland Air Force Base, New Mexico was listed as a potential bed-down location.

We assure you Kirtland AFB will receive full consideration and will be evaluated to support a potential F–35 mission. Each potential location that meets the preliminary requirements is subject to further analysis, to include an environmental impact study which is mandated by the National Environmental Protection Act. These studies take time and will be conducted over the next several years. Kirtland AFB has many great qualities which provide for superb flying operations and these factors will be considered when the final F–35 basing decisions are made.

The National Guard Bureau continues to advocate for parallel and proportional recapitalization of the Air National Guard throughout the Air Force's Planning, Programming and Budgeting process. As an operational and strategic reserve force, we must continue to meet the demands of our mission today while preparing for the challenges of tomorrow. Total Recapitalization of our Total Force is vital to our Nation's security and we look forward to your support of our efforts.

SUBCOMMITTEE RECESS

Senator STEVENS. This subcommittee will next meet on Tuesday, May 20, at 11 a.m., at which time we will receive testimony from the Secretary of Defense, Robert Gates, on the Defense Department's fiscal year 2009 budget request.

Thank you all very much.

[Whereupon, at 12:10 p.m., Wednesday, May 14, the subcommittee was recessed, to reconvene at 11 a.m., Tuesday, May 20.]

# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2009

**TUESDAY, MAY 20, 2008**

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.*

The subcommittee met at 10:56 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Leahy, Dorgan, Feinstein, Murray, Stevens, Cochran, Specter, Domenici, and Bond.

## DEPARTMENT OF DEFENSE

### OFFICE OF THE SECRETARY

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

**ACCOMPANIED BY TINA JONAS, UNDER SECRETARY OF DEFENSE, COMPTROLLER**

OPENING STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. I should point out that this subcommittee will not tolerate any demonstrations. We expect all of us here to conduct ourselves like ladies and gentlemen.

I have been advised that the Secretary has an important meeting at the White House. So we will have to set some time limitations. May I suggest 10 minutes?

Today the subcommittee is pleased to welcome the Honorable Robert Gates, Secretary of Defense, and Admiral Mike Mullen, the Chairman of the Joint Chiefs of Staff, to testify on the administration's budget request for fiscal year 2009.

Gentlemen, the budget before this subcommittee requests $492 billion for the coming year. Of course, this amount includes neither funding for military construction nor an additional amount for the cost of wars in Iraq and Afghanistan. In total, funding for the Department of Defense is at historically high levels, unmatched since World War II.

Mr. Secretary, we have all been impressed with your passion and commitment to ensure that our military men and women are receiving the best equipment, medical treatment, housing, and support. Over the past several months, we have also noted your statements in favor of enhancing diplomatic efforts in the fight on the war on terror and calling for improvements in ISR and innovation in military planning. It has been the most impressive performance.

On this subcommittee, I believe we have followed your lead. Congress provided an unprecedented $17 billion budget increase in response to your call for MRAPs. In the fiscal year 2008 supplemental, which is now pending before the Senate, the subcommittee has increased resources for healthcare by more than $900 million, added $500 million to repair barracks. We have recommended increases for ISR capabilities, and done so by allowing for the lease of existing assets which can be deployed almost immediately to the theater rather than in 14 or 28 months as traditional procurement would require.

But, Mr. Secretary, with all due respect, when we review your budget request, we find that it is filled with maintaining the status quo. As this subcommittee has noted in recent years, again this year we find that in the administration's budget request, stable production programs are being curtailed or even terminated in favor of advancing new technology such as in our space systems and shipbuilding, even in Army ground equipment, all to encounter some notional future conventional threat which is difficult to see looming on the horizon.

Your healthcare budget assumes $1.2 billion in savings, which it is clear will not materialize, leaving a hole that the Congress would have to fill.

Your budget assumes risk in depot maintenance by only requesting funding for 75 percent of the normal requirement.

Mr. Secretary and Admiral Mullen, as we discuss these matters today, we will be seeking your candid assessments on how this budget can be improved.

Gentlemen, we commend you for your leadership in managing this enormous Department in very challenging times. And we very much appreciate your service and look forward to your testimony. However, before you proceed, I would like to defer to the vice chairman of this subcommittee for any comments he wishes to make. Senator Stevens.

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much, Mr. Chairman.

Secretary Gates and Admiral Mullen, we thank you for your service and for your appearance here today.

I do not disagree with anything that the chairman has said. I do believe we are totally in agreement. We have a difficult task of balancing the military's competing requirements with the amount of funds available. We do look forward to your comments today and look forward to the opportunity to work with you to meet the pressing needs of the military. It is not going to be an easy job, as we all know, and the procedural parliamentary situation here is in such disarray, God knows where we will come out.

Thank you.

Senator INOUYE. Thank you very much.

Senator Specter.

STATEMENT OF SENATOR ARLEN SPECTER

Senator SPECTER. Thank you, Mr. Chairman.

Mr. Secretary and Admiral Mullen and Ms. Jonas, I join my colleagues in welcoming you here. You have a very tough job.

In the few moments that I am going to have today, I would like to focus on the future and most specifically on Iran and on the critical issue of talks with Iran and whether talking with Iran is really appeasement. We have seen our talks with North Korea bear fruition. We have seen the talks with Libya, Gaddafi, bear fruition. Gaddafi, arguably the worst terrorist in the history of the world, in very tough competition with Pan Am 103 and the bombing of the Berlin discotheque, and yet he has given up his nuclear weapons and has re-entered the family of nations.

And we have seen the President's comment about appeasement with terrorists, but if we do not have dialogue with Iran, at least in one man's opinion, we are missing a great opportunity to avoid a future conflict. These are views which I have held over a long period of time from my service on this subcommittee and chairing the Intelligence Committee and the Foreign Operations Subcommittee, extensive floor statements, and an article in the Washington Quarterly in December 2006–07.

And I think that your statements on this issue in encouraging talks have been extremely productive, and I think we really need to focus on that issue.

Very briefly, I will ask you about the situation with Yemen. I am concerned about what is happening with Yemen after the killing of 17 sailors on the *Cole*. Al Qaeda, the worst terrorist organization in the world, has been implicated in the attack. Verdicts have been handed down. Yet there are troubling reports that Yemen has let the individuals convicted in the attack go free. It is my understanding that the Department of Defense provided Yemen with $31 million in section 1206 aid in fiscal years 2006 and 2007, and that the fiscal year 2008 request will be made shortly. I would like to explore with you the reasons for that and whether we could not have some leverage to see to it that those terrorists are brought to justice or at least not to finance those who were accomplices after the fact.

Thank you very much, Mr. Chairman.

Senator INOUYE. Senator Feinstein, would you care to make a statement?

Senator FEINSTEIN. Thank you very much. I have no opening statement.

Senator INOUYE. Senator Bond.

STATEMENT OF SENATOR CHRISTOPHER S. BOND

Senator BOND. Thank you very much, Mr. Chairman.

We welcome Secretary Gates, Admiral Mullen, and I will have some questions for you on some TACAIR acquisition things that I think are looming large for the military.

But first, I commend you on your far-sightedness in the development not only of the counter-insurgency strategy with General Petraeus, but what is a broader concept I believe of the non-kinetic force or smart power that is necessary to win the long war against those radical terrorists who would attack us. My view is the Department of Defense, particularly the Army, is way out ahead of anybody else in knowing how to work with people in less developed countries who are subject to the appeals of terrorists and also to

get out the strategic information or the campaigns to explain what we are doing.

I believe at least your staff has had an opportunity to meet with LibForAll, the group of moderate Muslims, led by former Indonesian President Gus Dur—or Abdurrahman Wahid is his real name—that are reaching out to Muslims throughout the world, carrying the message of moderate Islam. I would like to maybe talk with you in person later on about it. But I commend you because I think this is an essential part of the long-term battle that you as Secretary of Defense have recognized better than anyone else. And I thank you for it and I want to learn more about it.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you.

Senator Leahy.

STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Yes. Mr. Chairman, I am more interested in hearing from Secretary Gates.

I would note that it is nice to see him without his arm in a sling and that he made it very clear that it did not come from arm twisting here on the Hill.

I am going to want to talk with him about a number of things when we get going, our National Guard, of course, our homeland defense, how we respond to disasters. The press was talking about the high probability of severe earthquakes out in our western part of our country. Obviously, the Guard would be called out there. We will go into that, the shortfalls in the Guard, equipment, and so on.

I do want to talk about the Secretary's speech last week in which he said we are going to have to engage Iran, including through low-level government-to-government talks. I tend to agree with him. I remember during the height of the cold war when we could have bellicose statements from the head of the Soviet Union and the head of the United States, and at the same time, we had people going back and forth having discussions and how well that worked. We even did, as the Secretary knows, even during the height of the Cuban missile crisis. So there are a lot of distasteful people we have to talk with around the world, but it is realpolitik.

Mostly, I am pleased that Secretary Gates was willing, at what was both personal and financial sacrifice, to come and take the position that he has, giving up a dream position when he did. I applaud him for it.

That is all, Mr. Chairman.

Senator INOUYE. Thank you.

Senator Dorgan.

Senator DORGAN. Mr. Chairman, I will defer. I do have some questions for the Secretary and for Admiral Mullen, but let me defer an opening statement so that we can hear the witnesses.

Senator INOUYE. Thank you very much.

And now may I call upon the Honorable Robert Gates, Secretary of Defense.

OPENING STATEMENT OF SECRETARY GATES

Secretary GATES. Thank you, Mr. Chairman. Mr. Chairman, members of the subcommittee, it is a pleasure to be here for my

second and last budget testimony before this subcommittee. First, let me thank you for your continued support of our military these many years, and I appreciate the opportunity to discuss the President's fiscal year 2009 budget request.

Before getting into the components of the request, I thought it might be useful briefly to consider it in the light of the current strategic landscape, a landscape still being shaped by forces unleashed by the end of the cold war two decades ago.

In recent years, old hatreds and conflicts have combined with new threats and forces of instability, challenges made more dangerous and prolific by modern technology, among them terrorism, extremism, and violent jihadism, ethnic, tribal and sectarian conflict, proliferation of dangerous weapons and materials, failed and failing states, nations discontented with their role in the international order, and rising and resurgent powers whose future paths are uncertain.

In light of this strategic environment, we must make the choices and investments necessary to protect the security, prosperity, and freedom of the American people. The investment being presented today in the base defense budget is $515.4 billion, or about 4 percent of our gross domestic product (GDP) when combined with war costs. This compares to spending levels of about 14 percent of GDP during the Korean War and 9 percent during Vietnam. Our fiscal year 2009 request is a 7.5 percent increase, or $35.9 billion, over last year's enacted level. When accounting for inflation, this translates into a real increase of about 5.5 percent.

The difference consists of four main categories which are outlined in more detail in my submitted statement. Overall, the budget includes $183.8 billion for overall strategic modernization, including $104 billion for procurement to sustain our Nation's technological advantage over current and future adversaries; $158.3 billion for operations, readiness, and support to maintain a skilled and agile fighting force; $149.4 billion to enhance quality of life by providing pay, benefits, healthcare, and other services earned by our all-volunteer force; and $20.5 billion to increase ground capabilities by growing the Army and Marine Corps.

This budget includes new funding for critical ongoing initiatives such as global train and equip to build the security capacity of our partner nations, security and stabilization assistance, foreign language capabilities, and the new Africa Command.

In summary, this request provides the resources needed to respond to current threats while preparing for a range of conventional and irregular challenges that our Nation may face in the years ahead.

In addition to the $515.4 billion base budget, the fiscal year 2009 request also includes $70 billion in emergency bridge funding.

There is, however, a more immediate concern. Congress has yet to pass the pending $102.5 billion global war on terror request for fiscal year 2008, and as a result, the Defense Department is currently using fourth quarter funds from the base budget to cover current war costs. Shortly, two critical accounts will run dry. First, Army military personnel. After June 15, we will run out of funds in this account to pay soldiers, including those in Iraq and Afghanistan. Second, operations and maintenance (O&M) accounts. Around

July 5, O&M funds across the services will run out, starting with the Army. This may result in civilian furloughs, limits on training, and curbing family support activities.

If war funds are not available, the Defense Department can transfer funds from Navy and Air Force military personnel accounts to pay soldiers, but that would get us only to late July. Using the limited transfer authority granted by Congress would also help get us to late July. Doing so, however, is a shell game, which will disrupt existing programs and push the services' O&M accounts to the edge of fiscal viability.

Beyond the Army personnel account and O&M account, other programs will be adversely impacted if the pending fiscal year 2008 supplemental is not passed soon. Among them critically is the commander's emergency response program, or CERP, the single most effective program to enable commanders to address local populations' needs and get potential insurgents in Iraq and Afghanistan off the streets and into jobs. Congress has provided $500 million of our total CERP request of $1.7 billion. Without the balance of $1.2 billion, this vital program will come to a standstill. The Department does not have the authority to extend the funding beyond the $977 million in authority provided in the fiscal year 2008 National Defense Authorization Act.

While I understand that the Congress may pass the fiscal year 2008 war funding bill before the Memorial Day recess, I am obligated to plan for the possibility that this may not occur. I will keep Congress informed of these plans in an effort to ensure transparency and to minimize possible misunderstandings.

Delaying the supplemental makes it difficult to manage the Department in a way that is fiscally sound and prudent. To illustrate this point, I have compared the Department of Defense to the world's largest supertanker. It cannot turn on a dime and it cannot be steered like a skiff. And I would add, it cannot operate without paying its people. And so I urge approval of the fiscal year 2008 war funds as quickly as possible.

PREPARED STATEMENT

Finally, I would like to thank the subcommittee for all you have done to support our troops, as well as their families. In visits to the combat theaters and military hospitals and at bases and posts at home and around the world, I continue to be amazed by their decency, their resilience, and their courage. Through the support of the Congress and our Nation, these young men and women will prevail in the current conflicts and be prepared to confront the threats that they, their children, and our Nation may face in the future.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you.

[The statement follows:]

PREPARED STATEMENT OF ROBERT M. GATES

Mr. Chairman, members of the Committee: Thank you for your continued support of our military these many years. I appreciate the opportunity to discuss the President's fiscal year 2009 Defense budget request.

Before getting into the components of this request, I thought it useful to consider it in light of the current strategic landscape—a landscape still being shaped by

forces unleashed by the end of the Cold War nearly two decades ago. In recent years old hatreds and conflicts have combined with new threats and forces of instability—challenges made more dangerous and prolific by modern technology. Among them: Terrorism, extremism, and violent jihadism; ethnic, tribal, and sectarian conflict; proliferation of dangerous weapons and materials; failed and failing states; nations discontented with their role in the international order; and rising and resurgent powers whose future paths are uncertain.

In light of this strategic environment, we must make the choices and investments necessary to protect the security, prosperity, and freedom of the American people.

The investment being presented today in the defense base budget is $515.4 billion, or about 3.4 percent of our Gross Domestic Product. This request is a 7.5 percent increase—or $35.9 billion—over last year's enacted level. When accounting for inflation, this translates into a real increase of about five and a half percent.

I also strongly support Secretary Rice's request for the international affairs funding. This request is vital to the Department of Defense; in the current strategic landscape, we need civilian expertise and robust engagement around the world to build goodwill, represent United States values and commitment to our partners, complement the contributions of our military, and set the long-term conditions for peace, prosperity, and an environment inhospitable to extremism.

STRATEGIC MODERNIZATION—FUTURE COMBAT CAPABILITIES

The fiscal year 2009 budget request provides $183.8 billion in strategic modernization to meet future threats, a 4.7 percent increase over the previously enacted level. This category includes more than $104 billion for procurement.

*Joint Combat Capabilities*

The base budget provides $9.2 billion for ground capabilities, including more than 5,000 Humvees and 4,000 tactical vehicles. This request provides $3.6 billion to continue development of the Future Combat System, the Army's major modernization program, a portion of which I saw first-hand at Fort Bliss, Texas about two and a half weeks ago. I was impressed by what I saw.

A total of $16.9 billion is allotted for maritime capabilities, with $14.2 billion for shipbuilding, including: The DDG–1000, the next generation surface combatant; two littoral combat ships; two joint high speed vessels; two logistics ships; and one Virginia-class submarine.

The ships being built today must provide the capability and capacity to maintain the Navy's global presence and influence in the future. A fleet sized at 313 ships offers the agility required to meet a broadening array of operations and requirements with allies around the globe.

To improve air capabilities, the budget includes $45.6 billion, a $4.9 billion increase over last year's enacted levels.

This includes funding for: F/A 18 Hornet and E/A–18G Growler fighters; F–35 Joint Strike Fighters; F–22 Raptors; V–22 Ospreys; Unmanned Aerial Vehicles; and recapitalization of various missiles and other weapons.

The Air Force's number one acquisition and recapitalization priority is the tanker fleet, specifically the KC–135, which is an average of 48.5 years old. This aircraft is increasingly expensive to maintain and less reliable to fly every day. The Department believes a KC–135 replacement fleet of between 460–580 aircraft, combined with an additional 59 KC–10s will provide suitable aerial refueling capacity.

Retirement of aging aircraft is a vital component of recapitalizing our air assets. I urge Congress to continue to authorize aircraft retirements, lifting restrictions from previous years to help the Air Force maintain readiness and perform missions more safely.

*Space*

This request provides $10.7 billion to strengthen joint space-based capabilities in several categories, including: Space-based infrared systems; and communications, environmental, Global Positioning System, and Advanced Extremely High Frequency satellites.

The Department's heavy reliance on space capabilities is clear to potential adversaries, some of whom are developing anti-satellite weapons. Protecting our assets in space is, therefore, a high priority. In the past, the Department has been slow to address this vulnerability, but we are ramping up to properly address this problem.

*Research and Development*

As changes in this century's threat environment create strategic challenges—irregular warfare, weapons of mass destruction, disruptive technologies—this request

places greater emphasis on basic research, which in recent years has not kept pace with other parts of the budget.

This request for $11.5 billion will sustain ongoing science and technology research. Within this category, the fiscal year 2009 budget includes $1.7 billion for basic research initiatives. In total, I have directed an increase of about $1 billion over the next five years for fundamental, peer-reviewed basic research—a two percent increase in real annual growth.

*Missile Defense*

The 2009 base budget provides $10.4 billion to continue developing, testing, and fielding a multi-layered system to protect the United States and its allies from tactical and strategic ballistic missile attack.

The Missile Defense Agency has successfully fielded elements of the ballistic missile defense system since 2004. Today, for the first time in history, our nation has an initial missile defense capability. In coming years, the Department seeks to grow this capability by testing against more complex and realistic scenarios, and by negotiating with like-minded nations. Since becoming the Secretary of Defense, I have been personally involved in ongoing discussions with Poland and the Czech Republic on hosting U.S. missile defense assets. I will continue to press for increased cooperation with our partners.

READINESS, OPERATIONS AND SUPPORT

The fiscal year 2009 request provides $158.3 billion, a 10.4 percent increase over last year's enacted level, for operations and training, as well as facilities and base support. $68 billion of the request will maintain combat readiness, focused on next-to-deploy units. The budget invests in readiness measured in terms of tank miles driven per month, ship steaming days underway per quarter, and flying hours per month. Additionally, this request includes:

—$33.1 billion for logistical, intelligence, and service-wide support;
—$32.6 billion for facility and base support;
—$11.8 billion for equipment maintenance to accommodate increased requirements, expanded scopes of work for repair and refurbishment of equipment, and the transition of systems from development to sustainment in the field;
—$10.7 billion for training, recruiting, and retention to ensure that the all-volunteer force has the right people with the right skills; and
—$2.2 billion for sealift efforts and commissary support.

The Department will continue investing in a number of critical initiatives that will have long-term implications for the readiness of our forces and the nation's ability to meet future threats.

*Global Train and Equip*

The global train and equip authority provides commanders a means to fill long-standing gaps in our ability to build the capacity and capabilities of partner nations. It allows the State and Defense Departments to act in months, rather than years, to help other countries build and sustain capable security forces. The program focuses on places where we are not at war, but where there are emerging threats and opportunities. It creates the opportunity to reduce stress on U.S. forces by decreasing the likelihood that troops will be used in the future. Combatant Commanders consider this a vital tool in the war on terror beyond Afghanistan and Iraq. It has become a model of interagency cooperation between State and Defense—both in the field and in Washington, D.C. Secretary Rice and I both fully support this authority. We discussed its importance to long-term national security during joint testimony before the House Armed Services Committee on April 15th, and noted that its benefits would accrue to our successors in future administrations. The fiscal year 2009 base budget requests $500 million, along with a request for $750 million in authority. I urge Congress to provide this funding and permanent authority to meet enduring requirements.

*Security and Stabilization Assistance*

The fiscal year 2009 budget invests $200 million in security and stabilization assistance along with a corresponding request to increase the authority. This authority will allow the Department to transfer up to $200 million to the State Department to facilitate whole-of-government responses to stability and security missions—bringing civilian expertise to bear alongside our military. This would give Secretary Rice additional resources to address security challenges and defuse potential crises that might otherwise require the U.S. military to intervene.

*Africa Command*

This request includes $389 million, or $246 million above previously enacted funds, to launch the new Africa Command, allowing the Department to have a more integrated approach than the existing arrangement dividing the continent up among three different regional commands. This new command will help: Strengthen U.S. security cooperation with African countries; train and equip our partners; improve health, education, and economic development; and promote peace and stability.

*Foreign Languages*

The fiscal year 2009 budget includes $586 million for the Defense Language Program, a $52.3 million increase from last year. Thus far, our approach to improving language skills is having an impact. Proficiency in Arabic has increased 82 percent since September 2001. Although the value of foreign languages and cultural proficiency is recognized by our Special Forces, these capabilities are essential for all forces preparing for irregular warfare, training and advising missions, humanitarian efforts, and security and stabilization operations.

QUALITY OF LIFE

The fiscal year 2009 request includes $149.4 billion in military pay, health care, housing, and quality of life for service personnel, Department employees, and their families.

The request provides for $107.8 billion in pay and benefits, an increase of 9.8 percent over the fiscal year 2008 enacted level. This translates into pay raises of 3.4 percent for the military and 2.9 percent for civilian employees. Since 2001, basic military pay has increased by an average of 37 percent. For example, in fiscal year 2009, the average enlisted E–6 (Army Staff Sergeant) will see a pay increase of $1,289. The pay of the average O–3 (Army Captain or Navy Lieutenant) increases by $1,943 in fiscal year 2009.

*Family Housing*

The budget request includes $3.2 billion that will construct new family housing, improve existing housing, eliminate inadequate housing overseas, operate and maintain government-owned housing, and fund the privatization of 12,324 additional homes. The Basic Allowance for Housing increases by 5 percent and the Basic Allowance for Subsistence increases by 3.8 percent.

*Wounded Warriors*

We have a moral obligation to see that the superb life-saving care that the wounded receive initially is matched by quality out-patient treatment. To provide world-class health care to all who are wounded, ill, or injured serving the nation, the Department is taking action on the recommendations made by the President's Commission on Care for America's Returning Wounded Warriors. To do so, we have formed a senior oversight committee—chaired by the Deputy Secretaries of Defense and Veterans Affairs—to examine several key areas:

—Case Management—integrate care management throughout the life of the wounded, ill, or injured service member to ensure they receive, as the President made clear, the "right care and benefits at the right time in the right place from the right person";

—Disability and Compensation Systems—streamline the disability evaluation system making it a single, supportive, and transparent process;

—DOD and VA Data Sharing—ensure appropriate information is accessible and understandable between departments; and

—Traumatic Brain Injury (TBI)/Psychological Health Issues—improve access and quality of care by reducing the stigma associated with mental health care and establishing new programs, such as a TBI registry.

Over the past eight months, we have made a concerted effort to ensure that counseling for post-traumatic stress does not adversely impact a Service member's security clearance. On May 1st, we changed the question on the government application for security clearance so that, as a general matter, it excludes counseling related to service in combat—post-traumatic stress in particular. We hope this will encourage more men and women in uniform to seek help.

In addition, the Department has also approved new standards for all facilities housing the wounded. We have already inspected nearly 500 buildings against these new standards to ensure our people have a place to heal that is clean and decent.

The budget requests $466 million to accelerate and enhance construction of health care facilities at Bethesda and Fort Belvoir, as well as establishing more Warrior Transition Units. To date, the Army has created 35 new Warrior Transition Units, which have helped 10,000 injured soldiers either return to their units or transition

to veteran status. I have visited several Warrior Transition Units, and I hope Congress will fund these extra-ordinary facilities, along with our other health care requests. America's all-volunteer force must know that we will do everything possible to care for and heal the men and women injured in the line of duty.

*Future Health Care Issues*

In fiscal year 2009, DOD military healthcare costs are projected to be $42.8 billion in order to maintain benefits for 9.2 million eligible military members and their families, as well as retirees—more than double the level in 2001. By 2015, the Department's health care costs are projected to reach $64 billion, or 11.3 percent of the budget.

Because of these concerns, the Department is also seeking legislation to align out-of-pocket health care expenses for retirees under age 65 with general health insurance plans. The Department continues to believe that modest increases to TRICARE out-of-pocket costs for working-age military retirees are essential to make military health benefits affordable and sustainable for current and future retired service members.

*Global Posture*

The base budget requests $9.5 billion to continue U.S. Base Realignment and Closure (BRAC) efforts. For the approved fiscal year 2005 BRAC recommendations, the budget fully funds 24 major realignments, 25 base closures, and 765 lesser actions. The Department is continuing to reposition U.S. forces at home and abroad in keeping with post-Cold War realities. Consequently, several units stationed overseas will be brought home. Accommodations for them are underway. For example, there is a tremendous amount of construction at Fort Bliss, which will receive an additional 30,000 soldiers and some 40,000 family members. The commander of European Command has requested that the Army activate two heavy brigade combat teams in Germany in 2008 and 2010 to support near-term security needs and allow time for construction in the United States.

INCREASE GROUND FORCES

Increasing the size of the Army and Marine Corps will relieve stress on the force and enable the nation to meet its commitments at home and abroad. This growth in end strength is a continuation of growth that began last year and is expected to continue through fiscal year 2013.

*U.S. Army*

The fiscal year 2009 base budget provides $15.5 billion to continue to grow the Army. These funds will pay for 7,000 additional soldiers, enabling us to reach the goal of 532,400-person army in the next fiscal year. Approximately $7 billion of this amount will be applied to the cumulative cost for recruiting, training, and paying the force, and $8.5 billion will be applied to equipment, infrastructure, and military construction. The Army request includes the cumulative cost of personnel added as part of a temporary increase in end strength after September 11, 2001—an increase which had previously been paid for in supplemental appropriations.

I am concerned that the percentage of new Army recruits with high school diplomas has declined in recent years, and that the number of waivers has increased. While still within the minimum standards established by Congress, we are watching these numbers closely, and are determined to grow the Army in a way that does not sacrifice the quality we have come to expect in the all-volunteer force.

*U.S. Marine Corps*

The base budget seeks $5 billion to grow the Marine Corps' end strength to 194,000 in fiscal year 2009. As with the Army, the Marine Corps' request includes the cumulative cost of personnel added after September 11, 2001. The Marine Corps' plans to increase end strength to 202,000, and they are on track to achieve this goal by the end of fiscal year 2009—two years earlier than planned. Such growth will enable the Corps to build three Marine Expeditionary Force units and to increase time at home station between deployments. Thus the Marines will continue to be, as it has been historically, a "two-fisted" expeditionary force that excels at conventional warfare and counter-insurgency.

WAR FUNDING

In addition to the $515.4 billion base budget, the fiscal year 2009 request also includes $70 billion in emergency bridge funding. There is, however, a more immediate concern: Congress has yet to pass the pending $102.5 billion Global War on Terrorism request for fiscal year 2008 and, as a result, the Defense Department is

currently using fourth quarter funds from the base budget to cover current war costs. Shortly, two critical accounts will run dry:

—First, Army military personnel account. After June 15th, we will run out of funds in this account to pay Soldiers—including those currently serving in Afghanistan and Iraq; and

—Second, Operations and Maintenance account. Around July 5th, O&M funds across the Services will run out, starting with the Army. This may result in civilian furloughs, limits on training, and curbing family support activities.

If war funds are not available, the Defense Department can transfer funds from Navy and Air Force military personnel accounts to pay soldiers, but that would get us only to late July. Using the limited Transfer Authority granted by Congress would also help us get to late July. Doing so, however, is a shell game—a temporary one at that—which will disrupt existing programs and push the Services O&M accounts to the edge of fiscal viability.

Beyond the Army personnel account and O&M account, other programs will be adversely impacted if the pending fiscal year 2008 supplemental is not passed soon. Among them, critically, is the Commander's Emergency Response Program (CERP) which, as you may recall, I mentioned during my testimony to you last May. It is the single most effective program to enable commanders to address local populations' needs and get potential insurgents in Iraq and Afghanistan off the streets and into jobs. Congress has provided $0.5 billion of our total CERP request of $1.7 billion. Without the balance of $1.2 billion, this vital program will come to a standstill—the Department does not have the authority to extend funding beyond the $977 million in authority provided in the fiscal year 2008 NDAA.

While I understand that you may pass the fiscal year 2008 war funding bill before the Memorial Day recess, I am obligated to plan for the possibility that this may not occur. As I mentioned in a recent letter to Senator Byrd and Senator Cochran, as well as other Congressional leaders, I will keep you informed of these plans in an effort to ensure transparency and minimize possible misunderstandings.

To that end, if the war funding bill is not passed by Memorial Day, the Defense Department will submit reprogramming requests to Congress for their approval on May 27th to prevent the depletion of the Army Military Personnel Account and the Army Operations and Maintenance account. On June 9th, the Deputy Secretary of Defense will issue guidance on furlough planning and Service Secretaries will issue guidance to their commands and workforce.

Delaying the supplemental makes it difficult to manage this Department in a way that is fiscally sound and prudent. To illustrate this point, I have compared the Department of Defense to the world's biggest supertanker. It cannot turn on a dime and cannot be steered like a skiff—and, I would add, it cannot operate without paying its people.

I urge approval of the fiscal year 2008 war funds as quickly as possible.

CONCLUSION

At this, my second and also last opportunity to present a budget before this committee, I thank the members of this Committee for all you have done to support our troops as well as their families. In visits to the combat theaters, in military hospitals, and in bases and posts at home and around the world, I continue to be amazed by their decency, resiliency, and courage. Through the support of the Congress and our nation, these young men and women will prevail in the current conflicts and be prepared to confront the threats that they, their children, and our nation may face in the future.

Senator INOUYE. Admiral Mullen.

**STATEMENT OF ADMIRAL MICHAEL G. MULLEN, UNITED STATES NAVY, CHAIRMAN, JOINT CHIEFS OF STAFF**

Admiral MULLEN. Mr. Chairman, Senator Stevens, distinguished members of the subcommittee, thank you for the opportunity to appear before you today.

We are here, as you know, to discuss with you the President's fiscal year 2009 budget submission and more broadly the state of our armed forces. Let me speak for a moment about the latter.

The United States armed forces remain the most powerful, capable military forces on the face of the Earth. No other nation has or can field and put to sea the superb combat capabilities resident

in our Army, Navy, Air Force, and Marine Corps. This stands as a testament, of course, to the brave and talented men and women who serve, Active, Reserve, Guard, and civilian, as well as their families. They are, as I have said many times before, the finest I have ever seen, and I am privileged and proud to serve alongside them. Each trip to the field, each visit to a base, each bedside I stand beside only reaffirms that fact for me. I know you have also made such visits and can attest to the same, and I thank you for that.

And so I also believe our strength speaks well of the hard work of this subcommittee and the Congress as a whole as it does of the American people who, through you, their elected representatives, continue to invest wisely in their national defense. We are grateful. We will continue to need that support, for however powerful we are today, that power is not assured tomorrow.

That is why the budget the President submitted raises over last year's request an additional $5.7 billion for the readiness accounts, increasing tank miles for the Army, maintaining 45 steaming days for the Navy, and fully funding flying hours for the Air Force. That is why it calls for more than $180 billion for strategic modernization, fully 35 percent of the total request, a figure that includes some $45 billion to upgrade an aging air fleet, nearly $10 billion to field new ground combat vehicles like MRAP, and $14.5 billion to continue to grow the Navy's fleet, as well as a $700 million increase for research and development, the total of which is $11.5 billion.

And that is why it includes funding to complete the stand-up of Africa Command to grow the end strength of the Army and the Marine Corps, to continue development of a robust ballistic missile defense system for Europe, and to improve our cyber security and our ISR capabilities.

I am convinced this budget reveals balance in our vision for the future, a realization that while we must continue to develop irregular warfare skills needed to effectively wage irregular warfare, both today and tomorrow, we must also prepare for, build for, and train for a broad spectrum of warfighting capabilities.

The war in Iraq remains our number one strategic priority, as it should be. We cannot afford, the world cannot afford to have an Iraq unable to govern, defend, or sustain itself in effect and in practice as a failed state. If we get it wrong there, we place an unacceptable risk on our national interests throughout the Middle East. We get it wrong there, and Iran's growing and negative influence, Hezbollah's growing extremism, or al Qaeda's ability to reconstitute itself only intensify and imperil the region that much more.

That is why we have worked so hard to improve our counter-insurgency skills and to adapt, when necessary, to changing conditions. We have attained far too much experience in this type of warfare to ignore the lessons learned or the practicalities of application elsewhere. But even in Iraq, the counter-insurgency fight is not all of a classic small-war flavor. We hit the enemy with precision raids on the ground, with precision strikes from the air, and even in his lairs in cyberspace. We help protect Iraqi oil flow with our ships at sea. We bolster diplomatic efforts with a strong and vibrant military presence.

We are doing well in Iraq as a result of such choices including, I might add, the choices of the Iraqi leadership who are now taking a much more assertive role in both military and civil affairs. We saw that in Basra recently. We are seeing it today in Sadr City and Iraqi security forces are leading in many areas in our current fight in Mosul. I am encouraged, but we are far from done.

And we are trying, in concert with our North Atlantic Treaty Organization (NATO) allies, to achieve similar progress in Afghanistan where fresh violence in the south, the burgeoning poppy trade, and an increasingly unstable and ungoverned border with Pakistan all tear at the very fragile seams of security. It is hard work and it is tenuous at best, all the more reason we so desperately need the supplemental finding still being considered by the Congress.

I am especially concerned about the availability of funds under the commander's emergency response program (CERP), authority for which expires next month. CERP has proven in most cases more valuable and perhaps more rapid than bullets or bombs in the fight against extremism delivering, as it does, to local officials the money they need to deliver in turn the civil improvements their citizens need. As one young American in Afghanistan put it—and I quote—"CERP is small scale, but quick impact." Without these funds, without the supplemental, our ability to have this sort of impact will suffer, and in fact, we are beginning to suffer now. Again, our progress is tenuous.

But tenuous too are the long-term risks we take to our security commitments elsewhere if we focus too heavily on one discipline at the expense of all others if we prove unable to free up more ground forces or if we fail to properly address the toll being taken by current operations on our equipment, our people, and their families.

The President's decision to reduce to 12 months all active Army tour lengths to the Central Command region is both welcome and necessary. But we must create even longer dwell times at home as soon as possible and pursue the various family support and employment initiatives that have been outlined in the President's State of the Union address. I was with families of deployed soldiers in Germany last week. They are trusting.

And allow me to add here just how gratified I am to see the debate and discussion in these halls over a revised GI bill which will increase educational benefits for our troops and grant transferability of those benefits to military dependents. It is wanted and it is needed. It will go a long way to improve the quality of life for our people and their families as did, quite frankly, the Wounded Warrior legislation Congress passed last year.

I am pleased that this budget too allocates more than $41 billion for world-class care and quality of life, but too many of our returning warriors still suffer in silence and in fear of the stigma attached to their mental health issues. We must now turn our attention to better identifying the wounds of war we do not see and to treating the trauma and stress we do not fully understand.

Finally, the growth of the Army and Marine Corps will, over coming years, provide much needed flexibility in engagement and in crisis response, and we must set about the task of restoring some of the more conventional and expeditionary capabilities these services will require in the dangerous and uncertain years ahead.

There are young marines who have never deployed aboard a Navy ship, and there are Army officers who have not spent any time on their specialty of providing artillery fire support. These sort of gaps in professional expertise cannot persist particularly at a time when we are being called upon to stay better engaged around the globe, building our partner's capacity for such work, improving international and interagency cooperation, and fostering both security and stability.

The State Department and the Defense Department have asked for such authorities in the Building Global Partnerships Act, which I strongly urge the Congress to enact. At its core, this act will help us solve problems before they become crises and help us contain crises before they become conflicts.

And as I said, the business of war is all about choices. Military leaders must make hard decisions every day, choices that affect the outcome of major battles, whole nations, and the lives of potentially millions of people, choices which ensure the instruments of American military power are adequate to their purpose and responsibility.

PREPARED STATEMENT

As we head into the latter one-half of this year with better and more continuous assessments of our progress in Iraq, a new push in Afghanistan, and a continued fight against violent extremists, as we consider the depth and the breadth of combat capabilities we must improve, please know that I and the Joint Chiefs remain committed to making informed choices, careful choices, and choices which preserve at all times and in all ways our ability to defend the American people.

Thank you, Chairman. I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF ADMIRAL MICHAEL G. MULLEN

Chairman Inouye, Senator Stevens, distinguished members of the committee, I am privileged to appear before you and report to you on the posture of the U.S. Armed Forces.

Let me begin by recognizing and thanking our Service members and their families. The brave men and women who answer the noble call to defend our Nation and the spouses, children and parents who support them are our most valuable national asset.

Your Armed Forces, and their families, have faced the challenges of continuous combat for more than six years. Our men and women in uniform serve our Nation, accepting unwelcome separation from their loved ones, long hard work under difficult circumstances, and in some cases making the ultimate sacrifice.

Military families are equally deserving of our gratitude. They bear the brunt of the loneliness, the uncertainty, and the grief that too often comes home when our Armed Forces are at war. Acknowledging the importance of their support, we must consider new initiatives such as transferring GI bill benefits to military spouses and children, military spouse employment support, expanded childcare and youth programs, and long-term comprehensive support of Wounded Warrior families.

We must provide our Service members and their families with the leadership, the resources and the support required to defend the homeland, win the Long War, promote security, deter conflict, and win our Nation's wars.

INTRODUCTION

Over the past year your Armed Forces have done much to improve the security environment. Operating globally alongside allies and partners, often in concert with the interagency and non-governmental organizations, they have successfully protected our Nation's vital interests: a homeland secure from catastrophic attack, as-

sured access to strategic resources, a strong national and global economy, sustained military superiority and strategic endurance, and sustained global influence, leadership, and freedom of action.

A diverse set of perils threaten those interests and demand sustained action. Those threats include the proliferation of nuclear weapons and technology, transnational terrorism and rising regional instability. Today, these challenges manifest themselves most clearly in the Middle East.

We face additional challenges in other areas: a number of state actors who appear intent on undermining U.S. interests and regional stability, a growing global competition for scarce natural resources, the constant threat of natural disasters and pandemics, as well as increasing cyber and Space threats. Our military is capable of responding to all threats to our vital national interests, but is significantly stressed while conducting combat operations in Iraq and Afghanistan and other operations worldwide as part of this multigenerational conflict against violent extremism. A decline in our strength or a gap in readiness will undermine the U.S. Armed Forces capability to complete its range of missions from combat overseas to providing civil support at home. That is why I believe we must reset, reconstitute, and revitalize our Armed Forces while balancing global risk.

We do not—and should not—face these challenges alone. Today, more nations are free, peaceful, and prosperous than at almost any point in history. While each has its own heritage and interests, most share our desire for security and stability. Increasing free trade, regional security partnerships, treaties, international institutions, and military-to-military engagements and capacity building strengthen the bonds between us and other nations. Our engagement with allies and friends demonstrates our leadership and resolve to fulfill security commitments, and works toward the common good. Most often, it is by taking collective action—and not going it alone—that we increase our ability to protect our vital interests.

With this context in mind, and in consultation with the Secretary of Defense, I have set three strategic priorities for our military. First, we need to increase stability and defend our vital national interests in the broader Middle East. Second, we must reset, reconstitute, and revitalize our Armed Forces. Third, we need to deter conflict and be prepared to defeat foes globally by rebalancing our strategic risk. Finally, to achieve our objectives in each of these areas we need to place increased emphasis not only on development of our own capabilities and the capacity of other agencies (State, USAID, Agriculture, Treasury, and Commerce and so forth), but also on building the capacity of our foreign partners to counter threats including terrorism and to promote regional stability.

DEFEND OUR VITAL NATIONAL INTERESTS IN THE BROADER MIDDLE EAST

Although our vital national interests are clearly global in nature, the broader Middle East is the epicenter of violent extremism. Too many countries suffer from burgeoning populations and stagnant economies, which have increased radicalization. State and non-state actors alike foment instability. Terrorists and insurgents are at war with governments in the region. The confrontational posture of Iranian leaders with respect to nuclear proliferation, the Israeli-Palestinian conflict, Sunni-Shia rivalries, the threat of terrorism, tensions in Pakistan, Hezbollah in Lebanon, political instability in the Maghreb, and the existence of Al-Qaeda and like-minded groups, all threaten regional stability and, ultimately, our vital national interests.

My near-term focus remains combat operations in Iraq and Afghanistan. The surge of U.S. forces to Iraq, a well executed counter-insurgency strategy and an Iraqi population increasingly weary of violence, and willing to do something about it, have all combined to improve security conditions throughout much of the country. Violent activities against our forces and against the Iraqi people have substantially decreased. These reductions have come about because of the hard work of Coalition and Iraqi Security Forces and the decisions of the Iraqi people and their leaders. Insurgent activity is down and Al Qaeda in Iraq is on the run—although both remain dangerous. Much hard fighting remains for Iraqi and Coalition forces before the job is done. Increased security has promoted reconciliation in some key provinces and the beginnings of national level reconciliation. We are working to secure a long-term security relationship with Iraq that will serve the mutual interests of both countries. As we continue to progress forward, Congressional support of future war funding will remain critical to success. An important component of that funding will go to building the capacity of increasingly capable Iraqi security forces.

Security is a necessary condition but is not sufficient for achieving our strategic end-state in Iraq. Political, diplomatic and economic development together with expanded governance and the rule of law form the foundations that will underpin long

term stability and security in Iraq. We are making solid progress, but we still have a long way to go. I ask that Congress continue its support for increased interagency participation in Provincial Reconstruction Teams, stability and reconstruction initiatives, U.S. business investment, DOD business transformation efforts, and good governance initiatives. I encourage your continued emphasis on the importance of achieving political and economic goals. Your visits with the Iraqi government and other Iraqi political leaders support the efforts of American, Coalition, and Iraqi forces.

In Afghanistan we are seeing a growing insurgency, increasing violence, and a burgeoning drug trade fueled by widespread poppy cultivation. In response, more U.S. forces will deploy to Afghanistan. At the same time, the Afghan National Army and Police have increased in numbers and capability. The Afghan Provincial Reconstruction Teams continue to aid the local populations, and President Hamid Karzai is reaching out to support the provinces. In the U.S. section of RC East, access to basic health care has more than doubled and provincial councils have become functioning entities active in development. NATO forces provide a credible fighting force, but the alliance still faces difficulty meeting its force level commitments and some nations' forces in theater must be more operationally flexible. These challenges emphasize the importance of retaining U.S. freedom of action on a global scale. Just as in Iraq, your continued support for funding U.S. operations and efforts there, including PRTs, Afghanistan National Security Force development, and infrastructure development, is needed.

In short, a stable Iraq and Afghanistan that are long-term partners and share our commitment to peace will be critical to achieving regional stability and security. This will require years, not months, and will require the support of the American people, our regional allies, and concerted action by the Iraqi and Afghan people and their leaders.

I see daily reminders of other challenges in this part of the world. Continued irresponsible actions by Iran's Islamic Revolutionary Guard Corps directly jeopardize Iraqi and Coalition forces and undermine the Iraqi people's desire for peace. Restraint in our response does not signal lack of resolve or capability to defend ourselves against threats. Much more worrisome in the long term, however, is Iran's hegemonic intent, their continued refusal to verifiably suspend uranium enrichment, their continued support of terrorism and the resultant instability these actions foster throughout the region.

Al Qaeda safe havens in the under-governed regions of Pakistan also contribute to regional instability. In my judgment, the most likely near term attack on the United States will come from Al Qaeda via these safe havens. Continued Congressional support for the legitimate government of Pakistan braces this bulwark in the long war against violent extremism.

Despite—or maybe because of—these diverse challenges, we are fortunate to enjoy the cooperation of many courageous partner nations in the region. A recent regional commitment to work toward an Israeli-Palestinian peace accord is one example. We should not inadvertently signal ingratitude toward any of these nations. Foreign Military Financing (FMF) and International Military Education and Training (IMET) are programs that have the potential to have significant strategic repercussions. I therefore seek Congressional support to ensure the Department of State's FMF and IMET programs remain fully funded.

After three visits to the Middle East since becoming Chairman, I am more convinced than ever that we will not achieve regional security and stability unless we strengthen all instruments of international cooperation, regional partnerships, and national power. We need to ensure our plans sustain current gains and chart a course that both capitalize on lessons learned while focusing on future demands and dynamic conditions on the ground. Our forces must remain in theater as long as necessary to secure our vital interests and those of our partner nations, and they must operate with the full confidence and support of the American people and the Congress.

RESET, RECONSTITUTE, AND REVITALIZE OUR FORCES

To be successful in defeating our enemies and deterring potential foes, U.S. Armed Forces require talented people who are fully trained in their specialties and well equipped with warfighting systems. The pace of ongoing operations has prevented our forces from fully training for the full-spectrum of operations and impacts our ability to be ready to counter future threats. This lack of balance is unsustainable in the long-term. We must restore the balance and strategic depth required for national security. Continued operations without the requisite increase in national resources will further degrade our equipment, platforms and people.

Our Nation's servicemen and women—and their families—are the primary focus of my efforts to reset, reconstitute, and revitalize our forces. Caring for them is a critical consideration in every decision I make. Our All-Volunteer Force continues to meet the requirements and demands of national security, but with great sacrifice. This is the longest time that our All-Volunteer Force has been at war. Our Service members, in particular our ground forces and their families, are under significant strain. However, they remain dedicated, they are resilient and combat hardened, and they are taking the fight to our enemies. I do not take their service for granted and recognize that their resilience has limits. I am extremely concerned about the toll the current pace of operations is taking on them and on their families, on our equipment, and on our ability to respond to crises and contingencies beyond ongoing operations in Iraq and Afghanistan.

On April 10, 2008, the President directed the Secretary of Defense to reduce deployment lengths from fifteen months to twelve months for Army units deployed to the Central Command area of operations beginning on August 1, 2008. Upon implementation, deployment cycles will go to twelve months deployed/twelve months home for the Army while remaining at seven months deployed/seven months home for the Marines and one year mobilization with five years back for the National Guard and Reserves. To preserve personal, operational, and family readiness, we must shift the Army's deployment cycle as quickly as possible to twelve months deployed followed by twenty-four months at home. We must do the same for the Marine Corps by moving to fourteen months at home for each seven month deployment. Therefore, the most important investment in the President's fiscal year 2009 budget is the commitment to expand our Army, Marine Corps, and Special Operations Forces. This continuation of the "Grow the Force" initiative is a long-term plan to restore the broad range of capabilities necessary to meet future challenges and restore a capacity for sustained action. This commitment encompasses nearly 33 percent of the total real growth of the DOD budget from fiscal year 2008 to 2009.

Recruiters have a tough job during peacetime and it is made even more difficult now given the expansion of both the Army and the Marine Corps and the decrease in the propensity of key influencers to encourage potential recruits to enlist during this period of war. In spite of these challenges, our recruiters are doing exceptional work. The military departments met their recruiting goals for fiscal year 2007 and remain on track for fiscal year 2008. We are also making sure we retain the people and the skills we need. The Services are using the full range of authorities given to them by Congress in the form of retention incentives, and I ask your continued support for these programs to sustain our combat-experienced force. Last year, the Army and Navy employed the Critical Skills Retention Bonus to retain mid-career active duty officers who fill key positions. Likewise, the Services have offered bonuses to senior enlisted members of our Special Operations Forces. Investment in our people as our most important resource is vital. The cost of people continues to grow and we need to recognize this as we debate the right level of investment in defense.

Retention challenges impact more than just our active duty forces. Though they met their recruiting and retention goals this last year, the Army Reserve and National Guard have experienced some shortages in company grade officers and mid-grade non-commissioned officers who lead our troops. We are overcoming these personnel shortfalls through enhanced incentives for Reserve and National Guard service, flexibility in terms of service requirements, competitive pay, and enhanced retirement benefits. These initiatives are important steps towards transitioning the Reserve Components from a "strategic reserve" role to part of the "operational reserve," creating the depth and staying power to respond to multiple global requirements, and maintaining our professional Guard and Reserve force.

Maintaining our professional Armed Forces, however, takes more than talented recruiters, attractive incentives, and competitive pay. We must understand our next generation of Soldiers, Sailors, Marines, and Airmen. Their affinity for technology and collaboration may revolutionize the way we fight. The willingness of future generations of Americans to serve is directly related to how they, and their role models, perceive the veterans of today are treated and appreciated. The All-Volunteer Force depends upon the trust and confidence of the American people in our institution; it depends on trust and confidence in our leaders; and, it depends upon trust and confidence that America's sons and daughters will be well-trained, well-equipped, and well-cared for in peace and in war.

While all our service members and their families have done their duty with great discipline and honor, one group in particular stands out: our returning Wounded Warriors and the parents, spouses and family members who care for them when they come home. As a Nation, we have an obligation to care for those who have borne the battle and who bear both the seen and unseen scars of war. Their sac-

rifices will not end following completion of their initial treatment. We should strive to provide only the finest medical and rehabilitative care for them and their families for the remainder of their lives.

As leaders, we must ensure all our Wounded Warriors and their families receive the appropriate level of care, training, and financial support they need to become as self-sufficient and lead as normal a life as possible. Our support can mean the difference not just between life and death, but between a life of severe disability and one of manageable limitations. 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 and ultimately put at risk the preservation of our professional All-Volunteer Force.

It is also imperative that we retain the experience of our combat hardened leaders. We live in a dangerous and unpredictable world and in a time of incredible change. I believe this change will accelerate, not slow down. Today's combat veterans are the ones that will take our military into the future. Their experience in fighting terrorists and insurgents as well as caring for those wounded on the fields of battle will enable us to better prepare for the challenges of tomorrow, but we cannot afford to lose their hard earned experience today.

In addition to taking care of our people, we must repair, rebuild, and replace the equipment that has been destroyed, damaged, stressed, and worn out beyond economic repair after years of combat operations. As you are well aware, Service equipment has been used at higher rates and in harsher conditions than anticipated. In addition to the wear and tear experienced by our ground vehicles in Iraq and Afghanistan, our airframes and ships are aging beyond their intended service lives. Indeed since Desert Storm, seventeen years ago, the U.S. Air Force and U.S. Navy have flown near continuous combat missions over the Middle East and the Balkans. The impact of this usage is illustrated in the groundings of the oldest F–15 Eagle fighters, our repeated request to retire some of our C–130 Hercules and KC–135 Stratotankers, and the strains placed on our twenty-nine year old P–3 Orion reconnaissance aircraft.

Despite usage levels sometimes five to six times above peacetime rates, and in the midst of extremely demanding environments, equipment readiness in theater remains high, well above the peacetime goals. Your support has been helpful in accomplishing this mark. However, this high in-theater equipment readiness comes with a price—namely the impact on the remainder of the Service equipment. For example, our ground forces borrow equipment from non-deploying units in order to equip deploying units. While our deploying units are fully resourced to meet the challenges of the fight that they are in, we must get ahead of this challenge.

Our forces are relying upon the balance of funds requested in the fiscal year 2008 Global War on Terror request to accomplish equipment reset and to address readiness shortfalls. I urge the Congress to quickly appropriate the remaining GWOT request for fiscal year 2008, as it is essential to have continued, predictable, and adequate funding for the repair and replacement of both operational and training equipment. I also ask for your continued support for our upcoming fiscal year 2009 Global War on Terror funding request.

Revitalization includes force recapitalization, modernization, transformation, restationing, and repositioning, along with personnel and family support programs. A revitalized force creates a vital deterrent effect. Preventing future wars is as important as winning wars. Such prevention requires global presence and persistent engagement. A revitalized force provides the means to expand cooperative relationships with other nations and contribute to a global capacity to promote security and stability for the benefit of all. A revitalized force will also ensure that we remain prepared to meet our global responsibilities.

Finally, a revitalized force is central to balancing global strategic risk. A revitalized force is a balanced total joint force, capable of operating across the spectrum of conflict. A balanced force possesses the capability and capacity to successfully conduct multiple simultaneous missions, in all domains, and at the required levels of organization, across the full range of military operations. A modernized, balanced total joint force is necessary if we are to successfully answer enduring and emerging challenges, and win our Nation's wars.

PROPERLY BALANCED GLOBAL STRATEGIC RISK

Beyond the Middle East, and in addition to revitalizing our forces, we must take a worldwide and long term view of our posture and its implications for global strategic risk. We have global security responsibilities across the range of military operations. The challenges in Asia to the vital interests of the United States and our allies are an example.

We must be sized, shaped, and postured globally to leverage the opportunities for international cooperation and build the capacity of partners for stability, while at the same time, deterring, confronting and preparing for profound dangers of the future. I am concerned, as are the Combatant Commanders, that we do not have sufficient resources to meet all the needs. By working with other growing powers, and by helping emerging powers become constructive actors, we can ensure today's dynamic environment does not devolve into a prolonged state of conflict and disorder.

The imbalance between our readiness for future global missions and the wars we are fighting today limits our capacity to respond to future contingencies, and offers potential adversaries, both state and non-state, incentives to act. We must not allow the challenges of today to keep us from being prepared for the realities of tomorrow. There is risk that we will be unable to rapidly respond to future threats to our vital national interests.

Funding by the Congress is critical to restoring balance in the long term. But resources alone are not enough. We must think more creatively, more deeply, and more systematically about how to best use our resources. We have learned a great deal about how to leverage modern technology and interagency participation to counter terrorism—those lessons can be shared with our partner nations, and applied to other security threats such as our Nation's counter narcotics efforts. Similarly, our new maritime strategy emphasizes the importance of leveraging other nation's capabilities. The growing interdependency of the community of nations will continue to offer similar opportunities. I support the United States' accession to the United Nations Law of the Sea Convention, and I believe that joining the Convention will strengthen our military's ability to conduct operations.

Our enduring alliances and partnerships promote stability and security. The twenty-six nation North Atlantic Treaty Organization leads the effort to help extend security and stability inside Afghanistan. Australia and Japan have also made key contributions to operations in Afghanistan and Iraq. Another key ally, the Republic of Korea, has supported Operation Iraqi Freedom for the past three years—and continues to maintain a robust national commitment to security in Northeast Asia. Singapore and the Philippines work with us to counter international terrorist threats in Southeast Asia. Colombia's highly successful counterinsurgency struggle promotes stability in a critical region of South America. Our military to military relationships with Mexico and Canada are laying the ground work for greater Homeland Security. Enhancing our teamwork with our allies and partners is essential if we are to protect our shared interests.

Persistent engagement and capacity building with allies and international partners is a key means of properly balancing global strategic risk. Persistent engagement consists of those cooperative activities that build partner capacity, provide humanitarian assistance, counter common threats, and safeguard the global commons. As I noted earlier, we need to fully fund our Foreign Military Finance and International Military Education and Training programs and streamline the process for executing these and similar funds. Fostering and sustaining cooperative relationships with friends around the world contributes significantly to our shared security and global prosperity. Relationships take time to grow—and they require investment to stay strong.

In many cases, other countries have significant competencies, relationships, and resources that can promote security and stability. One way to build relationships with other nations is to help them accomplish the goals they cannot achieve alone. Helping other nations overcome security problems within their borders by increasing stability and eliminating terrorist safe havens bolsters our security as it boosts theirs. Our Theater Security Cooperation programs also form a foundation for shared and interoperable response to contingencies. Regional Combatant Commands—such as U.S. Northern Command, U.S. Southern Command, and U.S. Africa Command—are being structured with interagency and international relationships in mind to boost our security and humanitarian assistance capabilities, and to foster long-term U.S. military relationships with regional nations and security institutions.

Legislation that increases the expeditionary capacity of civilian U.S. government agencies is critical to rebalancing global strategic risk. Increasing the ability of the U.S. government, as a whole, to deal with crises reduces the strain on our military forces. We need to empower the State Department to help other countries prevent and recover from conflict. I also fully endorse increased support for our intelligence agencies' global activities—upon which our Armed Forces depend. We additionally need to look at increasing the capacity of other U.S. government agencies—such as the Justice and Agriculture Departments, which are otherwise oriented on domestic missions—to help contribute civil expertise that the military lacks in stabilization and capacity building missions overseas.

Rebalancing strategic risk also means addressing capability gaps. The technology advantage that we have long enjoyed has eroded, with significant ramifications. Interruption of our access to cyberspace could substantively damage our national defense and civil society. Addressing this threat, the President's budget for fiscal year 2009 includes funds to reduce our cyber vulnerabilities. Likewise, freedom of action in Space is vital to our economic, civil, and military well being. We need to increase our capacity to defend our access to that domain. We must also address shortfalls identified by our Combatant Commanders in our Intelligence Surveillance and Reconnaissance sensors and processing infrastructure.

Fighting and winning wars is the main mission, but deterring them is always preferable. This is even more the case in deterring nuclear threats. We now face the prospect that nuclear weapons will be employed against us and our allies by non-state actors and rogue states. To defend our Nation and assure our allies, we must enhance our capability to rapidly locate and destroy targets globally. We seek to improve conventional prompt global strike capability, further develop global missile defense systems, and modernize our strategic weapons systems and infrastructure, to include developing a Reliable Replacement Warhead and a conventional ballistic missile. These components of our "New Triad," together with improved intelligence and planning systems, will help to ensure credible deterrence across a range of threats in the twenty-first century strategic environment.

BUILDING PARTNERSHIP CAPACITY

Building partnership capacity underpins all three of my strategic objectives and is an area that requires additional Congressional support. Unfortunately, there are serious shortfalls in the U.S. Government's ability to build the capacity of foreign partners—both within and outside DOD. The Department of Defense conducted a systematic review of gaps in authority and developed an omnibus bill called the Building Global Partnerships Act which was personally brokered by the Secretary of Defense with the support of the Secretary of State. I strongly urge Congress to enact all of these authorities.

Foremost, DOD requires extension and expansion of its Global Train and Equip authority. Every single combatant commander cites this as DOD's most important authority to counter terrorism and to promote regional stability by building the capacity of partner military forces. These programs will not get funded or executed properly unless DOD funds them and collaborates with State on implementation. Over the past three years, all Combatant Commanders, the former Chairman of the Joint Chiefs of Staff, the Commandant of the Coast Guard, the Secretary of Defense, and the Secretary of State have requested extension, expansion, and funding for these programs. Now is the time to make Global Train and Equip authority permanent, to increase the ceiling, and to provide annual baseline funding.

The Commander's Emergency Response Program has been enormously successful in Iraq and Afghanistan, and other Combatant Commanders have requested this same authority to enhance prospects for mission success in other regions of the world. Our commanders in the field view this as a critical force protection tool that allows them to shape the operational environment so force is not required.

Building the security capacity of our partners is important, but partners often need additional assistance to promote stability. Stabilization and reconstruction assistance authority allows DOD to transfer funds to the Department of State to provide assistance to aid foreign police forces, to improve governance, rule of law, economic development or essential services, and for humanitarian assistance. Stabilization and reconstruction assistance authority recently allowed DOD and State to enhance stability in Haiti, Somalia, Nepal, Trans- Saharan Africa, Yemen, and Southeast Asia.

We are in a new national security era that requires building new institutional capacity that does not currently exist. Most authorities to provide other broader forms of assistance reside at the Department of State, where patriotic foreign service officers and development professionals are doing everything they can with the force they have. But that force is woefully small relative to need. I support Secretary Rice's request for the Civilian Stabilization Initiative and ask Congress to enact quickly legislation authorizing its creation. I also strongly support the significant plus-up in people that the State Department and U.S. Agency for International Development are seeking in the President's 2009 budget as well as its request for increased foreign assistance funding. The increases that Secretary Rice is seeking in 2009 are crucial to supporting our foreign policy goals; under-funding these activities undermines our national security. Personally, I would also support the reconstitution of the U.S. Information Agency or an equivalent functional entity to more effectively counter extremist ideology. Finally, I appreciate the Congress' direction

to study the national security interagency system, and will strongly support that effort.

CONCLUSION

The past year saw America's men and women in uniform continue to engage in combat in Iraq and Afghanistan, while they also provided humanitarian assistance, worked with partner nations, and stood guard around the globe. Our Soldiers, Sailors, Airmen, Marines, and our Nation's Coast Guardsmen are making a positive difference. They do so willingly and unflinchingly. Their valor and dedication are inspiring and they serve this nation superbly. It is an honor to serve alongside them and my most solemn responsibility to represent them.

The American Armed Forces have evolved throughout our Nation's history. During the nineteenth century, while our country was an emerging power, the norm for our military included service at either small army posts on the Nation's Western frontier or single ship patrols off whaling stations in the Pacific. Throughout the twentieth century, our military fought—and deterred—large scale conflicts against powerful competitor nation-states, or their proxies, around the world. Today and for the foreseeable future, we are embarked on something new.

Our military challenge is to protect and preserve the American way of life by promoting greater global security, stability, and trust—building up the strength of our friends, defeating violent extremists, and deterring regional conflicts. Our strategic environment requires that we have a force that is ready for operations across the range of military missions.

We have yet to fully institutionalize the lessons learned particularly as it applies to building the capacity of partners and reforming the interagency. America has undertaken a staggering array of tasks in the past six years: securing the homeland, fighting global terrorism, applying a new counterinsurgency doctrine, expanding governance and rebuilding armed forces in shattered countries, and increasing our capability and capacity to assist other nations through a variety of material aid programs and expeditionary teams. All of these efforts have seen successes and setbacks. They have come at considerable cost to our Nation's sons and daughters, and to the treasure of the American people. We must do more than just document our lessons learned. We must accept that the future will likely require sustained engagement and continued operations that will focus on interagency and international participation. We must go beyond pondering and push to embed these lessons into a truly reformed interagency. We need continued Congressional support to make this imperative a reality.

As for your Armed Forces, we need a total, joint, expeditionary force that is suited to irregular warfare against asymmetric threats as well as supporting civil authorities at home and abroad. We also need a large-scale total force capable of major combat operations against traditional nation-state foes. We cannot do it alone; our forces must be part of a more encompassing team that includes other federal departments and partner nations. We must also recognize building international and interagency capability will take time. In the interim, our superb military men and women, and their families, will fill the leadership role demanded of them.

All this takes sustained, robust investment and partnership. With your continuing help, our military will be ready for the challenges and opportunities ahead. Thank you for your unwavering support in time of war.

Senator INOUYE. Thank you very much, Mr. Chairman.

I would like to advise the subcommittee that because of time limitations, all members will have 8 minutes for questioning.

Senator Stevens.

Senator STEVENS. Thank you very much, Mr. Chairman.

Admiral Mullen, the Secretary has mentioned that the CERP funding, if my memory is correct, it was this subcommittee that started that with a very small amount for each commander. Now it is over $1 billion. Can you give us some idea what the scope of the projects is now in terms of how this money is handled? We thought it would be just a local commander, a platoon leader, et cetera. Now it looks like it is a fairly large concept.

Admiral MULLEN. Senator Stevens, I think the growth in the request is tied directly to the improvements in security, and so in the counter-insurgency strategy, when an area is provided more secu-

rity with a joint security station—in fact, young captains are given certain amounts of cash to then essentially build projects, restart markets, build schools, and do it very, very rapidly. What CERP really provides—and in fact, I now see requests coming in from other combatant commanders—it provides very rapid response not just on top of the improved security, but in order to improve and, in fact, create projects that help a village or a town or a city improve, as well as provide salaries to local—what we call them in Iraq—Sons of Iraq, some 100,000 to 105,000 who are now providing their local security. And we have seen it grow from very small amounts and distributed over very wide areas. So the more security that is established, this has become essentially, as I indicated, the ammunition for success throughout Iraq where security has improved.

Senator STEVENS. Well, I think at another time, perhaps you ought to go into this because it does seem these projects have gotten larger and are really rebuilding damage in the war zone. Are there any guidelines regarding how much a commander can spend? Are there any guidelines as to how much he has to go to a senior officer before he spends over a certain amount?

Admiral MULLEN. Yes, sir. My experience in the field is it is allocated down again to the 2003 level and that captain in a certain area has a certain amount of cash to spend during a given quarter. And it is very carefully monitored. And I would differentiate where it goes in terms of projects versus reconstruction projects, which it is not allocated to.

Senator STEVENS. It boggles my mind a little bit to have it trickling down, $1.3 billion down to captains who are getting maybe $200 or $300. I do not follow that. This fund is building up and up and up. I think we ought to have a special hearing on it one of these days.

Admiral MULLEN. Sir, I would be more than happy to go through it in detail with you.

TROOP DEPLOYMENT AND DWELL TIMES

Senator STEVENS. Secretary Gates, I want to be short here because I want everyone to have a chance today. The concept of limiting deployments and dwell times—both of you have mentioned those now. When are we going to have certainty that they will not be changed for the next period? How many years will the current practice that has been announced of 1 year deployments and then what is it? 18 months at home? Whatever that time is, is this guaranteed for our troops or can it be changed?

Secretary GATES. Senator Stevens, beginning with the units that deploy on the 1st of August, the deployment period will be 12 months maximum, initially at least, for most units probably 12 months at home. With the growth in the Army, particularly with the size of the Army and the Marine Corps, our objective is to get to 1 year deployed, 2 years at home. I think the statistics work out this way—that we will begin to get beyond 1 year at home sometime during the course of calendar year 2009. Our hope with the guard is 1 year deployed 4 or 5 years at home. And we hope to begin moving in that direction in fiscal year 2009 as well.

I think that one of the surest guarantees that we will be able to hold to this trend of longer periods at home and shorter periods deployed, the 12 months deployed, is in fact the growth of the Army and the Marine Corps. I would say also that I would expect that further reductions in the presence in Iraq during the course of 2009 and perhaps later this year will also contribute significantly to meeting those goals.

Senator STEVENS. Just one clarification. When you say 12 months deployment and then 12 months at home, does home mean leaving the United States? We have people from Alaska who are sent maybe to Louisiana and join up in a unit there. Is it 12 months from the time they are deployed as the larger unit from Louisiana?

Secretary GATES. For a Guard unit, it would be from the day they are mobilized they will have 1 year on active duty. For the active service, it is a year back at home, a year deployed overseas.

Senator STEVENS. Thank you.

Thank you very much, Mr. Chairman. Appreciate it.

Senator INOUYE. Thank you.

Senator Specter.

DIALOGUE WITH IRAN

Senator SPECTER. Thank you, Mr. Chairman.

Secretary Gates, we have seen that President Reagan identified the Soviet Union as the evil empire and shortly thereafter engaged in direct bilateral negotiations and very, very successfully. As noted before, we have seen President Bush authorize bilateral talks with North Korea as well as multilateral talks which have produced results. It is noted with Libya and Gaddafi the talks have produced very positive results. I note that there have been three rounds of bilateral talks where United States Ambassador Crocker has had direct contact with Iranian Ambassador Kazemi-Qomi. So we are not really saying in practice that we will not talk to them. The question is to what extent will we talk.

I am very much encouraged, Mr. Secretary, by the statement you made on May 14 of this year that we need to figure out a way to develop some leverage and then sit down and talk with them. If there is to be a discussion, then they need something too. We cannot go to a discussion and be completely the demander with them not feeling that they need anything from us.

Now, the position taken by the Secretary of State has been we will not talk to Iran unless, as a precondition, they stop enriching uranium. It seems to me that it is unrealistic to try to have discussions, but to say to the opposite party, as a precondition to discussions, we want the principal concession that we are after. Do you think it makes sense to insist on a concession like stopping enriching uranium, which is what our ultimate objective is, before we even sit down and talk to them on a broader range of issues?

Secretary GATES. Well, Senator, I am not going to disagree with the Secretary of State.

I would say this, though. In all three of the examples that you used, the United States either developed or had significant leverage when the talks began. President Reagan did not sit down with the Soviet leadership almost entirely through his first term, and

his first meeting with Gorbachev was in November 1985 after the United States had embarked on a major arms buildup and strengthening of the United States' position vis-a-vis the Soviet Union.

In the case of Libya, Gaddafi wanted to get the sanctions lifted that were a result of Pan Am 103 and the international sanctions that were applied after that.

And the financial sanctions against North Korea created significant leverage that helped prompt them to come to the negotiating table.

So, as I said in the statement that you read, I think the key here is developing leverage either through economic or diplomatic or military pressures on the Iranian Government so that they believe they must have talks with the United States because there is something they want from us, and that is the relief of the pressure.

Senator SPECTER. Mr. Secretary, we had leverage in 2003 when we were successful in Afghanistan and in Iraq, and the record is pretty clear that we wasted an opportunity to respond to their initiatives.

So the question is, how do we find the leverage? How do we find economic, political, or military leverage?

Well, is it not sensible to engage in discussions with somebody to try to find out what it is they are after? We sit apart from them and we speculate and we have all these learned op-ed pieces and speeches made, and we are searching for leverage. But would it not make sense to talk to the Iranians and try to find out what it is that they need as at least one step in the process?

Secretary GATES. Well, Senator, I was involved in the very first contacts between the United States and the Islamic Revolutionary government of Iran in October 1979. And what has happened in Iran since then is—most revolutions tend to lose their sharp edge over time. It is one of the reasons that Mao launched the cultural revolution in the 1960's because he saw that happening in China. We saw that beginning to happen with the Khatami government when Khatami was president of Iran, and I think it was one of the things that created perhaps an opportunity that may or may not have been lost in 2003–2004.

But what we have now is a resurgence of the original hard-line views of the Islamic revolutionaries with the accession to power of President Ahmadinejad who was one of the students who occupied our embassy in November 1979. And I might add that happened 2 weeks after the first talks between the United States and the Iranian Government in Algiers where I was a participant.

So the question is, do you have the kind of government in Iran now with whom there can be productive discussions on substantive issues? And I think that is an open question because this is a different kind of government.

Senator SPECTER. So what is the answer? We only have one government to deal with.

Let me put it to you very bluntly, Mr. Secretary. Is President Bush correct when he says that it is appeasement to talk to Iran?

Secretary GATES. Well, I do not know exactly what the President said. I believe he said that it was appeasement to talk to terrorists, to negotiate with terrorists.

Senator SPECTER. Well, he said on April 24—in a May 15 address to the members of the Knesset said, "Some seem to believe that we should negotiate with terrorists and radicals." He does not say specifically Iran, but I think the inference is unmistakable in light of the entire policy of the administration.

I have 12 seconds left, Mr. Secretary, and let me thank you for your service. Let me note our personal relationship. We went to the same grade school, College Hill in Wichita, Kansas.

And let me commend you for what I think is a very forthright statement you made, really gutsy. And I know you do not want to disagree with the Secretary of State, and I know you do not want to even more disagree with the President. And I have had an opportunity to talk to the President about it directly. And I believe he needs to hear more from people like you than from people like me, but from both of us, and that is it not appeasement and that the analogy to Neville Chamberlain is wrong.

We have only got one government to deal with there. They were receptive in 2003. I have had a chance to talk to the last three Iranian ambassadors to the United Nations, and I think there is an opportunity for dialogue. But I think we have to be a little courageous about it and take a chance because the alternatives are very, very, very bleak. Thank you, Mr. Secretary.

Thank you, Mr. Chairman.

Senator INOUYE. Senator Bond.

TACAIR AND JOINT STRIKE FIGHTER

Senator BOND. Thank you very much, Mr. Chairman.

Admiral Mullen, I was most interested in your discussion about CERP and its successes. We would like to know more about the fiscal accountability, but from what I have seen, it has made some tremendous successes. I think certainly in my mind there is no question about the viability of it.

I would also call to your attention again and my colleagues' the fact that in Afghanistan we have National Guard units serving as agriculture redevelopment teams and helping bring what has been sometimes referred to as 18th century agriculture up almost to modern day and training the trainers. These ag units have 10 extension specialists and about 25 guardsmen, who are their military protectors, who also happen to be very skilled agriculturalists. We call them "farm boys" back home. But I note that a number of States are pursuing it, and I commend you. I think this is a tremendous way to help Afghan farmers and, thus, Afghanistan get back on track.

Now for the tougher questions. Mr. Secretary and Mr. Chairman, I am very much concerned about the Air Force's TACAIR program. Their fifth generation acquisition strategy is going to lead to tremendous gaps in the force structure, and it fails to address the impact on the industrial base. The Air Force has testified that there will be an 800 aircraft shortfall. We are falling way behind.

TACAIR

I could not believe that when the bids were taken for the Joint Strike Fighter, it was not a split bid. I told everybody that it made no sense to give the entire TACAIR production to one company. It

has been demonstrated that that warning, unfortunately, was correct, and right now the Government Accountability Office (GAO) has reported that the F–35 costs are to hit $1 trillion. That is trillion with a T. We also will see the only competing TAC airline shut down in 2013. If we do not do something about developing a plan B for the Air Force, such as the Navy has adopted, we are going to see not enough aircraft for fully equipping the active or the Air National Guard. They are not going to have the aircraft. And it seems to me that it is time for the Defense Department and the Air Force to come up with a plan to keep upgraded legacy aircraft in production so that our fine pilots will have something to fly.

What is being done about this gap? The Air Force has not been able to tell us.

Admiral MULLEN. I certainly, Senator Bond, share your concern about the tactical air community at large. Clearly, the new airplane that is planned on to relieve that is going to be the Joint Strike Fighter. It is a brand new program. It is actually done fairly well on schedule. As with all new programs, there have been challenges and will continue to be. Clearly, the investment on the Navy side, in terms of what has happened with respect to the F–18's, the investment there and the adaptation to the electronic warfare airplane, the Growler, was also I think absolutely on target.

I have had concern for some time about how far we go with the F–22 program. It is a very expensive airplane. The overall concern was increased—at least I felt an increased level of concern—because of what happened with the F–15s. I mean, we had an F–15 literally destroy itself in flight. Old airplanes upwards of 25 to 30 years, which is a long time for a tactical jet, which certainly increased the risk about this whole TACAIR plan.

That said, I think it is very important to get to the Joint Strike Fighter as soon as we can. The President's budget does not shut the line down. I have got enough background in programs to know that clearly there is not just a principal vendor piece of this that we need to be concerned about, but there is a supply side, lower-tier vendors that also need to be able to anticipate whether they are going to be in business or not. So the concern is there.

There are also huge challenges just from an expense standpoint and from an applicability point of view. So I am comfortable that we at least will have the F–22 line open and that it is open to be determined whether that should continue in 2010.

Senator BOND. Are both of you comfortable with having only one TACAIR source? We have seen the military time and time again say we need two sources, we need competing sources to make sure if one falls back, the other can pick it up. And competition does work even in military acquisition. Are you comfortable seeing us cut down to one source for TACAIR?

Admiral MULLEN. I would like to see as much competition as possible, Senator Bond. It is a decision made, as you know, some time ago.

Senator BOND. And it was a bad one.

Admiral MULLEN. And it is not unique to TACAIR because we have made it across the entire industrial base in many, many areas. And that consolidation and getting us down to single vendors or single lines may seem wise initially, but can cost us down

the road. So it is a decision that I am not sure I would call it fait accompli, but it is one that was made some time ago and I think we have to make the best of it—best of what we have to produce quality aircraft for the future.

Senator BOND. Secretary Gates, are you comfortable with one TACAIR supplier?

Secretary GATES. I think as long as we end up with aircraft companies that, as we go forward, you have competing companies so that you actually do have competition for subsequent fighters, for subsequent programs, I think that is where the competition is important, is in ensuring that we have several of these companies that are in a position to bid for these big programs.

JOINT STRIKE FIGHTER

Senator BOND. Right now we are on a path not to have any, and you do not need to shut them down. You can solve some of the shortfall problems buying upgraded versions of the F–15 and the F–16 and maintain that.

I would point out the Navy is looking at upgrading 350 old F/A–18s, the As and Ds, to 10,000 hours. You just talked about, Admiral, the possibility that they are starting to fall apart. That would cost $4 billion to $5 billion. For $4 billion to $5 billion, with a multiyear, you could get 200 F/A–18E and Fs and keep the line alive. To me that makes sense. What am I missing?

Admiral MULLEN. I think it is a matter of choices. We actually do not have a very good history of upgrading airplanes.

Senator BOND. That has been a disaster.

Admiral MULLEN. I mean, it has been difficult in budgets putting modernization money into tactical aircraft. So clearly, there is a plan to do that. And 10,000 hours is a long time on a jet. I think you know that, and at the same time, there has been a plan for some time to shut down the F/A–18 line and essentially transition into the Joint Strike Fighter. That has been the plan of record. It remains that. And I think if the Joint Strike Fighter gets there in some kind of timely way, that transition will work.

Senator BOND. If.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you, Senator Bond.

Senator Feinstein.

WILDFIRE PROTECTION

Senator FEINSTEIN. Thank you very much, Mr. Chairman.

Mr. Secretary, I want to begin by thanking you for your service. I am very glad you are where you are.

I want to begin with an easy one. There are parts of my State that are under threat of catastrophic fire. The Forest Service has committed to us that by May we would have two C–130Js and the *MATH–2 units. We have learned we are not going to be getting them.

This is a problem. We have lost 4,200 homes in the last 5 years in the San Diego area. The nearest ones are 1,000 miles away, which take 24 hours to get to California. I would just like to ask that you look into that and that I can contact you and see what we might be able to do about that.

Secretary GATES. Yes, ma'am.

GWOT DETAINEES/GUANTANAMO

Senator FEINSTEIN. Thank you very much.

I very much agree with what Senator Specter said. I happen to serve on the Intelligence Committee. I have checked. To date, there is no contrary intelligence to the fact that Iran has not halted its nuclear weapons program. I believe that is a window of opportunity. I thought yes when I heard you make that speech 1 week ago.

To the best of my knowledge, it is not the president of Iran that counts in these matters. It is the Supreme Leader. And it seems to me that we ought to find ways to develop back-channel or front-channel discussions with this individual. I really think the fate of the area depends on it, and I think sabre rattling and talking about exercises for military intrusions do nothing but escalate the situation. I wanted an opportunity to say that.

At this hearing last year, you said that you were looking at ways to close the detention facilities at Guantanamo Bay and that you had tasked a group inside the Pentagon to review options. Since then, the number of detainees has dropped to 270. Exactly one person has been convicted. It is my understanding that 68 to 70 detainees can be sent back to their own country, about the same number charged, and about the same number would have to be detained for some time.

The military commissions process has undergone numerous setbacks and most recently included an order by Navy Captain Judge Allred to remove Brigadier General Hartmann from the *Hamdan* case and the dropping of charges which Al-Khatami, the so-called 20th hijacker, because the evidence against him was coerced by torture. I was surprised to read in the New York Times that he is virtually senseless and the belief is it is a product of the interrogation he has gone through.

My question to you is, what is the status of your Pentagon review and what is the status of the interagency review to close Guantanamo?

Secretary GATES. Senator, I think the brutally frank answer is that we are stuck and we are stuck in several ways. One, as you suggest, there are about 70 or so detainees that we are now prepared to return home. The problem is that either their home government will not accept them or we are concerned that the home government will let them loose once we return them home. And we just had a suicide bomber outside of Mosul, I believe, who killed a number of people, who was a released detainee who had been sent home and then let go. So that is one problem we have.

A second problem we have is that we just have a hard time figuring out—and I have talked to Members of Congress and I have talked to the Attorney General and I have talked to various people in the administration—what do you do with that irreducible 70 or 80 or whatever the number is who you cannot let loose, but will not be charged and will not be sent home.

And that leads to the third area where we are stuck, and that is we have a serious not-in-my-backyard problem. I have not found

anybody who wants these terrorists to be placed in a prison in their home State.

So those three problems I think really have brought us to a standstill in trying to work this problem.

Senator FEINSTEIN. Well, I mean, on the last thing you said, the fact of the matter is that the Bureau of Prisons has maximum security facilities in isolated areas, and they are very maximum. It seems to me that nothing that you have said absolves the enormous loss of credibility we have in the eyes of the world being called hypocrites, that we have double laws, laws for some, and no laws for others. I think that is a real problem. It would seem to me that if there are changes in law that need to be made to accept some form of administrative detention with specific findings, that might be the case. But I think for the United States to have this facility—and you felt the same way. I have heard you say it——

Secretary GATES. I still do.

Senator FEINSTEIN.—in this very chair——

Secretary GATES. And still do.

EMERGENCY SUPPLEMENTAL

Senator FEINSTEIN.—that you were opposed to Guantanamo, that you wanted it shut down. And it is going to take, I think, some innovation to do it, but there are many of us in this Congress that would like to work with you on it.

Now, if I might just move on. I am puzzled by this emergency supplemental. The Congressional Research Service (CRS) apparently says that if you request and Congress approves additional transfers of funds to the Army to meet its personnel and operational expenses, the Army could finance those needs with current funding through July. Also, if DOD receives the 2009 bridge funds, I am told that DOD could finance war costs until June or July 2009. So it is less clear to me why the passage of a $70 billion 2009 bridge fund is urgent at this time, particularly given that funding for next year is less clear.

If Congress approves the monies requested in its regular budget for military personnel and O&M and uses the $5 billion in transfer authority requested for 2009, my question is this. How long could the Army and Marine Corps, the services most taxed by war needs, finance war costs without passage of a supplemental, assuming that the five additional brigade combat teams brought in for the surge are brought home by the end of 2008?

Secretary GATES. Well, first of all, your statements about the fiscal year 2008 supplemental, in terms of when we run out and how long we could run, both of them being until late July, are both correct. And that is what we will do if the supplemental does not pass this week. We will begin to draw down the Navy and Air Force military pay accounts for transferring to the Army. So that will turn out as you just described.

For fiscal year 2009, the problem that I have, Senator, is that the combination of delays in the supplementals and continuing resolutions has really thrown managing the Department out of whack. It is costing the taxpayers money. It disrupts programs. It creates enormous problems just from a management standpoint because

we are always kind of borrowing from Peter to pay Paul, and it is very difficult to do a lot of things in terms of long-range planning.

So the notion of having to borrow from the base budget in 2009 to pay war costs—I mean, we probably could make it work for a number of months. But the question is what kind of a disruption does that do to all the procurement programs, to military expectations because various things get wrapped into these supplementals. We have money for barracks. We have money for day care centers. We have money for training and equipping, for reconstituting the force. And all that money has to come from some place. And so the absence of a supplemental to help pay for those is just enormously disruptive and creates real problems for our troops.

So can we technically get through some part of fiscal year 2009 without a supplemental? Probably so. But the question is at what cost.

Senator FEINSTEIN. Thank you very much.

Thank you, Mr. Chairman.

Senator INOUYE. Senator Leahy.

Senator LEAHY. Thank you, Mr. Chairman.

DIALOGUE WITH IRAN

Secretary Gates, when Senator Specter spoke to you about 2003 and the Iranians, there has been a lot in the press about their inquiries to us shortly after we went into Iraq. Did we make a mistake in not negotiating with them then?

Secretary GATES. I think this was something that sort of tangentially the Iraq Study Group looked at a bit, and I must say as did the Council on Foreign Relations task force on U.S. relations with Iran that Dr. Brzezinski and I co-chaired in 2004.

As I said in the comments last week that Senator Specter quoted, at a time when we had overthrown the Taliban and when we had overthrown Saddam Hussein, the Iranians clearly were very concerned about what we might do next in 2003–2004. And you did have a different government there. There was evidence that the Iranian Government was doing some things that were helpful in Iraq at the same time they were doing some things that were not helpful. And what I said last week was it was a matter for the historians to look at whether there was a missed opportunity around——

Senator LEAHY. Well, that is your view? What is your view? You were not here at the time, but you have looked at this.

Secretary GATES. I was in a happier place.

Senator LEAHY. I understand. I complimented you on being willing to leave that.

You looked at it more than probably anybody else in this room. Was an opportunity lost?

Secretary GATES. You know, the honest answer is I really do not know. I mentioned earlier about being in that meeting in 1979 with Brzezinski, the first meeting with the Iranian Government, the prime minister, the defense minister, and foreign minister. And I tell people that since October 1979, I have been on a quest for the illusive Iranian moderate, and I have not found one yet. So the question of whether there was a real opportunity, whether it was a strategic opportunity or a tactical opportunity, I just do not know.

I know that the administration was, in fact, having talks with the Iranians at that time on a wide range of issues, and I have forgotten why those talks were called off. But that may have been an opportunity.

Senator LEAHY. Our Government also for years worked directly and indirectly with Saddam Hussein, no leading moderate he, with the idea that this was a counterbalance to Iran. Am I overstating that?

Secretary GATES. As I recall, particularly the first years of the 1980's, the reality is that at one time or another, we worked with both Iran and Iraq to make sure that neither one of them won the war.

Senator LEAHY. Well, it will be interesting if Iran would be anywhere near this influential if oil was still $40 a barrel and if the American dollar had not tanked as much as it has.

HOMELAND DEFENSE SPENDING

Secretary Gates, you gave some remarks about your priorities in the remaining time in your position. I would submit there is a realm of the defense bureaucracy that needs a lot of attention. That's the realm of military support to civilian authorities in domestic emergencies. We need to make sure the military promptly responds to disasters at home. Senator Feinstein, of course, represents the largest State in population in the Senate and has raised that very clearly. We know if a major emergency occurs, whether it is something as terrible as the earthquakes that California has faced or God forbid, another terrorist attack, the military is going to have to be there to support civilian authorities.

I think we have to have clear budget requests about what the Department of Defense is doing to purchase homeland defense-oriented equipment. I do not see it in the budget request. The Nation's Governors need concrete procedures in place to assure that active military personnel that arrive will not try to somehow usurp the authority, the Governors' authorities. They have not received that. We know back here a couple years ago it was slipped into the defense bill a provision, which was then repealed, that would have overridden Governors' authorities in an unprecedented way.

We would like to know the Department has plans to implement the recently enacted provisions from the National Guard Empowerment Act. We have not seen that.

I would hope you would have time to personally engage in this area, Mr. Secretary, before you leave. I mean, we have given you enough things to personally engage in to take care of the next 12 years of your few months left. But please personally engage in that because whether it is coming from a little State like mine or a large State of California, we have a concern.

Secretary GATES. Senator, first of all, I am very positively inclined toward many of the recommendations of the Punaro Commission. I think that was indicated by the fact that in their interim report last year, they made 23 recommendations. We implemented 20 of those 23 recommendations. We are in the midst of looking at the 95 recommendations that are made in the final report. But I think the fact that we leaned forward on the interim report, in

terms of implementing the recommendations, is indicative of an open attitude toward trying to do the right thing.

Senator LEAHY. Well, I should note at this point Admiral Mullen spent a great deal of time in my office. He was very direct, very forthcoming. And Admiral, I do appreciate that meeting. It meant a great deal to me. It was very helpful in looking at this. I know it is being looked at.

I am concerned we see a $10 billion shortfall in the Army's long-range budget. The Air National Guard listed $8 billion of critically needed upgrades. The Department of Defense metric has equipment stocks, the nationwide average, of 60 percent of required stocks.

And I realize a great amount of attention goes to Iraq and Afghanistan. I am concerned that we have an equal amount of attention here inside the United States because of the things that we can face here.

Secretary GATES. I will tell you, Senator Leahy, I have been paying attention to it. We had a 40 percent equipment fill for the guard in 2006. It was 49 percent at the end of 2007. It will be, as you suggest, by the end of this fiscal year, about 60 to 65 percent. Over the next 24 months, we will put more than $17 billion into National Guard equipment, 16,000 trucks, helicopters, the full range of equipment.

Senator LEAHY. But a lot of these things have been gone. I mean, I look at my own State where our Mountain Brigade has just been alerted for 2010 to go to Afghanistan, joining with the military there. And we have a lot of friends in Afghanistan, but I see a resurgent Taliban. And I wonder how much we are going to have to divert to go there. Do we see any light at the end of the tunnel in Afghanistan?

Are you as concerned about the resurgent Taliban as I am?

Secretary GATES. Yes, sir, I am. I do not see a diversion of National Guard equipment to Afghanistan, though. And I would tell you——

Senator LEAHY. But National Guard members are going there.

Secretary GATES. National Guard members.

But one of the things that helps us a lot and that we saw in the tornadoes in Kansas that destroyed Greensburg was most States have agreements with the Guard—with the States that are their neighbors in terms of being able to pool equipment when units are deployed overseas or are not available. And it is that pooling that has a multiplying effect in terms of being able to meet the domestic need.

Senator LEAHY. I realize, but we saw, as in Katrina, sometimes it could take a long time to get that equipment there.

Mr. Chairman, thank you very much.

But again, I join in the praise of Secretary Gates. We have known each other for 25 years at least and have worked together on a number of issues.

And Admiral Mullen, I thank you again. You took a great deal of your time to meet with me and Daniel Ginsberg and others the other day, and that meant a lot to me.

Senator INOUYE. Thank you.

Senator Dorgan.

CONTRACTORS

Senator DORGAN. Mr. Chairman, thank you very much. I have five questions I wanted to ask and we will see if we can get them done.

First, I was embarrassed and I assume the Defense Department was by the Boston Globe article that said Kellogg, Brown & Root (KBR) had 10,500 Americans working in Iraq for KBR, but they were not listed as employees for the Houston-based company. They were employed by a Cayman subsidiary that is listed at post office box 847 on Shedded Road in the Grand Cayman Islands. They pay $1,000 a year for the post office. No one is there and there is no telephone.

In addition, AIP, which is a contractor, MPRI, which is a contractor—all three of these folks are hiring United States workers and running their employment through Cayman Island subsidiaries to avoid paying United States taxes. The Kellogg, Brown & Root spokesperson said they were set up "in order to allow us to reduce certain tax obligations of the company and its employees."

And the Defense Department says it has known since 2004 that KBR was avoiding taxes by declaring its American workers as employees to the Cayman Islands. Officials from the Defense Department said the move allowed KBR to perform the work more cheaply.

Frankly, I think this sort of thing is embarrassing, and I put something in the supplemental that would shut this down, but I would hope, Mr. Secretary, you would tomorrow just describe a rule in DOD that if you are not going to pay your taxes, do not bother contracting with us. If you are going to run your employees through sham companies in the Cayman Islands and you want to do business with the Federal Government but do not want to pay your obligation to the Federal Government, do not bother coming around.

Secretary GATES. Senator, first of all, I would tell you that I was embarrassed to learn in preparing for this hearing that you had written me about this and particularly the KBR issue on the 1st of April and I have not responded to you yet. I will within the next 48 hours.

My understanding very briefly of a fairly complicated matter is that our regulations are derived from the tax code, and one of the reasons, I am told, that I have not gotten a letter to sign back to you is that our auditors have been trying to work with the Internal Revenue Services (IRS) in terms of figuring out the right answer to your question. So they are working on that, and I will get you an answer.

Senator DORGAN. Well, all right. I mean, I think Congress will eventually find an answer to this, to say this is disgraceful and it is has got to stop. I would hope that you could do that by regulation instantly. But——

Secretary GATES. My understanding is when we think somebody is inappropriately using the tax code to benefit themselves, we have our Defense Contract Audit Agency taking a look at it, and my understanding is they are looking at this at this point.

IRAQ SECURITY FORCE FUNDING

Senator DORGAN. There are $2.5 billion in the supplemental for Iraq security forces fund training. That is the training and equipping of Iraq's security forces. Iraq has earned one-third more money than was expected 2004 to 2007 from oil revenues. They will earn $70 billion this year. At some point, after we have spent close to $20 billion of American taxpayers' money training over 400,000 Iraqis for security police, soldiers, is it not time that the Iraqis perhaps would spend their money for training their troops and equipping their troops?

Secretary GATES. Well, Senator, they are. In 2008, in fiscal year 2008, they will spend $9 billion compared to our $3 billion. The trend line I think is in a direction that you would like. We were at $5.5 billion and helping them on training and equipping in 2007, down to $3 billion in 2008, and it will be $2 billion in 2009. So I think we are headed in the right direction.

I would say that we need to scale this down gradually, though, so we can keep an oar in in terms of the quality and in terms of making sure that the training is of the kind that we want to make sure that they have. And they are beginning to move from our giving them equipment to making use of foreign military sales.

Senator DORGAN. I understand the trend line. I appreciate that. It is the case that on this $2.5 billion we are going to borrow that from somebody and ante up when, in fact, the Iraqis are producing a great deal of oil money they did not previously expect. I would hope that we would ask them to do even more rather than just deal with trend lines.

UAVS

I want to mention—and I will not ask you about this, but the executive agency responsibility for unmanned aerial vehicles (UAVs). One of my great concerns—the fact is there is waste in the Pentagon. We all know that. A lot of waste in some cases. The services want to do exactly the same thing. The Air Force has UAVs. The Army has UAVs. The Air Force is producing their planes. The Army is producing their planes. The Army wants to control their airplanes at 12,000 and 15,000 feet as opposed to just tactical control over the battlefield, and it seems to me that probably ought to be the Air Force.

And I understand from an executive agency matter, you have described a task force here. I further understand that one of my colleagues has put a little piece in a bill last year that prevents you from doing anything on this.

But should we not try to avoid this kind of duplication of effort by the services? It has gone on forever and continues to go on, especially now with respect to UAVs.

Secretary GATES. Well, I think that, first of all, this is an area where I have spent quite a bit of time over the last few months principally in an effort to try and get more intelligence surveillance and reconnaissance into Iraq and Afghanistan to help the commanders.

The reality is I think that there are a number of bureaucratic problems inside the Department of Defense having to do with ISR.

And one of my hopes is that after the task force has finished its work, we can sit back and look at the whole range of UAVs and other ISR capabilities and see the best way to organize this thing.

Senator DORGAN. Well, I appreciate your work on that. We have got to avoid this kind of duplication. Each service wants to do it. It does not matter what is right for the taxpayer. They want to do what the other service does.

OSAMA BIN LADEN

I want to ask you about bin Laden. Admiral Mullen talked about the most likely near-term attack on the United States will come from al Qaeda via these safe havens. You know, I have asked these questions before, but we are talking about 140,000 soldiers in Iraq now beyond the surge. We are talking about borrowing a lot of money, another $102 billion in the supplemental, and then $500 billion plus in—and the fact is Osama bin Laden is reconstituting his training camps. Apparently he is in northern Pakistan or somewhere. And we are busy in Iraq when in fact the greatest threat of an attack against our country comes from al Qaeda. Is there a disconnect here?

ATTACK AFTER 7 YEARS

Tell me what we are doing. I have asked this question repeatedly. What are we doing 7 years after our country was attacked by those who boasted about the attack to bring them to justice because they, in fact, are reconstituting their training camps and reorganizing. It seems to me that is a failure. And I do not lay that just at your feet. I am just saying my observation is here we are spending a lot of money and engaged in an area that is apart from what Admiral Mullen has described as the greatest threat to our homeland.

Admiral MULLEN. And I would just reiterate it is still my belief that if another attack comes, that it will emanate from the planning there because that is where the al Qaeda leadership is. It is a very difficult problem because this is sovereign territory. It is my belief—and we talk often, as we should, about Afghanistan, but we need to talk about Afghanistan and Pakistan because there is an overlap there. There is a border across which, obviously, Taliban come. And I think we need a strategy that essentially addresses both those countries together, particularly the overlap.

We have got a new government in Pakistan. It is my belief we have got to deal with that government. My individual I deal with in Pakistan is the head of the army there, General Kiani, who I think has got a strategic view, but it is going to take him a while. He is in charge of an army that has not been fighting counter-insurgency.

I think it is a long-term effort clearly and that there are some near-term things that we need to do and some things we are doing to address it. But it is a very, very difficult problem.

Senator DORGAN. I would just observe—my time has ended—if the greatest threat to this country—an attack against this country is shielded by the sovereignty of some other place on this globe, there is something wrong with that. There ought not be one acre

of ground that is safe to walk for Osama bin Laden, not an acre anywhere.

Finally, if I might just in 10 seconds say, Mr. Secretary, I am going to send you some information in a letter about the issue of privatizing housing on bases. They are fixing to do that in two North Dakota bases and turn over brand new housing to a private contractor who will then guarantee for 50 years to maintain. I have great difficulty with that, and I am going to ask a series of questions.

Having said all that, let me thank you for your service, both of you. I was asking questions that were on my mind, but I think this subcommittee appreciates the service that both of you provide this country. Thank you very much.

Senator INOUYE. Thank you.

Senator Murray.

Senator MURRAY. Thank you very much, Mr. Chairman.

Mr. Secretary, all of you, thank you so much for appearing today.

FUTURE OF WEAPONS SYSTEMS AND ACQUISITION COSTS

Mr. Secretary, there are a lot of important issues before us, but I want to focus first on the future of our military and the weapons platforms that they use. As you are aware, I have been particularly concerned about the KC–135 recapitalization effort, how the RFP and the evaluation of those proposals were handled. I have had meetings and asked questions of the Air Force, the National Guard, the Air Force Reserve, and members of your staff regarding cost and process. And I have to tell you I am still not satisfied.

Last Tuesday, Mr. Secretary, you did speak to the Heritage Foundation, and I want to quote back to you what you said. You said, "The perennial procurement cycle, going back many decades, of adding layer upon layer of cost and complexity onto fewer and fewer platforms that take longer and longer to build must come to an end. Without a fundamental change in this dynamic, it will be difficult to sustain support for these kinds of weapons programs in the future."

Now, I think you and I share a similar perspective on that issue. However, I would like you today to comment on concerns that were raised by the GAO in a couple of their reports. The first one was from March 6 of last year, titled "Air Force Decision to Include a Passenger and Cargo Capability in its Replacement Fueling Aircraft was Made Without Required Analysis." The second from January of this year is titled "KC–135 Recapitalization Analysis of Alternatives Does Not Inform Decision-Makers Regarding Cost, Effectiveness, and Suitability."

So it seems to me from the beginning the Air Force and DOD are part of the problem that you have identified by adding requirements to a refueling tanker without the mandatory analysis. Do you have a comment on that?

Secretary GATES. The only comment that I would make, because I am far from expert on this subject, is that I look forward to the completion of the GAO response to the protest that was filed to see how they come out on it.

Senator MURRAY. Well, it is a problem for me that the Air Force did not complete the mandatory analysis and the JROC determined that that was okay. So I hope you take a look at that.

And one of the reasons that that analysis is mandatory is to prevent purchasing a platform with capability that may not be needed. Now, we are talking about a $35 billion platform, and although I am being told that it was the most transparent, I remain unconvinced because that process was flawed on thorough evaluation of military construction, necessary maintenance staff, and fuel costs.

How am I supposed to believe that this program is going to be on time and on cost if we do not have a fundamental sense and justification for what we are buying?

Secretary GATES. Well, again, Senator, I am just not familiar enough with the details. At this point I think I just have to wait for the GAO report—investigation to see what their conclusions are on it.

Senator MURRAY. Can you give me any sense that this program, unlike others, is not going to go over budget and miss deadlines because we have not fully evaluated all the costs?

Secretary GATES. I think a Secretary of Defense who would give you an assurance like that prospectively would be on very thin ice. I think that happens to so many programs. I mean, it is one of the problems in acquisition that we have and that we are trying to deal with, frankly.

Senator MURRAY. Well, I am worried that the acquisition process in general is not serving our needs. I have heard again and again that only cost, technology, and capability can be considered in an acquisition. You know, perhaps that is not enough.

At the same Heritage Foundation event, you were quoted in the Washington Post, I think it was, as saying, "I believe that any major weapons program, in order to remain viable, will have to show some utility and relevance to the kind of irregular campaigns that I mentioned are most likely to engage America's military in coming decades."

Now, I have to say I am deeply concerned that the EADS platform has a lower score on survivability than the Boeing 767. Should we not be buying the most survivable tanker? I mean, should that not be a higher consideration?

Secretary GATES. Well, again, I am no expert on this, but I would say that just based on our experience, after 5 years of war in Iraq, that survivability of our tankers has not been a particular problem.

Senator MURRAY. Well, let me ask you, do you think we need to make changes in the way we do acquisitions to take into account everything that is important?

Secretary GATES. You know, you have quoted the three criteria that limit us by law in terms of what we can look at: technology, cost, and capability. And the law is very explicit, as I understand, that we cannot look at anything else. So the only way to correct that would be to change the law.

But my only caution in changing the law is that all of our companies sell a lot of equipment to other countries, and so I think we need to be very careful about how we limit access in bidding and the criteria we take into account because what we gain over here we may lose over there.

Senator MURRAY. Well, is it possible—I mean, should we as Congress be thinking about the fact that in trying to give our warfighters the lowest price possible that we could, in fact, be undercutting our own ability to protect our country in the future? Should we ever take that into account?

Secretary GATES. Well, my personal view would be anything that affects our long-term national security should be taken into account, but as I say, in this particular case, that would require a change in the law.

Senator MURRAY. Well, as you said, you can only take into account cost, capability, and technology, but in Congress, we have to take a lot wider purview. We have a duty to do what DOD cannot do. We have to look at unfair competition. We have to look at the impact of companies who are using illegal means to break into the U.S. defense and commercial markets. We have to look at the long-term security of the United States. We have to look at our industrial base. We have to look at the industrial capability of our country far into the future. We have to make sure we have a level playing field. In regard to subsidies, Barry amendment compliance, all of that. We have to ask if that is coming at a cost to our domestic companies.

So when DOD is limited to just three narrow things, I fear that we are handicapping the U.S. industrial base in the future. Is that a concern that Congress should be looking at from your point of view?

Secretary GATES. Well, I think I have had a concern about our industrial base, particularly for defense and intelligence, for about 20 years now, and I think that the consolidation of industry and the fewer and fewer companies that are able to bid on and produce what we need is a concern.

Senator MURRAY. Well, I share that concern, and I know you have a close association with higher education. Attracting workers into a dynamic field is critically important. In our aerospace industry, we need engineers and mechanics and a whole range of people thinking into the future. We have to have an aerospace industry here that is strong if we want to attract people into that field. I would assume you would agree with that as well.

Secretary GATES. Yes.

Senator MURRAY. Well, I have a lot of questions about this, Mr. Secretary, and some deep concerns, and I hope at some time you and I can have a more private conversation about that and the acquisition process and what we as Congress have to be thinking about and looking at into the future.

And I only have a second left. I did want to thank you for following up last year. We talked about traumatic brain injury and making sure that we are tracking our soldiers better. I do want you to know we did have a hearing recently with the National Guard and there was a young soldier in the audience who I asked if he had been tracked. He was in the vicinity of two major explosions. And no one had ever asked him. And I just want to make sure that we follow up and are doing what you are trying to do in the National Guard and Reserve as well to make sure that we do not lose those folks when they come home.

Secretary GATES. Absolutely.

Senator MURRAY. Thank you, Mr. Secretary.
Senator INOUYE. Thank you very much.
Senator Cochran.

DOD FINANCIAL STATUS

Senator COCHRAN. Mr. Chairman. Secretary Gates, Admiral Mullen, thank you very much for your cooperation with our committee being here to testify in support of the request for supplemental funding.

In preparation for the hearing, my very able staff provided me with information about your dealings with the House Appropriations Committee and other committees here in the Congress on the subject of adequacy of funding for critical programs and challenges that we face in Iraq and elsewhere, our overall needs to protect the security interests of our country. And I am alarmed by some of the conclusions that I drew from this information. I am asking this in the form of a question for you to confirm or explain these conclusions that I have reached in looking through my briefing papers.

The Army will run out of personnel funds by mid-June. Reprogramming actions will be initiated next week to borrow from the other services, but all services will run out of military personnel funds by late July. The Army will run out of operation and maintenance funds by early July, including funds for civilian personnel. Reprogramming will allow operations to continue until late July.

The critical commander's emergency response program is used to fund local projects in Iraq and Afghanistan, and it will run out of funds in June. And reprogramming actions cannot be taken to extend this account.

Added to this is an observation that we drew from comments that have been made by leaders of the subcommittee over on the House side that there is a likelihood that consideration of the fiscal year 2009 defense appropriations bill may be deferred. I wonder what your conclusions would be about the impact that would have on the Defense Department in terms of its fiscal year 2009 appropriations bill not being passed.

Secretary Gates, would you like the first crack at that?

Secretary GATES. Yes, let me start and then turn it over to Admiral Mullen.

First of all, on all of the information with respect to what happens in the absence of the fiscal year 2008 supplemental, war on terror supplemental, what you said is exactly right. All of those things will happen just as you described them.

With respect to fiscal year 2009, I must say I was very concerned when I read that there may not be a fiscal year 2009 base budget because—let me just give you a few examples of the consequences of a continuing resolution for fiscal year 2009 for us.

First of all, we would lose nearly $9 billion, $8.7 billion, for growing the Army and the Marine Corps. So since we can only spend under a continuing resolution in 2009 what we spent in 2008, the $8.7 billion additional dollars we need for growing the Army and the Marine Corps we would lose.

We would lose $246 million additional we need to stand up the Africa Command.

We would lose $1.8 billion for base realignment and closure (BRAC) which includes barracks, day care centers, family facilities, and so on.

We would lose $1 billion on search and rescue and mobility. We have 14 UAVs, Predators, that represent new money in the 2009 budget, and that we would not have access to as a result of a continuing resolution.

And the list goes on and on. Anything in which there is more money in the budget for reconstitution, for rebuilding our forces, for improving readiness, any increment between the 2008 and 2009 budget would be lost under a continuing resolution. So a continuing resolution of some length of time would be a real problem for you.

And I will give you an example of the result of this. In fiscal year 2007, we did not get the supplemental until May. That supplemental had significant dollars in it for BRAC, and we then had 4 months to contract and obligate that money out of an entire fiscal year. So we lost about $500 million, not to mention 8 months in terms of meeting the BRAC statutory deadline. So the consequences of these continuing resolutions are real for us in the way we manage the Department.

Senator COCHRAN. Thank you.

[The statement follows:]

PREPARED STATEMENT OF SENATOR THAD COCHRAN

Mr. Chairman, I am pleased to join the members of the committee in welcoming Secretary Gates and Admiral Mullen to this hearing.

The witnesses represent over 3 million active duty, National Guard and Reserve forces, and civilian employees with a presence in over 160 countries around the world many of whom have been deployed in the Global War on Terrorism since October, 2001.

Our Armed Forces have also been engaged in humanitarian operations in places like Central America, Bangladesh, the Horn of Africa, and more recently, the storm ravaged areas of Burma and earthquake stricken region of China. I remain proud of our men and women who serve in the Armed Forces and the impact they have as a force for democracy around the world.

Secretary Gates, in your written testimony, you mention the immediate need for Supplemental Appropriations funding to support our men and women in uniform as they perform their missions in Afghanistan, Iraq, and the Global War on Terrorism. As you know, last week the full Appropriations Committee approved Supplemental Appropriations funding for fiscal years 2008 and 2009, and we are currently considering this legislation on the Senate floor—I hope for quick passage.

Thank you for your leadership and continued service to our country and our men and women in uniform.

IRAQ TRIPS

Senator INOUYE. Admiral Mullen.

Admiral MULLEN. Doable as the Secretary has previously indicated, but consequences of great significance. I will speak to two examples.

In my last two trips to Iraq, I am at a joint security station in Baghdad with a young captain who is—and this is February timeframe—who has provided the security and has essentially allocated all of his CERP money, his emergency response money, for the quarter, by the end of March. Now, that is as a result of the needle valve that the commanders in Iraq were applying because of both authority as well as the funds which were due to run out. So the extension of the security environment into the area to put Iraqi civilians to work in terms of security and to fund local projects,

which would improve the future of Iraqi citizens, was essentially on hold as early as February in this one place.

Not too long after that, I was with the 3rd Division commander who has done extraordinary work, General Rick Lynch, and the only thing he asked me about, given what he has done from a security standpoint, is he needs that money because he has got to fund the security forces, the Iraqi civilians, as well as the projects. He had had great success with it. So that is real impact on the ground to get where we need to go.

And then back here, only to re-emphasize what the Secretary said, as a former service chief, who has had to go through multiple reprogrammings, deadlines like this, it brings the organization almost to a halt, and then when you get to execute, you execute very inefficient, very late contracts which, in fact, is a significant waste of money. Everybody in DOD, and particularly the services, start to anticipate not having the money. Even knowing it may come, if it comes late, it has a devastating impact on the ability to execute, not even to speak to new programs similar to what the Secretary has spoken to in terms of what would happen in 2009 on a continuing resolution.

Senator COCHRAN. Well, thank you very much. It grieves me to have to acknowledge that we have met the enemy and he is us, the old line from Pogo, I think. And I worry that the Congress is becoming an impediment to the efficiency and to the capability of our Government and our Department of Defense particularly and our challenge to protect the security of our troops who are put in harm's way and sent on dangerous missions and others we are trying to train and get them prepared to take over other responsibilities for national security. And all of us are going to be at risk in some way because of the slowdown and slow-walking of the appropriations process by the United States Congress. I think it is unfortunate, but I am afraid it is real.

So your being here and your helping to explain the practicalities of our delays is appreciated very much and your leadership is deeply appreciated as well. Thank you.

Senator INOUYE. I thank you very much.

DRAFT REINSTITUTION

I realize the time constraints, so I will ask one question, the question that no one wants to ask, and I will submit the rest to you, Mr. Chairman and Mr. Secretary.

Mr. Secretary, between 2000 and 2006, military personnel compensation costs increased by 32 percent for active duty and 47 percent for Reserve personnel. We are now spending about $180 billion a year on pay, benefits, and healthcare for our armed forces. And according to the GAO, this equates to $126,000 per service member.

And my question is, is the cost of maintaining an all-volunteer force becoming unsustainable, and second, do we need to consider reinstituting the draft?

Secretary GATES. Let me answer and then invite Admiral Mullen to answer.

I think that your commanders would tell you that this is the finest Army the United States has ever fielded, particularly the Army,

but all of the services in terms of quality, in terms of resilience, in terms of dedication, and in terms of skill.

VOLUNTEER FORCE

I think that there is no question that it is expensive. When I was in Ukraine a few months ago, they told me they were thinking about going to a volunteer force, and I said, well, you better think carefully about it because it will be very expensive. And one of the huge differences between a volunteer force and a conscription force is the attention that must be paid to families and taking care of families of soldiers, whether they are deployed or not, and making sure that the families have access to the kind of services and so on. So it is not just the soldiers.

I would tell you that I personally believe that it is worth the cost, and I think that in some ways the burden—I do not know the demographics specifically, but just as an example, I know that there are a number of Members of Congress who have sons and daughters in the military. There are sons and daughters of well-to-do families from across the country who are in our military. So I think that it does encompass a socioeconomic range in the country so that we do not have just one slice of the society that is serving.

I think that it would be a real problem to try and go back to the draft.

Admiral MULLEN. The military with whom I serve now is the finest military by orders of magnitude that I believe we have ever had and certainly by direct comparison of when I was commissioned in 1968. And I believe the single biggest reason for that has been the fact that we have gone to an all-volunteer force, and they emanate excellence in everything that they do. This is the most critical investment that we make in terms of the Department of Defense in our people.

That said, your citing of those statistics is of great concern to me because a future that argues for or, in fact, results in the continuous escalation of those costs does not bode well for a military of this size. Eventually—I mean, there are limits which we will hit and the constraints that exist will force us to a smaller military or force us away from any kind of modernization or programs that we need for the future or curtail operations. And I think this issue, which is such a challenging one, is the top issue with which we need to come to grips not just in the near term but in the long term. This was cited as well by Arnold Punaro in his report.

And our military and our families have been incredibly well supported. The overall compensation package since the mid-90's has gone up dramatically and rightfully so, and nobody knows that better than you. We must continue to take care of them and at the same time look at how we address this issue long term because we cannot—I do not see us as a country being able to afford the kind of cost increase at the rate they have occurred over the last several years, as you have quoted. That said, we have got to have this right for our people or essentially we will not have a military to support our national security efforts.

Secretary GATES. Mr. Chairman, let me go back to an issue that you raised in your opening statement because it is one area that not only concerns us but where we believe we have to get it under

control, and that is the cost of healthcare. Healthcare costs in the military for the Department of Defense have gone from about $19.5 billion in 2001 to $42.8 billion for fiscal year 2009. By fiscal year 2011, 65 percent of the people being served by that budget item will be retirees. Now, the problem is many of those are still working retirees. They are retired from the military, but they are in reasonably good health or very good health and they are working another job.

And we have not had an increase in the premium, in what the service member pays for TRICARE, since the program was initiated. It has been a real issue here on the Hill, but it is one of those areas where, as you mentioned, we have over a $1 billion hole in the budget because we keep hoping, as the Commission on Military Medicine recommended, that we can get agreement to make some modest increase in the TRICARE premium for those who are not yet at retirement age, 65 or 62 or whatever it is. And so this is an area where we may be able to have some kind of impact on those dramatically rising costs without impinging on those who are in the service today.

Senator INOUYE. Thank you very much.

Senator Domenici.

REDUCING DEPENDENCE ON FOREIGN OIL

Senator DOMENICI. Thank you very much. First of all, Mr. Chairman, I apologize for being late. I had three hearings and I was very insistent that I make this hearing, as I have tried.

Let me talk about a subject that I have asked my staff about and it has not been broached today, so I will not duplicate. Two of my other issues have already been addressed and I will not ask about them.

But let me ask both the Secretary and the Chairman if they could talk a minute about the fact that our country is so dependent upon foreign oil or foreign energy for our very existence, including the existence of our military. We now import over 65 percent of what we use. At the same time, we are trying very hard to develop alternative sources of energy. Of those alternatives, some have to do with the development of new technologies and new innovations like—I will just give you an example—converting oil shale up in Colorado and Utah to diesel fuel at the minimum and then to perfect it even further.

We are interested now in the new technology of converting coal to liquid. That liquid would be of various kinds, but at first it would be at least diesel that could be used in all of the military equipment of the country.

So I wonder if anything is going on that you can recall that has the military involved in trying to put together this kind of package that is going to be required to move this kind of technology and development along. Is there anything going on like considering purchase agreements for companies that develop new sources of alternative energy? That would be one way where you could be of great help. Is there anything going on there in that field, Mr. Secretary?

Secretary GATES. Senator Warner raised this with me at a breakfast that I had with the Senate Armed Services Committee leader-

ship last week, and I promised to get back to him. And we will get back to you.

I think we do have research dollars involved in alternative energy programs. I would tell you also that we have some very interesting recovery projects. I just visited the Red River Army Depot a week or so ago. When they bring back the HMMWV's and Strykers and tanks, everything from the theater, they still have the fluids in them, the gasoline and oil and so on. And they have a contract with a private company that takes all of that stuff, re-refines it, and sells it. So they make several million dollars back for the taxpayers simply by not throwing away this used fuel and petroleum products.

FUEL CREATION

But we can get back to you with the specifics on the energy programs that we have underway in alternative energy.

Admiral, do you have anything?

Admiral MULLEN. The only thing I would add, Senator, I think clearly this crisis needs to be addressed and investments in those kinds of technologies would be very important.

I also would praise in particular the Air Force who has taken a lead on flying on synthetic fuels and, in fact, has flown an awful lot of their aircraft, including a B–52 and I believe——

Senator DOMENICI. That is correct.

Admiral MULLEN [continuing]. A B–2—a B–1 or B–2. I cannot remember. And their initiative and their efforts are significant. You know what we invest in each year for fuels, and we have got to look for more diversity.

Senator DOMENICI. It was a B–1.

Let me say that I would like to know what kind of money and projects you have in alternative fuel creation, but I want to stress another point and then I will be through. It is late.

In order to get some of this technology perfected, we are going to reach a point where they are going to want to sell their product to Wall Street to finance a $5 billion plant for something. In order for that to happen, somebody has to be the purchaser of the product, and what seems to me inevitable and quite appropriate is that the military could agree to contract to purchase the product for 10 years because you are going to need that much. You could just document that you need 10 times that much, but you would be the assurance to this investment in this new technology, that if it proves up, you will buy it for a given length of time.

Now, would you check and see if you have such authority? Because if you do not, we ought to give it to you because they are going to be knocking on your door in two or three areas within the next couple years. One clearly coal to liquid where they are going to be building very big facilities and they are going to have to have a buyer or two, and they are going to go to the military. And that is very appropriate in my opinion. You are going to get it at market value anyway. It does not matter where you buy it, buy American made or buy it overseas. And they will be producing it.

Believe it or not, Shell Oil, S-h-e-l-l, is only a few years away from shale oil conversion right out of the field. In situ they call it, as you have heard. And they are just going to boil it in the ground

and take it out, you know, just take it out like you would suck out from a can of Coke. What they will be taking out will be a fuel of certain sorts. And clearly, they are going to need a purchaser or two so that they will have that backed when they finance their bigger projects. I just want to get you all involved in thinking about it because it is certainly going to be in the ball game, and you will be important players.

And I thank you for listening, and whatever you can give me on that, it would help me so we would only bother to add on to such authorities if it is needed. Thank you.

Senator INOUYE. Thank you very much, Senator.

Senator DOMENICI. Thank you.

CONCLUSION

Senator INOUYE. Mr. Secretary and Admiral, we very much appreciate your appearance today and your testimony. With this hearing, the subcommittee concludes its overview of the defense budget. Our final hearing will be with members of the public. And I can assure you that this subcommittee will act expeditiously as we have in the past.

As you have heard today, Secretary Gates, the subcommittee has many questions regarding your Department and your budget requirements, and as we have pointed out, you have offered many candid views over the past several months regarding shortcomings in the equipping and management of our forces. In the next week, the subcommittee will meet to consider your defense needs and formulate a set of recommendations for funding.

So, Mr. Secretary, in advance of this review, allow me to make this offer. If there are items in the fiscal year 2009 budget request which you no longer wish to prioritize or items which you would like to increase, please feel free to inform us officially or unofficially and we will take them under consideration.

Secretary GATES. Thank you, sir.

Senator INOUYE. And, gentlemen, we thank you for your testimony and look forward to working with you as we refine our views on the fiscal year 2009 defense appropriation requirements.

ADDITIONAL COMMITTEE QUESTIONS

Mr. Secretary, I gather this is your last appearance before this subcommittee. I am certain every member of this subcommittee appreciates your leadership and your contributions to our country.

Secretary GATES. Thank you.

Senator INOUYE. We thank you very much, sir.

Secretary GATES. Thank you.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO ROBERT M. GATES

QUESTION SUBMITTED BY SENATOR DANIEL K. INOUYE

*Question.* Mr. Secretary, I am concerned that the Missile Defense Agency has decided to cancel the next ground-based flight test instead of delaying it a few months until the problem with the ground-based interceptor is resolved. This means that no ground-based intercept test will be done in fiscal year 2008, even though nearly

$300 million for two intercept tests was appropriated in the 2008 budget. Why was this decision made, and were you consulted about the cancellation of this test?

Answer. A critical test component failed on the test interceptor during pre-test operations. Specifically, the Flight Test Ground-Based Interceptor (FTG)–04 Exo-atmospheric Kill Vehicle's (EKV) Pulse Code Modulation Encoder (PCME) within the flight test telemetry system failed during the final interceptor readiness test in the Vandenberg Missile Assembly Building. While the PCME is on all EKVs, the PCME is only used during flight tests and has no role or impact on an operational interceptor. However, because interceptor telemetry is crucial in the conduct of a flight test to verify EKV performance post flight, the Missile Defense Agency (MDA) decided to not conduct any flight test of the Ground-Based Midcourse Defense (GMD) Interceptor (GBI) until the cause of the PCME failure was determined and action taken to correct the problem. The failure analysis, completed in May 2008, determined that the EKV had to be returned to the manufacturer for disassembly, PCME replacement, and reassembly. Interceptor reintegration, emplacement, and post-emplacement operations and testing at Vandenberg Air Force Base results in an early December 2008 flight test mission.

The Agency considered several test options to demonstrate multi-sensor integration and intercept of a target with countermeasures this calendar year. The Director MDA, after assessing all flight test options, decided to proceed with a non-intercept (simulated GBI fly-out), multi-sensor integration flight test in the July-August timeframe, namely FTX–03. Test objectives relating specifically to the FTG–04 intercept will be deferred to FTG–05, the next GMD intercept mission is currently scheduled early December 2008. FTX–03 has been identified to replace FTG–04. FTX–03 will be a multi-sensor, integrated test designed much closer to the FTG–05 test configuration and serves as enhanced risk reduction. This approach allows the Agency to demonstrate multi-sensor integration and an intercept of a target with countermeasure this calendar year. The end result is that all objectives of the original FTG–04 and FTG–05 will still be accomplished with the conduct of FTX–03 and FTG–05.

MDA reports directly to the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) on missile defense matters. The Director, MDA made the technical decision to change FTG–04 to a sensor integration test, FTX–03, in consultation with the Under Secretary of Defense for Acquisition, Technology, and Logistics and notifications were made immediately to the Director, Operational Test and Evaluation (DOT&E); USSTRATCOM through the Commander, Joint Functional Component Command—Integrated Missile Defense (JFCC–IMD); Missile Defense Executive Board (MDEB) members, congressional staff, and the Warfighters.

Additionally, AT&L, Operational Test Agencies (OTAs), and USSTRATCOM (JFCC–IMD) participate in MDA's Program Change Board (PCB). As changes were made to the test program, these stakeholders have been fully informed on the course of action and adjustments will be reflected in the Warfighter Operational Readiness and Acceptance Program.

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## QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

### SUICIDE

*Question.* Over the past year, Congress has provided hundreds of millions in funding to the military to improve mental health care for our troops. Over the past 6 years, the suicide rate for active-duty soldiers has grown from 9.8 per 100,000 in 2001 to 17.5 per 100,000 in 2006.

What specific actions is the DOD taking to reduce suicide?

Answer. We deplore the loss of any life to suicide and are saddened by the traumatic impact on families and coworkers who are burdened with the grief of losing their loved ones and fellow professionals.

Partnering with civilian institutions, our military departments have initiated aggressive suicide prevention programs. They employ a myriad of preventive and supportive programs to improve awareness of signs of distress; address and resolve contributing factors; and provide professional consultants and care givers through referral programs. We emphasize suicide awareness and prevention; train frontline supervisors to look out for subordinates and intervene when subordinates and family members may be at risk; assess and manage suicide risk, and increase availability of professional military family life consultants to care for service members and their families. Also, we use lessons learned from previous suicides to develop suicide prevention videos written and directed by military members; and use web-based dis-

tance learning courses on suicide prevention for refresher training and at geographically separated units. Additionally, we benefit greatly from our association with, and use of, resources from professional civilian organizations like American Association of Suicidology and Uniformed Services University of Health Sciences.

While there are several reasons for suicides, one fact we do know is that multiple and lengthy deployments have placed a great stress on our families. In an attempt to mitigate some of this stress, the services continue to provide aggressive suicide prevention programs. We will continue to monitor progress toward our objective of preventing as many suicides as possible.

TBI/PTSD

*Question.* According to a recent RAND study, one in five Iraq and Afghanistan veterans suffer from PTSD. 19 percent report a possible traumatic brain injury during their deployment. Only half have sought treatment because of the stigma attached with seeking treatment and because of concerns about the quality of care. According to RAND, half of those who request treatment receive only "minimally adequate" support.

What steps is DOD taking to encourage servicemen and servicewomen to pursue help and to address the reasons why treatment is not sought?

Answer. The RAND study defined Post Traumatic Stress Disorder (PTSD) as the presence of symptoms and did not involve a clinical assessment. Symptoms of traumatic stress are to be expected among those who have been in combat or had other traumatic exposures. For many, these symptoms do not lead to significant distress or impairment and for most, these symptoms will resolve with little or no clinical intervention. For individuals who do not meet full criteria for PTSD there is no universal recommended number of visits.

Additionally, the RAND study used an arbitrary number of visits as its criterion for "adequate" treatment. Many Service members improve with fewer treatment sessions of treatment and no longer require additional visits.

All of the Services have programs that teach deploying Service members the symptoms of deployment-related stress, how to manage the stress of deployment, and how to recognize symptoms in others that might lead to a clinical concern. These programs stress the importance of seeking care if their symptoms cause significant distress or impairment in any aspect of daily functioning. These programs are provided before deployment and upon return from deployment. They also include components of education to family members so that they can encourage an evaluation if they observe persisting or troubling symptoms.

Each Service member also receives a post deployment health assessment with a clinician at the time of return and a repeat assessment three to six months after return. A clinical decision is made at that time whether a mental health referral would be beneficial to the member. The Army is also piloting programs to better educate primary care managers to screen for mental health problems and refer to a mental health specialist when appropriate.

Finally, there is a significant push within the Department of Defense for line leadership responsibility for psychological health- and resilience-based initiatives within operational units. This is consistent with findings that unit morale, unit cohesion, and faith in leadership are protective factors in keeping warriors psychologically fit. The Defense Centers of Excellence's anti-stigma program, "Real Warriors. Real Battles. Real Strength." reinforces this critical message of line leadership support.

*Question.* Why are military members receiving subpar support? What is your response to the finding that half of the treatment received is only "minimally adequate?"

Answer. A number of initiatives have begun to address increased support. The Department of Veterans Affairs (VA) and the Department of Defense (DOD) have launched a joint federal care coordination system to address the needs of polytrauma patients. Defense and Veterans Brain Injury Center/Defense Centers of Excellence has launched a care coordination system focusing on Traumatic Brain Injury (TBI) patients with persistent needs. These programs are assisting by linking Service members with state and local resources in addition to the federal resources available to them.

The Department screens all recently deployed Service members for Post Traumatic Stress Disorder (PTSD) and TBI via the Post Deployment Health Assessment and Post Deployment Health Re-Assessment. In addition, the VA screens for possible PTSD and TBI among all OEF/OIF veterans seen for medical care.

The RAND study defined PTSD as the presence of symptoms and did not involve a clinical assessment. Symptoms of traumatic stress are to be expected among those

who have been in combat or had other traumatic exposures. For many, these symptoms do not lead to significant distress or impairment and for most, these symptoms will resolve with little or no clinical intervention. For individuals who do not meet full criteria for PTSD there is no universal recommended number of visits.

The RAND study used an arbitrary number of visits as its criterion for "adequate" treatment. Many Service members improve with fewer treatment sessions of treatment and no longer require additional visits.

*Question.* The truth is that mental health treatment remains a stigma in our armed forces. Junior enlisted and officers play an important role in furthering a frank discussion about the benefits of mental health treatment.

What efforts have been made to have junior leaders, both enlisted and officer, trained to identify the symptoms of PTSD?

Answer. In addition to DOD efforts to reduce barriers preventing Service members from seeking help, the Services remain committed to training all leaders to identify subordinates, coworkers or friends who may require care.

The Air Force perspective is, most importantly, leaders should be proficient in recognizing Airmen in distress and referring them for assistance. Prevention education programs (suicide prevention training, Landing Gear, Frontline Supervisors Training) all clearly articulate the varied symptoms of distress and how to link Airmen with mental health care. In particular the pre- and post-deployment prevention education program, Landing Gear, does describe the symptoms of PTSD in detail.

Marine Corps Combat Operational Stress Control (COSC) classes are currently held in some career schools. The Training and Education Command is further developing and standardizing curriculum and including standards and tasks in Marine Corps Training and Readiness Manuals. Training in established courses and career schools is being implemented at all levels, including Command and Staff College Symposium (ongoing), Senior Enlisted Symposium (ongoing), enlisted professional military education courses (in process), career officer schools (in process) and Command and Staff College Distance learning (ongoing). The Operational Stress Control and Readiness (OSCAR) program embeds mental health practitioners and technicians into ground operating forces at the regimental level, to aid prevention and early identification of combat stress problems through increased trust and familiarity between Marines and the mental health professionals. A Leaders Guide for Managing Marines in Distress website and pocket guide provide quick access to information and tools for solving high-risk problems. Manpower and Reserve Affairs maintains a COSC page on its website for junior leader reference and use. Downloadable workshops to assist audiences in recognizing and identifying combat stress problems are available for senior leaders, marines, sailors and family members for pre-deployment, return from deployment, and post-deployment (60–120 days). The annual USMC COSC Conference provides concurrent workshop tracks for leaders, providers, families and other topics. The focus is on attendance by Marine leaders at all levels to learn more about combat operational stress and leadership responsibilities in prevention, identification and treatment.

The Navy's Combat Operational Stress Control (COSC) for Caregivers course has trained over 900 chaplains, nurses, corpsmen, religious programs specialists, Fleet and Family Service Center personnel and line leaders in early recognition and response to stress injuries. OSCAR embeds mental health practitioners and technicians into ground operating forces at the regimental level, to aid prevention and early identification of combat stress problems through increased trust and familiarity between Marines and the mental health professionals. COSC, including the stress injury continuum, leader expectations, combat operational stress first aid, and peer assessment is incorporated into Navy Individual Augmentee training at Fort Jackson, GA. In addition, the Navy COSC website and Navy Individual Augmentee Guides for sailors, families and commands were published in March 2007.

In the Army, over 900,000 solders participated in chain teaching last year, including the identification of symptoms of PTSD. This education on the signs and symptoms of PTSD is continuing as part of pre-deployment, deployment and post-deployment cycle of resilience training for soldiers and families. Multiple training sites are available on various Army web sites to help officer and enlisted personnel become more aware of PTSD. Physicians, nurses and medics also receive specialized training in the identification of signs and symptoms of PTSD as part of clinical training and refresher training programs.

Although Service-specific, the Army's Mental Health Advisory Team V study results linked to efforts to train junior leaders appears positive, and can most likely be extrapolated to other Service's efforts. 85 percent of soldiers who answered the survey about the training found the training useful. Soldiers reported significant increase in training adequacy for managing the stress of deployments and for identifying soldiers at risk for suicide. The number of clinical visits for PTSD has gone

up; this is probably a combined result of increased screening, increased demand, and the chain teaching and other related teachings called Battlemind. Soldiers' perceptions of the stigma associated with mental health care were significantly lower in 2007 compared with 2006. Although the numbers of soldiers screening positive for mental health problems in 2007 was similar to 2006 and other years, they reported significantly lower levels of impaired work performance as a result of stress or emotional problems than in 2006. MHAT study results indicate Behavioral Health personnel conducted significantly more command consultations in 2007 compared with 2006. Soldiers reported receiving more mental health care, and 17 percent had received medications for their symptoms. Primary Care personnel report significant increase in the number of medications prescribed for sleep, depression, and anxiety relative to 2006. Military Health System-wide metrics also indicate an overall increase in numbers of in-theater mental health encounters. It remains unclear whether these findings are a result of increased mental health distress, increased numbers of medical personnel or increased awareness on the part of healthcare personnel, but in light of other decreased measurements of stress/emotional impairment of work performance, it would suggest that increased awareness on the part of leaders and medical personnel is having a positive effect.

At the DOD level, the Defense Centers of Excellence (DCoE) for Psychological Health and Traumatic Brain Injury were established to assist in this endeavor by providing leadership, facilitating culture change and advocating a consistent, evidence-based approach across the Services, tailored to DOD/Service member needs. As of August 27, 2008, 52 DCoE staff are on board, and staffing numbers are projected to reach 155 by October 31, 2008. Eight directorates are now at initial operating capability: (1) Resilience and Prevention, (2) Training and Education, (3) Clearinghouse, Outreach and Advocacy, (4) Psychological Health Clinical Standards of Care, (5) TBI Clinical Standards of Care, (6) Research, QA Program Evaluation & Surveillance, (7) Telehealth and Technology, and (8) Strategy, Plans and Programming. Among many other actions, DCoE has already established a public website and a wide-reaching newsletter for Service members, family members and clinicians—all in an effort to educate, facilitate treatment and decrease stigma. The Center is actively at work standardizing Service curricula. Completion of DCoE CONOPS and internal assessment metrics is projected for September 1, 2008. Standardization and centralization of DOD data collection and analysis should begin to yield initial objective data for DOD-wide assessment of our programs by year's end.

To encourage Service members to pursue help and to address potential reasons why treatment is not sought, the DCoE endorses the Resilience Continuum Model which represents a cultural shift from treatment of illness to psychological health. The model promotes psychological health activities as a readiness issue and combat multiplier (seeking care when needed is considered a psychological health activity). The model will also be used to teach and train commanders and leaders at all levels to encourage their peers and subordinates to seek care when needed. There are several reasons why Warriors may not seek care. One reason (which is perhaps an under-recognized reason) is the lack of self awareness. It is common for Warriors to be unaware that they are in need of help. The Resilience Continuum Model can teach/train Warriors to recognize symptoms of distress, including PTSD, and to apply proven tools that build resilience to mitigate risk, maximize performance, and prevent dysfunction. The Resilience Continuum Model will roll out on November 18, 2008 as part of the DOD Resilience Conference.

*Question.* Should such training be mandatory for leaders before he or she assume responsibility for other military members in combat?

Answer. Marines: Yes, this training should be mandatory. The Marine Corps continues to stress the importance of recognizing and combating PTSD and other related stress problems incurred during combat operations, deployed situations, and demanding garrison support of these missions. The Marine Corps will maintain and further develop and incorporate standardized COSC training in career schools while continuing to stress the importance of utilizing the Leaders Guide for Managing Marines in Distress.

The Air Force believes requiring such training is reasonable and it is already incorporated into existing AF practices. All AF leaders are required to attend annual suicide prevention training, which provides excellent training on recognizing Airmen in distress and referring them for help. All professional military education and commander's courses include formal suicide prevention training as well, which further emphasizes the recognition of and intervention with Airmen in distress. In addition, all deploying Airmen, including leaders, will attend the Landing Gear training before deploying and receive additional detailed information on deployment-related mental health problems (including PTSD).

The Navy's position is yes, this training should be mandatory. The Navy continues to stress the importance of recognizing and combating Post Traumatic Stress Disorder and other related stress problems incurred during combat operations, deployed situations, and demanding homeport support of these missions. The Navy will maintain and further develop and incorporate standardized Combat Operational Stress Control training in career schools while continuing to stress the importance of incorporating stress mitigation skills as a core leadership competency.

Army: Yes, all Soldiers should receive training in recognizing the signs and symptoms of PTSD. The resilience training now being taught to Soldiers emphasizes how to recognize the signs and symptoms of PTSD, how to take action when these signs are identified, and how to use coping mechanisms to diminish the impact of the trauma that Soldiers might experience. We are implementing resiliency training throughout the career life cycle of Soldiers so that these lessons are regularly refreshed.

STOP LOSS

*Question.* You issued an order in January 2007 to minimize "stop loss" for the active and reserve forces. The Army now says it will continue this practice well into 2009. At this time last year, 8,540 soldiers were serving involuntarily. Today, that number has surged by 43 percent. We need to respect the decision to step down from service, when a service member decides he or she is ready to move on to the next phase of their lives. Today, the Pentagon prevents some from leaving the service even if their tour of duty is soon to be completed. We need to end this "back door draft" approach—and let these brave men and women move on to the next phase of their lives.

Why steps are being taken by the Defense Department to eliminate the usage of "stop loss?"

Answer. The Navy, Marine Corps and Air Force are not using the stop loss authority. The Department and Army are reviewing the need to use the stop loss authority to meet mission requirements.

FORCE STRUCTURE NEEDS (CURRENT VERSUS FUTURE TECHNOLOGY)

*Question.* In a recent news article you were quoted as saying "I have noticed too much of a tendency towards what might be called next-war-itis—the propensity of much of the defense establishment to be in favor of what might be needed in a future conflict."

How do Defense Department long-term budgets balance resources between current and future conflicts?

Answer. Current operations are resourced with a combination of budgeted and supplemental funds. When developing future budgets, the Department carefully balances the needs of current and future wars according to the President's priorities, excluding any items eligible for supplemental funding. The President's budget for fiscal year 2009 achieves this balance, following a careful, deliberate decision-making process in which competing demands were considered.

SOFT POWER

*Question.* You and Secretary Rice have spoken publicly about the need for the United States to improve its nation-building capabilities. The President's budget request for the State Department includes plans to enhance the Office of Reconstruction & Stabilization and to develop a corps of professionals who can provide specific, technical assistance in post-conflict situations.

How do you envision the future relationship between the Defense and State Departments, particularly in post-war Afghanistan and Iraq?

Answer. The Department of Defense will continue to work closely with the Department of State, both in post-war Afghanistan and Iraq and globally. As Secretary Gates has made clear in several speeches and in testimony before Congress, the Department sees a strong need for an increase in spending on the civilian instruments of national security—diplomacy, strategic communications, foreign assistance, civic action, and economic reconstruction and development. This includes strong support for the State Department's Civilian Stabilization Initiative to build a cadre of civilians selected and trained to provide stabilization assistance.

TROOPS TO NURSE TEACHERS

*Question.* Can you speak to the increasing demand for nurses in the military as a result of the ongoing war in Iraq?

Answer. The demand for Army nurses (AN's) has increased significantly as a result of the global war on terror. The mission in Iraq requires a minimum of 400–500 Army nurses per year. Military treatment facilities have experienced an increased demand of nursing services for Service members and family members in both the inpatient and outpatient settings, particularly for operating rooms, intensive care and burn care beds, rehabilitative medicine services, traumatic brain injury, and mental health care. We predict an increased demand for nurse case managers as our warrior in transition population continues to expand. We also predict an increase in demand for military nurses as the Army grows. The Army Nurse Corps has 700-plus additional positions documented for requirements.

*Question.* Recently, the Nurse Corps Chiefs testified on DOD medical programs and discussed many of the challenging aspects to military nurse recruitment and retention.

What is DOD doing to recruit and retain nurses?

Answer. The Department of Defense is using a variety of recruitment programs from accession bonuses, Reserve Officer Training Corps, tuition assistance and reimbursement, and enlisted to officer programs. Retention efforts include Duty Under Instruction for Nursing graduate and advanced practice degrees; tuition assistance for graduate degrees in Nursing as well as other fields, and advanced practice degrees in nursing; and expanded opportunities in assignments to influence health care as a whole, particularly in executive medicine. The 2007 Report to Congress on the "Impact of the Nursing Shortage in the Military Health System" provides exhaustive detail and specifics on recruitment and retention challenges and interventions.

*Question.* Last year, the Defense Appropriations subcommittee asked each branch to report on the nursing shortage and efforts in which the military is currently engaged or see potential. In the response from the Army, General Pollock discussed the faculty augmentation program—a partnership between the Army and the University of Maryland. In this partnership, General Pollock explains that DOD received no direct incentive to begin the partnership, yet the Army still benefits from the project.

Is DOD exploring an expansion or replication of this project?

Answer. The pilot program may be replicated pending the outcome of a research grant from the Tri-service Nursing Research Program. This research project will examine the recruiting benefits derived from the pilot program. Quantitative data will be collected on the students' career choices (military nursing or civilian) to determine motives for making their selections. The research program will also review the qualitative nurse faculty experience and student experience.

*Question.* How can the Senate be helpful?

Answer. The Department believes encouraging the retired military nurse population to pursue post-retirement employment as nursing faculty in civilian universities will expose nursing students to the benefits of the military while increasing the availability of eligible nursing faculty to address the national nursing shortage.

*Question.* What has DOD learned as a result of this partnership?

Answer. The partnership program with the University of Maryland has provided the opportunity for the detailed Army Nurse Corps (ANC) officers to acquire the education, training, and skills to serve as nurse educators. These skills, which are broader than those acquired in military centric training environments, include the following: curriculum development and implementation, clinical supervision of baccalaureate students, establishment of faculty-to-peer relationships with academia, development of student evaluation processes in collegiate education, development of relevant student testing instruments, incorporation of researched based findings into clinical practice, methodology for teaching and evaluating critical thinking in student populations, integration of medical simulation into the education process, evaluation of scholarly writing, and development of requisite skill as professional collegiate level faculty. Ultimately, the program has better prepared these officers to serve as educators and provided them with the skill sets to develop and implement new programs of instruction that mirror that of professional academia.

In addition, the pilot project has already been a successful ANC recruiting tool. The entire faculty continues to participate directly or indirectly with recruitment. The ANC recruiter remains in contact with all six ANC faculty. To date, nine referrals have resulted in appointments with the recruiter; four of those appointments led to ANC contracts to serve on active duty. The ANC will continue to track the recruiting benefits derived from this partnership.

*Question.* During the DOD medical programs hearing, the Nurse Corps Chiefs expressed support for the Troops to Nurse Teachers program the Senate included in fiscal year 2008 DOD Authorization.

If the program was authorized and funds were appropriated, how do you think it would impact the military's recruitment and retention efforts?

Answer. The Departments has a contract with the RAND Corporation to assess the proposed program, which will include an assessment of the impact on recruitment and retention. The study's projected completion date is June 2009.

*Question.* One of the major recruitment strategies for the Army and other Military Nurse Corps is the Reserve Officers' Training Corps or ROTC.

In recent years, how effective has this program been in recruiting and preparing nurses for a career in the military?

Answer. The Nurse Corps Reserve Officers' Training Corps (ROTC) is a long established and important means of accession to military service, and has been effective in preparing nurses for a career in the military. During the four-year academic and practical nursing training, cadets and midshipmen learn the basics of general military education, leadership, and behavior. In addition, each Service provides a wide range of immersion opportunities for the student from working in military treatment facilities to shipboard cruises.

Upon commissioning the ROTC officer does not have to attend further officer training, and is available for immediate assignment as a Nurse Corps officer. In all other forms of accession, the Service member must attend some form of Service-specific officer training program that typically lasts about six weeks. There is an obvious learning curve for those who must attend Service-specific officer training, and who are unacquainted with the military culture, which typifies Direct Commission and Nurse Candidate officers. Former enlisted Service members acclimate much easier, but still must make the cultural transition from enlisted to officer.

Army Nurse Corps ROTC recruitment from fiscal year 2002-fiscal year 2006 comprised, on average 39 percent of their total Nurse Corps recruitment. During that same period the Army met, on average 66 percent of their Nurse Corps ROTC accession goals.

The Navy Nurse Corps ROTC recruitment from fiscal year 2002- fiscal year 2006 comprised, on average, 19 percent of their total Nurse Corps recruitment, and they met, on average, 93 percent of their ROTC accession goals over the same period.

The Air Force Nurse Corps ROTC recruitment from fiscal year 2002-fiscal year 2006 comprised 13 percent of their total Nurse Corps recruitment. No data is available on Air Force Nurse Corps ROTC accession goals.

*Question.* How well does this program recruit underrepresented populations to the military?

Answer. The Reserve Officers' Training Corps (ROTC) programs do a good job in attracting underrepresented populations in their Nursing programs. The diversity percentage of nurse commissionees has largely been at or above the diversity percentage for Service ROTC programs' total production over the last five years.

| | Total Nurses | Minority Nurses | Percent of Minority Nurses |
|---|---|---|---|
| 2003 | | | |
| Army | 118 | 43 | 36 |
| Navy/Marine | 41 | 13 | 32 |
| Air Force | 20 | 5 | 25 |
| DOD Total | 179 | 61 | 34 |
| 2004 | | | |
| Army | 153 | 43 | 28 |
| Navy/Marine | 37 | 14 | 38 |
| Air Force | 36 | 7 | 19 |
| DOD Total | 226 | 64 | 28 |
| 2005 | | | |
| Army | 143 | 44 | 31 |
| Navy/Marine | 39 | 8 | 21 |
| Air Force | 38 | 8 | 21 |
| DOD Total | 220 | 60 | 27 |

| | Total Nurses | Minority Nurses | Percent of Minority Nurses |
|---|---|---|---|
| 2006 | | | |
| Army | 172 | 54 | 31 |
| Navy/Marine | 34 | 8 | 24 |
| Air Force | 40 | 7 | 18 |
| DOD Total | 246 | 69 | 28 |
| 2007 | | | |
| Army | 155 | 35 | 23 |
| Navy/Marine | 58 | 14 | 24 |
| Air Force | 55 | 11 | 20 |
| DOD Total | 268 | 60 | 22 |

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QUESTIONS SUBMITTED BY SENATOR DIANNE FEINSTEIN

*Question.* Last year, the Administration requested $88.3 million for the Reliable Replacement Warhead (RRW) program in the fiscal year 2008 National Nuclear Security Administration budget and $30 million in the Department of Defense budget. Congress, on a clear bipartisan basis, eliminated all funding for this program in the NNSA budget in the fiscal year 2008 Omnibus Appropriations bill. It did provide $15 million for the Navy to study how to place a Reliable Replacement Warhead on a Trident missile.

Since Congress eliminated funding for the Reliable Replacement Warhead program in the NNSA budget, is the Navy still moving forward with its study? If so, why? If not, how are the funds being spent?

Answer. The Navy is conducting an adaptable and integrated arming, fuzing, and firing (AF&F) system study. The funding is required to support a working group of U.S. Navy, U.S. Air Force and United Kingdom engineers and to coordinate requirements across services and countries to conduct AF&F system development with multi-platform applicability. Although this effort is identified under RRW, the work is needed to ensure the appropriate technologies are mature for the current programs of record for Navy W88 and AF W78 life extension programs and is relevant to the needed modernization of the electronic AF&F systems in all current or future weapons.

*Question.* The Administration requested $23 million for the Navy for RRW for fiscal year 2009. According to the Congressional Research Service, the Navy has said that these funds were requested before Congress eliminated all funding for RRW in the National Security Administration's budget for fiscal year 2008 and that these funds will not be spent on RRW. Is that true? If so, how will the funds be spent?

Answer. The funding is required to support a working group of U.S. Navy, U.S. Air Force and United Kingdom engineers and to coordinate requirements across services and countries to conduct adaptable and integrated arming, fuzing, and firing (AF&F) system development with multi-platform applicability. Although this effort is identified under RRW, the work is needed to ensure the appropriate technologies are mature for the current programs of record for Navy W88 and AF W78 life extension programs. The Department of Defense (DOD) reconsidered the request for these funds in light of Congress' cut of the fiscal year 2008 budget request. The DOD determined that it was still necessary to request fiscal year 2009 funds and work on the arming, fuzing, and firing system development. The nation's existing weapons are using very old electronic systems and technologies. For the reliability and security of these weapons, the DOD must begin to work on the modernization of the AF&F systems in our nuclear weapons.

*Question.* The fiscal year 2008 Defense Authorization bill mandated the creation of a Congressionally appointed bipartisan commission to examine the U.S. strategic posture and nuclear weapons policy. It is due to report its findings and recommendations to Congress and the President by December 1, 2008. The Defense Authorization bill also required the next President to conduct a nuclear posture review and issue a report by December 1, 2009. In my view, Congress should not provide any funds to RRW until we have had a chance to review the findings of these two reports.

Are you aware of any problem affecting the safety and reliability of the warheads in the current U.S. nuclear stockpile that would compel us to act now to fund RRW? Is there any new military requirement to replace the existing, well tested warheads?

Answer. The U.S. nuclear weapons stockpile remains safe, secure and reliable with certain manageable exceptions. However, as current nuclear weapons age, scientists and engineers continue to observe unforeseen and unpredicted changes within the nuclear warheads and associated subsystems. Additionally, pursuing successive Life Extension Programs will inevitably accumulate small changes that take the nuclear warheads further away from their original designs that were previously certified through underground nuclear testing. As a result, our confidence in the reliability of our current nuclear weapons stockpile will degrade over time.

As reliability declines, we must be prepared to repair or replace those systems to avoid any capability gaps in our nuclear deterrent. At issue will be how to accomplish this task. Current stockpile systems, which were designed and built in the 1960s, 1970s, and 1980s, involved manufacturing processes that are now difficult or inadvisable to replicate, and they lack modern surety features and technologies that are often difficult to incorporate during Life Extensions.

The funding requested for RRW this year will support the completion the Phase 2/2A feasibility and cost study. The information from the Phase 2/2A effort will inform subsequent decisions and the upcoming posture reviews. Future decisions would be deferred until after completion of the pending reviews.

MILITARY ENERGY/FUEL ALTERNATIVES

*Question.* Former Secretary of Defense William Perry has stated: "On balance, I believe that we could defer action for many years on the RRW program. And I have no doubt that this would put us in a stronger position to lead the international community in the continuing battle against nuclear proliferation, which threatens us all."

Do you agree and, if not, why not?

Answer. I respectfully disagree.

First, we should not defer action on RRW. As current nuclear weapons age, scientists and engineers continue to observe unforeseen and unpredicted changes within the nuclear warheads and associated subsystems. Additionally, pursuing successive Life Extension Programs will inevitably accumulate small changes that take the nuclear warheads further away from their original designs that were previously certified through underground nuclear testing. As a result, our confidence in the reliability of our current nuclear weapons stockpile will degrade over time. We must be prepared to replace those systems to avoid any capability gaps in our nuclear deterrent. At issue will be how to accomplish this task. Funding for the RRW feasibility and cost study will inform future decisions on the best path ahead.

Second, there is no reason to believe that atrophy of U.S. nuclear forces will help prevent nuclear proliferation and considerable reason to believe that credible U.S. nuclear forces will reduce proliferation. The sizable drawdown in U.S. nuclear forces since the end of the Cold War, the 16-year U.S. moratorium on nuclear testing, or the fact that the United States has not built a new nuclear weapon in nearly two decades, has had no impact on the effort of some countries to acquire nuclear weapons.

Despite negotiated reductions and eliminations under INF, START, and the Moscow Treaty, and without regard to U.S. unilateral reductions, India and Pakistan have become nuclear powers, North Korea has tested a nuclear device, Iran continues to pursue nuclear capability, Russia is modernizing its nuclear force and China is rapidly building up its strategic nuclear capabilities. After surveying this international security environment, both the United Kingdom and France have recently decided to embark upon modernization of their nuclear systems to ensure their strategic deterrents into the mid-century. By contrast, the United States is the only nuclear weapon state that does not have an active nuclear weapons modernization program or the capability to produce a new nuclear weapon.

Finally, robust U.S. nuclear capabilities and a strong commitment to extended deterrence have supported the NPT by allowing allies and friends, both in NATO and elsewhere, to forgo developing their own nuclear weapons. These arrangements are fully consistent with U.S. commitments to abide by the NPT.

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QUESTIONS SUBMITTED BY SENATOR TED STEVENS

*Question.* The Supplemental Appropriations bill being considered by the Senate includes provisions that would limit the length of deployments to Iraq, as well as, the dwell times for units returning from Iraq. How would these provisions impact

the Department's ability to manage forces and to provide the commandant commanders with the capabilities they need?

Answer. These provisions would hurt the Department's ability to manage forces and provide commanders with the capabilities they need. As stated in the White House's May 20th Statement of Administration Policy, "The Administration strongly opposes attempts to limit the much needed flexibilities of our commanders in the field during this and future conflicts by codifying current policy regarding deployment schedules."

*Question.* What efforts are being made to increase the amount of funding the Iraqis, or other coalition partners, are contributing to the CERP program?

Answer. The Department is pursuing efforts on both fronts to increase support of CERP. We requested authority to accept financial contributions to CERP in Iraq and Afghanistan from any person, foreign government, or international organization. Once this authority is granted, we will be able to engage our partners to financially support the very effective CERP program, which enables military commanders to respond to urgent humanitarian relief and reconstruction needs within their areas of responsibility by carrying out programs that provide immediate assistance to the local populace.

We have also worked with the Government of Iraq (GoI) to establish a companion program funded by the GoI. Major General Kevin Bergner, Deputy Chief of Staff, Multinational Forces Iraq (MNF–I) and Hak Al-Hakeem, GoI Advisor to the Prime Minister for Reconstruction Affairs and Representative to the Supreme Reconstruction Council, signed a Memorandum of Understanding (MOU) in April 2008 to implement the GoI Commander's Emergency Response Program (I–CERP). The MOU describes the purpose of the program "to execute urgently needed reconstruction projects for the benefit of the Iraq people by using Iraqi funds . . . I–CERP seeks eventually to match 2008 coalition CF–CERP contributions." The implementation annex to the MOU specifies the types of projects the GoI will fund, such as school construction, health clinics, and water purification facilities. Thus far, the GoI has provided close to $300 million for I–CERP projects. The funds are administered according to the existing rules laid out for execution of the U.S. CERP program.

The Department believes that successful execution will lead to additional Iraq funding and, possibly, funding from Iraq's neighbors.

*Question.* You have made additional ISR for combat forces in Iraq and Afghanistan a top acquisition priority along with the purchase of MRAP vehicles. Could you provide a more detailed explanation of why you have made additional ISR in theater a top priority and what the greatest needs are at this time?

Answer. As operations in Iraq and Afghanistan continue to evolve, the enduring value of pervasive ISR available to the battlefield commanders has never been higher. Although over the last year the department has taken multiple steps to increase deployed capability, I remain convinced that more must and can be done to provide additional tactical ISR capability to our forces deployed in combat. Accordingly, I have established an ISR Task Force to provide me recommendation on the greatest needs.

*Question.* I understand you recently visited Fort Bliss, Texas to view some of the latest Future Combat System Technologies. Can you give us your impressions of what you saw during your visit?

Answer. In a speech on May 13, I provided a few observations, which address this question: "A program like FCS—whose total cost could exceed $200 billion if completely built out—must continue to demonstrate its value for the types of irregular challenges we will face, as well as for full-spectrum warfare. I believe that any major weapons program, in order to remain viable, will have to show some utility and relevance to the kind of irregular campaigns that are most likely to engage America's military in the coming decades".

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## QUESTIONS SUBMITTED BY SENATOR ARLEN SPECTER

### AID TO YEMEN

*Question.* According to a May 17, 2008 editorial in the Washington Post by Ali Soufan, a former FBI supervisory special agent who was directly involved in the investigation of the bombing of the U.S.S. *Cole*, "Seven years after al-Qaeda terrorists Jamal al-Badawi and Fahd al-Quso confessed to me their crucial involvement in the bombing of the U.S.S. *Cole*, and three years after they were convicted in a Yemeni court—where a judge imposed a death sentence on Badawi—they, along with many other al-Qaeda terrorists, are free."

What criteria are used when setting Section 1206 funding levels? How does the Department of Defense weigh Yemen's lack of cooperation in bringing the *Cole* bombers to justice when considering aid for Yemen?

Answer. State and DOD consider all aspects of the bilateral relationship with Yemen and the need for counterterrorism cooperation when assessing the provision of assistance. As part of that assessment, the Departments consider the net impact that any Section 1206 assistance may have to increase Yemeni capabilities to counter terrorist threats identified by Combatant Commanders and Chiefs of Mission.

Yemen faces many challenges, including trying to govern areas under tribal, not governmental control. The Department uses Section 1206 to help the Republic of Yemen Government's (ROYG) military to establish governmental control over these areas and reduce porous borders available for exploitation by Al-Qaeda and other terrorist organizations. While the United States continues to press Yemen on issues surrounding the attack on the U.S.S. *Cole*, we must also address the continued terrorism threat to Yemen and the United States. The projects we undertake via Section 1206 funding also provide us with more leverage in dealing with Yemen on this and other issues.

In addition, Ali Soufan's statement above is not accurate. While he was free for a short time in October 2007, the ROYG quickly reversed their decision and jailed Badawi later that month. Badawi is now serving out the rest of his sentence. His sentence was reduced to 15 years in prison by a Yemen court.

*Question.* How much does the Department of Defense plan to request for fiscal year 2008 Section 1206 aid for Yemen? When will it make its request? What program(s) will the money fund?

Answer. Because Section 1206 is designed to be able to meet urgent and emergent needs, it is impossible to state with certainly what will ultimately be requested under Section 1206 authority for fiscal year 2008. Of programs approved and notified to Congress to date, however, none have been for Yemen, nor does the Department have any current plans to provide Section 1206 training or equipment to Yemen during this fiscal year.

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## QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

### MILITARY ENERGY/FUEL ALTERNATIVES

*Question.* Hybrid technology, Bio-fuels and other "green friendly" technology is currently providing some near term solutions in the civilian sector. Recently, the Air Force demonstrated this technology by flying a B–1 Bomber over New Mexico and Texas at supersonic speed using a synthetic 50/50 fuel blend.

What type of fuel alternatives or green technology research and development are the services currently working on?

Answer. The Department is pursuing a variety of efforts in alternative fuels, primarily focused on testing and certification, and enabling our systems to use different fuels regardless of the feedstock or production method. Efforts include improving the combustion process of engines using alternative fuels, optimizing fuel composition, understanding the equipment and systems impacts of alternative fuel use, such as corrosion and wear, and establishing protocols for certification.

For example, the Air Force has certified the B–52 to use a 50/50 blend of synthetic fuel (synfuel). Tests are underway to certify the C–17, B–1, and F–22 in the near future, with an objective to certify the entire fleet by early 2011, and the Army is testing synfuel in tactical vehicles and generators. In December 2007, a C–17 completed the first transcontinental flight using a synfuel blend, and a B–1 flew at supersonic speeds using a synfuel blend in March 2008. The Air Force has a goal to obtain 50 percent of its fuel used in the continental United States from domestic sources by 2016.

The Department also is exploring various technologies for producing alternative jet fuels. For instance, the Defense Advanced Research Projects Agency is soliciting research proposals to affordably create jet fuels using oil rich crops, such as algae, at energy density levels sufficient to power military systems.

*Question.* How do fueling alternatives affect the development and fielding of the Future Combat Systems?

Answer. The Future Combat System is designed to work with current battlefield fuels. The Army will test synthetic and other alternative fuels in the Future Combat System, as part of its larger testing and certification program.

*Question.* Are any current combat vehicles/systems being retrofitted to accept alternative fuel?

Answer. No. The policy is to procure fuels that are compatible with existing systems. Certification is underway in some systems, like the C–17, B–1 and F–22, to ensure these fuels can be used without causing long-term damage to engines.

*Question.* The Air Force is currently investigating nuclear, small reactor technology as a power plant source for some of its bases.

What is your opinion on this technology being used by the other services?

Answer. The Air Force is considering small nuclear reactors as a way to use underutilized land on its installations. The Department will evaluate the feasibility of a larger scale program after we receive an assessment from the Air Force.

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QUESTIONS SUBMITTED BY SENATOR MITCH MCCONNELL

*Question.* What mechanisms are in place to ensure all service members in theater have sufficient body armor?

Answer. The Department is committed to providing the best available ballistic force protection to its service members and its civilians. Each Military Service has a slightly different process, but all ensure our deployed personnel have the best protection.

For the Army, the goal is to field body armor to all deployers and next to deploy soldiers in the predeployment phases at Home Station for Active Component, Mobilization Station for Reserve Component, or at the continental United States (U.S.) (CONUS) Replacement Centers for Individual Augmentees. Soldiers or DOD civilians arriving in theater without body armor are outfitted at our fixed sites at Camp Buehring (Kuwait) and Bagram (Afghanistan) as they go through the Reception Staging Onward Movement and Integration (RSOI) process. The Army has also provided a stockage of body armor to the U.S. Embassy in Baghdad for Department of State personnel serving on Provincial Reconstruction Teams. Any capability enhancements to body armor such as the Improved Outer Tactical Vest (IOTV) are handled by our fielding teams who travel to all camps and Forward Operating Bases upgrading units and soldiers based on theater commanders' priorities. Additionally, Program Evaluation Office—Soldier, the program manager for body armor, conducts a weekly teleconference with theater commanders to coordinate deployment upgrades for body armor.

For the Navy, each individual command that has personnel being deployed for the Global War on Terror (GWOT) operations are required to outfit its personnel with the complete Table of Allowance (TOA) gear that is needed for the region to which they'll be deployed. This is a pre-deployment requirement that must be met before the personnel are cleared for departure to theater.

For the Marine Corps, the Program Manager for Infantry Combat Equipment (PM ICE) is the Total Life Cycle Manager for USMC Body Armor. Fielded assets are delivered to Consolidated Issue Facilities (CIF) for follow-on issue to deploying Marines. Combatant Commanders in theater will prescribe the use of personal protective equipment (PPE) in accordance with higher headquarters direction and based on the situation, to include assessment of enemy threat, environmental conditions, and the tactical missions assigned to their units. Management of fielded assets is executed through the Logistics Command (LOGCOM) Albany to ensure optimal distribution of assets is consistent with the requirements of the operating force commanders.

For the Air Force, the Directorate of Logistics Readiness is the focal point for Air Force "enterprise" purchases of Body Armor and individual protective equipment (IPE). The Directorate of Logistics Readiness develops policy for the distribution of body armor and IPE at home station and in-theater. Body Armor, and other protective gear, is prepositioned in three Expeditionary Theater Distribution Centers (ETDCs). Most deployers process through one of the three ETDCs to obtain protective gear prior to entering the theater. Body Armor, and other protective gear, is also prepositioned at nine Expeditionary Logistic Readiness Squadrons in the Area of Responsibility (AOR). This provides sustainment for lost and/or damaged body armor and IPE. Deployers who do not process through an ETDC obtain their body armor from their home station or coordinate their equipment requirements through their Major Command (MAJCOM), Air Command—Air Force (AFCENT), and/or Air Staff. Deployment Reporting Instructions provide guidance on how and where to obtain body armor and other protective gear when tasked to deploy to specific locations. These processes are in place to ensure sufficient gear is available and AF personnel are equipped prior to entering the theater.

Through various processes, reviews and system controls, United States Special Operations Command, (USSOCOM) ensures that its forces have sufficient body armor in theater. The United States Special Operations Command (USSOCOM), be-

cause of its unique authorities under 10 USC 167, relies on a combination of Special Operations Forces (SOF) unique equipment, along with service-common body armor provided to each of the component commands. For USSOCOM, the mandate is priority fielding of body armor systems to individuals through their respective component commands. Prioritization is based on unit pre-deployment training window, rotational schedule to theater of operations, and direction provided from each service component's requirements/logistics division representatives. Individuals are sized, issued body armor systems, and trained on proper wear and use during their pre-deployment training window. Body armor system fielding requirements to SOF are reviewed and validated weekly by the Program Management Office with each service component. Adjustments to fielding schedule are executed as required based on service component changes in deployment priorities. Also, residing on the USSOCOM Special Operations Forces Sustainment Asset Visibility Information Exchange (SSAVIE) internet portal is the Special Operations Forces Personal Equipment Advanced Requirements (SPEAR) website. This website provides total asset visibility to USSOCOM and Component leaders on body armor systems issued to each individual SOF member. Body armor systems are shipped to unit supply/property managers for issue to the specific unit individuals. Once a body armor system is issued to the individual, the transaction is recorded in the SPEAR database. Replacement body armor system components are forward staged and managed in the local theater of operations to support Joint Special Operations Task Forces and expedite replacement of individual body armor systems due to damage or combat loss.

Overall, each Military Service has processes in place to ensure sufficient gear is available and DOD personnel are equipped prior to entering a theater of operations.

*Question.* What kind of oversight has been exercised by the Guard and Reserves to ensure that returning American heroes are lawfully reemployed by the employers for whom they worked prior to deployment?

Answer. The Uniformed Services Employment and Reemployment Rights Act (USERRA), covers the employment rights of Guard and Reserve members. The Department of Labor (DOL) has statutory authority to enforce the USERRA statute. The Department of Defense (DOD) has an inherent responsibility to take care of its Service members. Employer Support of the Guard and Reserve (ESGR), a DOD organization under my purview, provides information and education to Guard and Reserve members and their employers, about USERRA, and offers a mediation service to resolve workplace disputes in an informal manner. Through a Memorandum of Understanding between DOD and DOL, ESGR informs Service members about contacting DOL if the ESGR mediation is unable to resolve a labor dispute within 14 days. We believe this process offers a timely and effective mechanism for resolution while providing a means for formal investigation by the appropriate authority at DOL.

ESGR is also working with the Services to raise awareness of USERRA and to provide USERRA training to all Reserve component members. In fact, in fiscal year 2007, ESGR's 4,500 volunteers provided USERRA briefings to more than 232,000 Service members. We also continue to work with the appropriate Federal agencies such as DOL's Veterans Employment and Training Service (DOL–VETS), the Department of Veterans Affairs, and the Small Business Administration, to better communicate to Service members and their employers about USERRA, transition assistance and reintegration programs. As we have mobilized National Guard Brigade Combat Teams during fiscal year 2008, we have worked proactively with those units several months before mobilization to ensure Service members' rights and responsibilities are understood.

The single biggest concern we hear from employers and Service members is about predictability of rotation schedules and duration. To that end, I issued policy guidance in January 2007 to move Reserve component use to a predictable cycle. We believe that while this guidance may take some time to become fully operational as units reset onto this cycle, greater predictability will go a long way toward ameliorating USERRA claims. Furthermore, DOD and DOL have established interagency working groups to create and execute information awareness programs aimed at Reserve component members and their employers.

All that being said, we have seen employer support remain strong. Thousands of employers go beyond the requirements of USERRA to provide compensation and benefits to their employees while they are serving their military duty. This support is not isolated to large employers, but extends to small employers as well as public sector employers.

*Question.* I remain concerned about the safety of our troops in military vehicles given the frequency and lethality of IED incidents. Please provide the following information regarding up-armored vehicles and mine-resistant ambush protected vehicles (MRAPs):What vehicles are currently in theatre? What is the cost comparison

between up-armored and MRAP vehicles? What is the total number of OEF and OIF deaths sustained in each different type of vehicle currently in theatre? Is this information kept by DOD and, if so, is it considered in the procurement process? Is safety of the troops the paramount consideration of fielding up-armored and MRAP vehicles? What are the other competing considerations? How are they weighted in the decision-making process? What vehicles has the Department prioritized for future procurement and why?

Answer.

What vehicles are currently in theatre?

There are several variants of the Mine Resistant Ambush Protected (MRAP) vehicles and up-armored High Mobility Multipurpose Wheeled Vehicles (HMMWVs) which are outlined below.

*MRAP Vehicles*.—There are three distinct categories of the "Family of MRAP vehicles" provided to the Services, and they support the following mission profiles:

—Category I: Urban combat operations (transport no less than 6 personnel).

—Category II: Multi-mission operations such as convoy lead, troop transport, ambulance, EOD, maneuver battalions, and combat engineering (transport up to 10 personnel).

—Category III: Mine/IED clearance operations and explosive ordnance disposal (transport no less than 6 personnel, 5 with additional equipment installed).

*Up-armored HMMWVs*.—The M1151, also known as the Expanded Capacity Vehicles (ECVs), replaces the M1114. The up-armored HMMWVs currently in theatre are the: M1151A1: Up-armored armament carrier, M1152A1: Up-armored troop/shelter carrier, and M1165A1: Up-armored command/troop carrier.

What is the cost comparison between up-armored and MRAP vehicles?

The range of the cost comparison is considerable in accordance with quantity buys. As a result, the average cost, experienced to date, for the MRAP vehicles and up-armored HMMWVs are outlined below:

*MRAP vehicles*.—Category I: $500,000; Category II: $530,000; and Category III: $700,000.

*Up-armored HMMWVs*.—M1151A1/B1 (up-armored armament carrier): $158,000; M1152A1/B2 (up-armored troop/shelter carrier): $125,000; and M1165A1/B3 (up-armored command/troop carrier): $144,000.

What is the total number of OEF and OIF deaths sustained in each different type of vehicle currently in theatre?

The Department tracks these statistics and can provide you the specifics in a classified forum. MRAP vehicles have demonstrated increased survivability and force protection against attacks as demonstrated in a decreased casualty rate when compared to other vehicles operating in Theater.

Is this information kept by DOD and, if so, is it considered in the procurement process?

The Department makes this information available to all programs to assist in the development and procurement process. This information is utilized in the development of the System Threat Assessment Report for each program with updates provides as required for consideration in the development of their acquisition strategies.

Is safety of the troops the paramount consideration of fielding up-armored and MRAP vehicles?

Yes.

What are the other competing considerations?

As the Department continues to armor existing vehicles and buy heavily armored vehicles, such as MRAP, there is a trade off between survivability, payload and performance. By increasing protection through armoring, we risk losing some payload and/or performance, thus decreasing mobility and maneuverability.

How are they weighted in the decision-making process?

Sacrificing performance and payload for protection is a necessary concession in places like Iraq where the MRAP has proven to save lives. Much of Iraq's existing road infrastructure supports heavy vehicles like the MRAP; unfortunately, they do not perform as well in off-road situations. Further, their weight and size make them unsuitable for alleyways and many unimproved surface roads and bridges. To mitigate these tactical considerations, the military maintains an inventory of up-armored HMMWVs (UAH); however the additional armor on UAH increases their weight, degrades their service life, and increases maintenance requirements.

What vehicles has the Department prioritized for future procurement and why?

The Services are actively engaged in implementing a tactical and combat vehicle modernization and recapitalization strategy with the intent to recapitalize, modernize and eventually replace its existing light, medium and heavy tactical wheeled vehicles with either a new next generation vehicle class or more capable recapital-

ized tactical wheeled vehicles that have integrated new technologies and incorporated lessons learned from operations involving the Global War on Terrorism. Programs such as the Joint Lightweight Tactical Vehicle, Marine Personnel Carrier, Stryker, Future Combat System, and MRAP vehicles are part of this global view.

*Question.* What are the advantages to having so many different types of MRAPs in theatre? Would it not be beneficial to have more uniformity among the vehicles to streamline training, repair work, etc.?

Answer: The Department initiated the Mine Resistant Ambush Protected (MRAP) vehicle program in January 2007 and formed the MRAP Task Force, shortly thereafter, with one primary objective: Field as many MRAPs as quickly as possible. This strategy was met by establishing procurement delivery orders with all vendors who met specific requirements. This led, ultimately, to fielding vehicles from five manufacturers, and allowed us to produce and deliver over 1,600 vehicles to Theater by the end of 2007. The fact that we have multiple variants can add complexity to sustainment, but achievement of the overall goal—field as many vehicles as fast as possible—saved lives.

The Services recognize that different types of MRAPs are applicable to different missions and threats, and as such provide greater flexibility and tactical advantages depending on the situation. There are three distinct categories of the "Family of MRAP vehicles," and they support the following mission profiles:

—Category I: Urban combat operations (transport no less than six personnel).

—Category II: Multi-mission operations such as convoy lead, troop transport, ambulance, explosive ordnance disposal, maneuver battalions, and combat engineering (transport up to ten personnel).

—Category III: Mine/IED clearance operations and explosive ordnance disposal (transport no less than six personnel, five with additional equipment installed).

It is always good to maximize commonality and uniformity between military systems when possible. However, the Defense Department's responsibility is to the Warfighter's requirements. The principle and driving thrust for the MRAP program was to get the best systems meeting the survivability requirements and deliver MRAP vehicles to the Warfighter as quickly as possible, hence the acquisition of multiple variants from multiple vendors.

To counter the logistic requirements induced with this type of rapid procurement, the Defense Department has initiated evaluations of each vendor's components, and then cross referencing those major sub-systems which are common across the fleet. For example, Cummins engines are used in two models of the MRAP vehicle and the Heavy Expanded Mobility Tactical Truck (HEMTT) used by the U.S. Army. It is also very popular in the commercial/consumer market for uses in motor homes, farm equipment and cross country line haulers.

Furthermore, the military is discovering that some of the sub-components used in the MRAPs are common with other military systems already in the inventory.

Another measure the Defense Department is developing is a sustainment strategy that will employ a "Hybrid" solution using a Joint Logistics Integrator (JLI), manufacturer Field Service Representatives (FSRs), and government civilian mechanics working in concert with an organic military supply chain. The Joint Program Office (JPO) developed and contracted for an innovative consortium among the five major Original Equipment Manufacturers (OEMs). The consortium provides cross-trained FSRs from each company who can service any MRAP vehicle. These FSRs are trained on all vehicle variants regardless of manufacturer. This will support a flexible and responsive theater capability for commanders across theater. The hybrid support solution also employs depot mechanics deployed into theater to supplement organic and field-level maintenance teams. These depot mechanics are also cross trained on each vehicle variant, thereby providing a unique and flexible maintenance capability for all vehicle variants. The JPO MRAP vehicle consortium guarantees that unit level commanders from all Services have a single interface for sustainment and maintenance issues with his or her MRAP fleet. This strategy will dramatically reduce the in-theater logistics support footprint and increase its effectiveness. The JLI will assist the JPO in synchronizing multiple OEM issues into one clear operations report and view.

*Question.* Last week, Pentagon Press Secretary Geoff Morrell made statements that the casualty rate is much higher in an up-armored humvee than in an MRAP. If true, why does the military continue to use up-armored humvees? Are there any humvee-class MRAP vehicles currently being tested for use in theatre by DOD in order to improve the safety of our troops? Are there plans to field them in the future? If so, what is the status of procurement?

Answer. Our military forces utilize up-armored High Mobility Multipurpose Wheeled Vehicles (HMMWVs) and Mine Resistant Ambush Protected (MRAP) vehicles for separate missions. Up-armored HMMWVs allow for greater maneuverability

in areas where MRAP vehicles have limited transportability, payload and off-road capabilities.

DOD has no HMMWV-class MRAP vehicles currently being tested for use in theatre. All HMMWVs, in theater, that operate outside the wire are outfitted with up-armored kits. However, the Joint Lightweight Tactical Vehicle (JLTV) is a joint program that is viewed as the bridge vehicle between a M1152 up-armored HMMWV and the MRAP. JLTV is expected to provide the Army and Marine Corps with a family of more survivable vehicles and greater payload than the current HMWWV.

*Question.* Section 8119 of Public Law 110–116 provides in relevant part that:

"(a) Notwithstanding any other provision of law, the Department of Defense shall complete work on the destruction of the United States stockpile of lethal chemical agents and munitions, including those stored at Blue Grass Army Depot, Kentucky, and Pueblo Chemical Depot, Colorado, by the deadline established by the Chemical Weapons Convention, and in no circumstances later than December 31, 2017.

"(b) REPORT.—

"(1) Not later than December 31, 2007, and every 180 days thereafter, the Secretary of Defense shall submit to the parties described in paragraph (2) a report on the progress of the Department of Defense toward compliance with this section.

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"(3) Each report submitted under paragraph (1) shall include the updated and projected annual funding levels necessary to achieve full compliance with this section. The projected funding levels for each report shall include a detailed accounting of the complete life-cycle costs for each of the chemical disposal projects. . . ."

The report due on June 30, 2008 will be the first opportunity the Department of Defense has had to lay out how it plans to comply with the 2017 deadline mandated by this statute. Included in these plans will be funding levels that the Department believes it needs to comply with the law. If in fact the Department decides it needs funding above the fiscal year 2009 request to comply with the law, will this need for additional funding be conveyed to Congress through a formal budget amendment? If not, by what means will the Department formally request such additional funds?

Answer. As required by Section 8119 of the fiscal year 2008 DOD Appropriations Act, the Department is currently reviewing various options (to include cost estimates) and the feasibility for completing the destruction of the chemical weapons stockpile by 2012 and 2017. The assessment of these options will be reflected in the semi-annual report to Congress in late June 2008, and will be considered during the development of the fiscal year 2010 President's budget request.

*Question.* How could the repairing and reconditioning of equipment for members of the Guard and Reserve be improved?

Answer. Repair and reconditioning activities involve the necessary depot and intermediate level maintenance required to restore equipment returning from Iraq and Afghanistan to pre-deployment conditions. The key imperative is to provide sufficient funding in time to ensure depots can do their work without delay or interruption. Forward deployment of Guard and Reserve equipment requires quick turnaround of these assets for training. Timely reconstitution funding allows the Military Departments to provide Guard and Reserve members with replacement capability quickly and to ensure the workload at the depots is performed in the most expeditious, cost-effective manner.

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## QUESTIONS SUBMITTED TO ADMIRAL MICHAEL G. MULLEN

### QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

#### SUICIDE

*Question.* Over the past year, Congress has provided hundreds of millions in funding to the military to improve mental health care for our troops. Over the past 6 years, the suicide rate for active-duty soldiers has grown from 9.8 per 100,000 in 2001 to 17.5 per 100,000 in 2006.

What specific actions is the DOD taking to reduce suicide?

Answer. While standardized civilian suicide rates (most recent 2005) remain significantly higher (47 percent) than equivalent age/gender-matched military suicide rates (2007), the Department is very closely monitoring suicide statistics and trends. We are committed to creating and improving programs to identify those at risk and provide preventive education and appropriate treatment.

Existing programs include:
—annual suicide prevention training of Service members and DOD civilian employees;
—leadership training in suicide prevention;
—military leadership training to manage Service and family members in distress;
—frontline supervisor training;
—dissemination of suicide prevention training materials, videos, and posters;
—monitoring and analyzing lessons learned from suicides;
—risk assessment advanced training for providers;
—executing nationally-recognized best practice suicide prevention initiatives;
—multiple initiatives to reduce stigma from seeking mental health support;
—chaplains' initiatives in suicide prevention and absolute confidentiality;
—suicide prevention week actives;
—Signs of Suicide programs in DOD school systems for children/adolescents;
—train the trainer workshops in various suicide prevention modalities as Ask your buddy, Care for your buddy, Escort your buddy, Applied Suicide Intervention Skills training, safeTALK;
—chain teaching programs for suicide prevention;
—case discussions of suicide prevention;
—improved access to care with more mental health providers and 7-day routine access standard;
—postvention support programs for unit members/families of those who commit suicide;
—confidential behavioral health surveys to monitor risk factors and substance abuse;
—relationship building programs such as the Strong Bonds Program;
—civilian services staff training (morale, welfare and recreation, gym, hobby/auto shops, etc.) as the "Are You Listening?" program;
—substance abuse education and training;
—military family life consultant program;
—family support programs;
—family advocacy programs;
—sexual abuse recovery and support programs;
—community health promotion councils;
—integration delivery systems for psychological and other support;
—community action information boards;
—family readiness units;
—financial management training programs;
—responsible drinking educational programs;
—deployment support programs—Battlemind, Landing Gear, Operational Stress Control;
—web-based distance learning programs for suicide prevention;
—suicide prevention pocket cards and brochures;
—community awareness marketing for support services;
—drug demand reduction and prevention services/education programs;
—personal readiness summits;
—standardized suicide data reporting and DOD comprehensive database to monitor suicide;
—annual DOD/Department of Veterans Affairs suicide prevention conferences with leading academics and government agencies;
—academic collaborations developing suicide nomenclature;
—DOD-produced public announcements/videos re: suicide prevention; and
—active DOD Suicide Prevention and Risk Reduction Committee coordinating dissemination and coordination of programs.

TBI/PTSD

*Question.* According to a recent RAND study, one in five Iraq and Afghanistan veterans suffer from PTSD. Nineteen percent report a possible traumatic brain injury during their deployment. Only half have sought treatment because of the stigma attached with seeking treatment and because of concerns about the quality of care. According to RAND, half of those who request treatment receive only "minimally adequate" support.

What steps is DOD taking to encourage servicemen and servicewomen to pursue help and to address the reasons why treatment is not sought?

Answer. It should first be noted that Service Members seek care for psychological health issues at the same rate as their civilian counterparts; in the RAND study, roughly half of civilians and military members who met the criteria for PTSD or

major depression had sought help. Stigma is the overarching similarity that keeps both civilians and Service members from seeking care. However, acknowledgement of this similarity is not stopping us from identifying other causes which prevent members from seeking care and working to mitigate these factors. In addition to stigma, structural aspects of services (wait times, availability of providers) and institutional policies which result in real or perceived adverse career consequences for individuals who seek treatment are being addressed.

*Stigma*

Stigma regarding psychological health services is a significant personal and cultural issue which must be addressed by a systematic approach in order to encourage Service members to seek care. The Defense Centers of Excellence (DCoE) for Psychological Health and Traumatic Brain Injury were established to assist in this endeavor by providing leadership, facilitating culture change and advocating a consistent, evidence-based approach across the Services, tailored to DOD/Service member needs. As of August 27, 2008, 52 DCoE staff are on board, and staffing numbers are projected to reach 155 by October 31, 2008. Eight directorates are now at initial operating capability: (1) Resilience and Prevention, (2) Training and Education, (3) Clearinghouse, Outreach and Advocacy, (4) Psychological Health Clinical Standards of Care, (5) TBI Clinical Standards of Care, (6) Research, QA Program Evaluation & Surveillance, (7) Telehealth and Technology, and (8) Strategy, Plans and Programming. Completion of DCoE CONOPS and internal assessment metrics is projected for September 1, 2008. Meantime, Psychological Heath and TBI Standardization Workgroup meetings are underway with VA, National Institutes of Health, and selected academic institution participation to discuss standardization of definitions, metrics, outcomes, and instrumentation for Psychological Health and TBI surveillance and research. DCoE is partnering with the Substance Abuse and Mental Health Services Agency, coalition partners and others in the public and private sectors to share the stories of line leaders, celebrities and other individuals who have volunteered their own stories of overcoming psychological health problems. DCoE has established a public website, a wide-reaching newsletter and is planning a 24/7 call center for Service members, family members and clinicians—all in an effort to educate, facilitate treatment and decrease stigma. Service training programs have been developed for providers, line leaders, families and community leaders, and DCoE is actively at work standardizing these curricula while ensuring Service-specific needs are addressed. The Commandant of the Marine Corps recently released a videotaped message emphasizing that seeking help when needed is courageous, expected and, indeed, a fundamental duty of every Marine. Leadership is taking this issue very seriously.

Despite the intense efforts to combat stigma, it remains exceedingly difficult to directly quantify, and even more difficult to demonstrate a direct causal relationship between efforts and outcomes. The Army's Mental Health Advisory Team (MHAT) V Study surveyed individuals with five separate questions to assess their perception of stigma: when compared with 2006, all five questions demonstrated a significant reduction in the perception of stigma. There are many other positive, indirect indicators available. For example, despite the decreasing numbers of traumatic combat casualties, current Military Health System metrics report a 100 percent increase in psychological health referrals in the past year. Psychological health referrals from Post Deployment Health Assessments rose from 3 to 5 percent. Post Deployment Health Reassessment referrals for psychological health issues increased from 6 to 8 percent in the first quarter fiscal year 2008. While it is too early to determine if the increase is the result of a reduction in stigma or an increase in psychological distress or both, in the context of decreasing combat casualties it appears likely that efforts at decreasing stigma are beginning to have a positive effect. Standardization and centralization of DOD data collection and analysis should begin to yield more definitive Joint data by year's end.

*Wait Times and Provider Availability*

Wait times are the metric by which DOD measures its success at providing care within a predetermined acceptable amount of time. This is affected by numbers of episodes of psychological health care sought, as well as numbers and availability of health care providers. The TRICARE wait time standard for routine psychological health care was previously established at 30 days. In order to expedite care delivery, DOD has taken three specific actions: (1) the wait time standard was decreased from 30 days to 7 days for an initial mental health appointment, (2) aggressive measures are underway to increase numbers of uniformed and civilian DOD mental health providers and (3) mental health functions have been moved into primary care settings to increase availability.

A population based, risk-adjusted staffing model was developed to more clearly inform us of the required number of mental health providers in given locations. DOD contracted with the Center for Naval Analysis to validate the model and expects results later this year. Using that validated model, DOD will adjust the requirements and disposition of psychological health providers in the next fiscal year. In the meantime, we are actively addressing the documented shortage of mental health providers.

Mental Health providers are in short supply across the country—complicated by hard-to-serve areas, such as remote rural locations. To increase providers in these areas, a partnership was initiated with the Public Health Service, which will provide 200 uniformed mental health providers to the Military Health System. Twenty-five mental health care providers are already working in DOD; 35 additional mental health professionals have been recruited and are currently in the training pipeline destined for DOD MTFs in need; the remaining 145 are yet to be recruited, but are anticipated to be on board at full operational capability in DOD MTFs by the end of fiscal year 2009. Civilian and contract providers are also being employed to increase psychological health staff; military treatment facility commanders have hiring authority to increase their staffs to meet unique demands. In the past few months, the TRICARE managed care support contractors have added more than 2,800 new network psychological health providers and reached out to thousands of non-network providers to identify clinicians who would be available to take on new patients if a network provider could not be identified with the established wait times.

Other initiatives to increase provider availability include embedding mental health providers in line units, training primary care providers to offer evidence-based mental health care directly to their beneficiaries, and building a telehealth network to provide mental health services to underserved populations. Special pays for active duty psychiatrists have been significantly increased, and some psychologists also are now eligible for special pays with the goal of increasing retention of experienced active duty mental health providers.

*Building Resilience*

Lengthy, ongoing, and multiple deployments in our contemporary operating environment are stressful, demanding, and challenging on every level. More frequent and longer deployments increase the risk of stress injury. To foster prevention, encourage Service Members to pursue help and to address potential reasons why treatment is not sought, the DCoE endorses the Resilience Continuum Model which represents a cultural shift from treatment of illness to promotion of psychological health. The model promotes psychological health activities as a readiness issue and combat multiplier (seeking care when needed is considered a psychological health activity). The model will also be used to teach and train commanders and leaders at all levels to encourage their peers and subordinates to seek care when needed. There are several reasons why Warriors may not seek care. One reason (which is perhaps an under-recognized reason) is the lack of self awareness. It is common for Warriors to be unaware that they are in need of help. The Resilience Continuum Model can teach/train Warriors to recognize symptoms of distress and to apply proven tools that build resilience to mitigate risk, maximize performance, and prevent dysfunction. The Resilience Continuum Model will roll out on November 18, 2008 as part of the DOD Resilience Conference.

*Institutional Policies*

In some cases, DOD and Service policies are at odds with measures underway to reduce stigma associated with psychological health care. Evaluation of those policies/procedures that result in real or perceived adverse career consequences for individuals with psychological health problems are being reviewed and changed when possible and appropriate.

The recent change to Question 21 of the SF–86, or national security background questionnaire is a good example. Within the military, there are numerous vocational specialties that require attention to medical readiness or suitability for duty. Certain conditions may disqualify individuals from performing their duties within that vocation, either on a short-term or permanent basis. In the interest of safety and risk management, for example, removing an individual from their duties as an air traffic controller (during flight operations) aboard a nuclear powered aircraft carrier due to a condition that is associated with impairments in attention and concentration is necessary. Question 21 of the SF–86 asks whether one has received mental health care. Thus, when considering sensitive duties which require a security clearance, there has long been a palpable fear among Service members that their military and/or professional careers could be jeopardized if they were to receive a psy-

chiatric diagnosis/treatment which would than have to be reported on a national security background questionnaire. The reality is that most who have had a documented mental health condition and/or who may have received care for such condition do not often lose their security clearance, although they may have their clearance held pending an additional psychiatric evaluation. Still, the perception of threat or feeling of vulnerability remains. In a recent shift to support Service members' efforts to seek psychological health care, we have seen a change in Question 21, which now permits applicants to answer "no" if the psychological healthcare was strictly related to adjustments from service in a military combat environment. While this change does not address all of the concerns that service members have about the potential impact on their careers for seeking out psychological health care, it is a large step in the right direction.

*Question.* Why are military members receiving subpar support? What is your response to the finding that half of the treatment received is only "minimally adequate?"

Answer. The Department of Defense is appreciative of the RAND Report, "Invisible Wounds of War," as it supports the lessons we have learned since 9/11 and the actions we have been taking in response to the congressionally directed Task Force on Mental Health. DOD is well down the road in addressing the Task Force's vision of change by focusing our efforts on six key objectives: (1) leadership, culture and advocacy, (2) access to care, (3) quality of care, (4) resilience building and stigma reduction, (5) surveillance, research and evaluation and (6) care transition and coordination.

The RAND study assertions of "subpar" support and "minimally adequate" care are inextricably linked to the RAND definition of quality care. In order to be considered "high quality of care" in the RAND approach, treatment regimens must be evidence-based, efficient, equitable and timely. According to RAND's criteria, in order to meet the threshold for "minimally adequate" psychotherapy, at least eight sessions must be provided. It should be noted that in 2007 a committee from the Institute of Medicine reviewed scientific studies of PTSD treatment and was unable to draw conclusions regarding optimal length of treatment with psychopharmacology or psychotherapy. Clearly this is an area that deserves further research.

In the normal medical model, treatment regimens for common conditions have been sufficiently researched and scientific data (i.e. evidence) is available to substantiate not only what works, but what doesn't. This is not necessarily so with PTSD. The Institute of Medicine's 2007 report clearly states that of the many psychotherapy and medication treatment modalities currently utilized/available, only one has been scientifically studied enough to prove its effectiveness (exposure therapies). As the Institute of Medicine study notes, this does not mean other treatments (psychotherapies and medications) are not beneficial, but that they simply haven't been studied enough to provide scientific proof yet.

In today's scenario where only one empirically-validated modality currently exists and limited numbers of providers are available to provide those visits, and as the RAND authors note, when those evidence-based treatments for PTSD are not yet available in all treatment settings, gaps in systematic implementation are not surprising. The DOD situation is even further complicated by the limited numbers of mental health providers available to provide eight or more visits to meet the RAND definition of "minimally adequate" care. That said, gaps in care to our warriors and their families are unacceptable, and DOD is actively working to address and close these gaps.

DOD accepts the responsibility to provide the highest possible level of care and support to our military wounded, ill and injured and to close the systematic implementation gaps as soon as possible. The Defense Centers of Excellence (DCoE) for Psychological Health and Traumatic Brain Injury were established to assist in this endeavor by providing leadership, facilitating culture change and advocating a consistent, evidence-based approach across the Services, tailored to DOD/Service member needs. As of August 27, 2008, 52 DCoE staff are on board, and eight directorates are now at initial operating capability: (1) Resilience and Prevention, (2) Training and Education, (3) Clearinghouse, Outreach and Advocacy, (4) Psychological Health Clinical Standards of Care, (5) TBI Clinical Standards of Care, (6) Research, QA Program Evaluation & Surveillance, (7) Telehealth and Technology, and (8) Strategy, Plans and Programming.

$270 million is targeted for Psychological Health initiatives across the DOD this year alone, $20 million specifically for quality of care improvement efforts. DCoE is leveraging existing expertise by integrating functions currently or shortly to be housed within six component Centers of Excellence: The Defense Veteran's Brain Injury Center (TBI evaluation, treatment, follow-up), Center for Deployment Psychology (deployment-related behavioral health training for mental health profes-

sionals), Deployment Health Clinical Center (medical advocacy/assistance for military personnel and families with deployment-related health concerns), Center for Study of Traumatic Stress (PH research, education, consultation and training), Telehealth and Technology Center (leveraging telehealth and other technologies to screen, educate, prevent, assess, and treat PH and TBI problems), and the National Intrepid Center of Excellence (PH/TBI clinical evaluation, diagnosis, treatment plans, family-centered education, telehealth and long-term follow-up.) Psychological Health Standardization Workgroup meetings are underway with VA, National Institutes of Health, and selected academic institution participation to discuss standardization of definitions, metrics, outcomes, and instrumentation for Psychological Health surveillance and research.

Clinical research to investigate evidence-based treatment for deployment-related psychological health problems, including PTSD, is a major stepping stone on the road to the high quality of care our Service members need and deserve. These research efforts include evaluations of complimentary and alternative treatment approaches. DOD's unprecedented $150 million investment in Psychological Health studies this year is a direct reflection of our commitment to our men and women in uniform. Within 18 months, initial results from these studies will begin to objectively guide us as we continue development and implementation of these critical, evidence-based programs.

The recently implemented MHS Dashboard, which is reviewed by Service and DOD leaders on a regular basis, brings critical information about psychological health and TBI performance to the most senior leaders who can then act on this information.

To ensure the provision of quality, evidence-based care, each Service is also implementing Service-specific programs. The Air Force's mental health providers are receiving additional training from civilian and military experts on current evidence-based treatment techniques for PTSD. By the time this training is complete, 300–400 providers will receive prolonged exposure and cognitive processing training. Air Force Combat and Operational Stress Control programs provide full spectrum care to strengthen the war fighter during deployment. Deployed mental health providers continue to perform prevention/outreach services, outpatient behavioral health services, and combat stress support services, 24 hours per day, as needed. In addition a Traumatic Stress Integrated Process Team was chartered to address screening, prevention and treatment of traumatic stress in deployers and identify profiles of risk/vulnerability.

The Army has implemented Combat and Operational Stress Control programs and the Battlemind initiative continues to be implemented as a primary tool to enhance recovery and resiliency, with an investment of $3.2 million for training, video and personnel.

Navy medicine (which also provides care to Marines) has provided training to psychology and psychiatry trainees and providers on appropriate treatments for PTSD, depression and the range of psychological health problems associated with combat stress, all consistent with VA/DOD Clinical Practice Guidelines. Standardized PTSD training was developed and provided for Navy and Marine Corps chaplains, primary care physicians, corpsmen and Fleet and Family Support Center counselors. The Center for Deployment Psychology, one of the component centers of the DCoE has provided training for Navy mental health providers and non-mental health providers in deployment-related psychological health issues, as well as treatment modalities identified in the VA/DOD Clinical Practice Guidelines for the treatment of PTSD, with primary emphasis on evidence-based exposure therapy. In addition the Marine Corps hosts an annual COSC Conference which is well attended by both providers and line leaders, facilitating the sharing of ideas and concerns, as well as fostering the all-important collaboration between medical and line personnel.

Despite the intense efforts to expand care to areas in need, train healthcare providers in evidence-based modalities, and standardize infrastructure/service efforts, it remains difficult to directly quantify clinical outcomes, and even more difficult to demonstrate a direct causal relationship between efforts and outcomes. Military Health System-wide metrics indicate an overall increase in numbers of in-theater mental health encounters. It remains unclear whether these findings are a result of increased mental health distress, increased numbers of medical personnel or increased awareness on the part of healthcare personnel, but in light of other decreased measurements of stress/emotional impairment of work performance, it would suggest that increased awareness on the part of leaders and medical personnel is having a positive effect. Standardization and centralization of DOD data collection and analysis should begin to yield initial joint data by year's end. This will allow us to improve our ability to perform an ongoing, objective evaluation of

actions taken to date. This information will then be used to inform future actions and initiatives.

*Question.* The truth is that mental health treatment remains a stigma in our armed forces. Junior enlisted and officers play an important role in furthering a frank discussion about the benefits of mental health treatment.

What efforts have been made to have junior leaders, both enlisted and officer, trained to identify the symptoms of PTSD?

Answer. All members of all Services receive training on recognizing the signs and symptoms of psychological stress symptoms and the benefits of mental health treatment when appropriate. This training occurs prior to and then is repeated following return from deployment. Some components of the training are specifically designed to address leaders within the enlisted and officer ranks. Last year the Army conducted an additional force-wide program of training for all Army personnel to identify the symptoms of Post Traumatic Stress Disorder as well as those of traumatic brain injury in themselves and in their fellow members. Additionally, this training emphasized the importance of receiving an evaluation and potential treatment if such symptoms are present.

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QUESTIONS SUBMITTED BY SENATOR DIANNE FEINSTEIN

*Question.* Last year, the Administration requested $88.3 million for the Reliable Replacement Warhead (RRW) program in the fiscal year 2008 National Nuclear Security Administration budget and $30 million in the Department of Defense budget. Congress, on a clear bipartisan basis, eliminated all funding for this program in the NNSA budget in the fiscal year 2008 Omnibus Appropriations bill. It did provide $15 million for the Navy to study how to place a Reliable Replacement Warhead on a Trident missile.

Since Congress eliminated funding for the Reliable Replacement Warhead program in the NNSA budget, is the Navy still moving forward with its study? If so, why? If not, how are the funds being spent?

Answer. The Navy is not funding for the Reliable Replacement Warhead program. The Navy has briefed all four defense subcommittees and plans to use between $9.7 million and $10 million of the fiscal year 2008 funds to support an integrated, adaptable Arming, Fuzing and Firing (AF&F) system for strategic warheads.

The AF&F effort includes the development of requirements for Navy, Air Force and coalition partners (U.K.), and the investigation of the AF&F concepts, architectures and technologies needed to support those requirements, to include an analysis of adaptability.

This work is critical to the next AF&F system and should be applicable to Navy, Air Force or U.K. warheads.

The remaining $4.5 to $4.8 million will be utilized by the Department of Defense for either the Congressional Commission on the Strategic Posture of the United States or will be used for further AF&F integration efforts.

*Question.* The Administration requested $23 million for the Navy for RRW for fiscal year 2009. According to the Congressional Research Service, the Navy has said that these funds were requested before Congress eliminated all funding for RRW in the National Security Administration's budget for fiscal year 2008 and that these funds will not be spent on RRW. Is that true? If so, how will the funds be spent?

Answer. Although this effort is identified under RRW, the Navy has briefed all four defense subcommittees and plans to use the funding to conduct adaptable and integrated Arming, Fuzing and Firing (AF&F) development with multi-platform applicability. Funding is required to support a working group of U.S. Navy, U.S. Air Force and United Kingdom engineers to coordinate requirements across services and countries, identify technology development and component demonstration for those technologies. The work is also needed to ensure the appropriate technologies are mature for the current programs of record for Navy W88 warhead and Air Force W78 warhead life extension programs.

*Question.* The fiscal year 2008 Defense Authorization bill mandated the creation of a Congressionally appointed bipartisan commission to examine the U.S. strategic posture and nuclear weapons policy. It is due to report its findings and recommendations to Congress and the President by December 1, 2008. The Defense Authorization bill also required the next President to conduct a nuclear posture review and issue a report by December 1, 2009. In my view, Congress should not provide any funds to RRW until we have had a chance to review the findings of these two reports.

Are you aware of any problem affecting the safety and reliability of the warheads in the current U.S. nuclear stockpile that would compel us to act now to fund RRW? Is there any new military requirement to replace the existing, well tested warheads?

Answer. At present, the combined impact of the Stockpile Stewardship Program and operational adjustments made by our military commanders have enabled us to conclude that the current stockpile is safe and, with manageable exceptions, reliable. The aging stockpile, however, does raise concerns.

To date, we have been able to resolve stockpile problems without underground nuclear testing, but this has not been without some effect on the military capabilities of several warheads in the stockpile. The current path for maintaining the stockpile by successive refurbishments of existing Cold War warheads raises risks in assuring long-term reliability. Changes due to aging components and materials result in a progression that takes us further away from the well-understood configurations that were certified with underground nuclear tests. The inevitable result is increasing uncertainty in performance and an eroding of our confidence in the safety and reliability of the stockpile over the long term.

The proposed RRW Phase 2A Design Definition and Cost Study would provide baseline information on project schedule, cost estimates, and impact on certification and the nuclear weapons infrastructure. Completion of this phase would provide much needed data for the upcoming 2009 Nuclear Posture Review and would directly inform the next administration's decisions on a comprehensive national nuclear strategy.

In the near term, we have no choice but to continue to extend the life of our aging legacy warheads and accept their decreasing performance margins. The RRW, however, offers attractive safety and security enhancements that significantly improve protection against threats. RRW would also increase long term confidence in the reliability of our weapons and allow for production processes that are less complex and that enable a responsive nuclear weapons infrastructure.

MILITARY ENERGY/FUEL ALTERNATIVES

*Question.* Former Secretary of Defense William Perry has stated: "On balance, I believe that we could defer action for many years on the RRW program. And I have no doubt that this would put us in a stronger position to lead the international community in the continuing battle against nuclear proliferation, which threatens us all."

Do you agree and, if not, why not?

Answer. At present, the combined impact of the Stockpile Stewardship Program and operational adjustments made by our military commanders have enabled us to conclude that the current stockpile is safe and, with manageable exceptions, reliable. The aging stockpile, however, does raise concerns.

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QUESTIONS SUBMITTED BY SENATOR TED STEVENS

*Question.* As forces level in Iraq come down to pre-surge levels, please describe how that will impact the readiness of our non-deployed forces.

Answer. The reduction of forces in Iraq to pre-surge levels, by itself, will have minimal impact on the readiness of non-deployed forces in the near future. Only when the Army and Marine Corps reach their new end-strength goals, the demand signal for BCTs decreases to 15 or less deployed in support of OIF and OEF and the Army gains steady and predictable access to the Reserve Component will their be a significant and positive impact on the readiness of non-deployed forces in the long term.

*Question.* The supplemental budget request includes a substantial increase for the Commander's Emergency Response program. Can you please describe for us how this funding is being used and why it is such valuable tool for commanders in Iraq and Afghanistan?

Answer. The purpose of the Commanders' Emergency Response Program (CERP) is to enable local commanders in Afghanistan and Iraq to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the indigenous population. Examples of project categories are water and sanitation, food production and distribution, agriculture, electricity, healthcare, transportation, civic clean up and economic initiatives.

Commanders are using CERP to win the counter insurgency fight in Afghanistan and Iraq. It is a flexible and proven combat multiplier. With almost 90 percent of the projects averaging less than $200,000, CERP produces immediate results for the Commander in his battle space and enables "continuous effects" and retention of security gains after Coalition Forces depart the operational area. As we continue to conduct both kinetic and non-kinetic operations, Commanders must have adaptable resources to meet urgent humanitarian needs, rebuild critical infrastructure and initiate economic development. CERP provides the most flexible and adaptable funding available to meet the needs of the local Commanders.

*Question.* Some members of Congress have expressed concerns that CERP funding is not sufficiently coordinated with other funding sources and may lack sufficient oversight and internal controls. What are you doing to ensure these funds are spent wisely and are properly accounted for?

Answer. Local Commanders and Provincial Reconstruction Teams (PRT) in both Iraq and Afghanistan coordinate project and funding at the provincial level. I am confident the controls and coordination processes provide a balanced inter-agency approach that provides commanders the flexibility they need and the necessary collaboration for this extremely important program.

OSD has strengthened CERP guidance several times since the inception of the program, improving the clarity to ensure oversight of this critical program. The commanders in Iraq and Afghanistan incorporated this guidance and revisions into their own standard operating procedures further outlining funds control and accountability. Additionally, Multi-National Corps—Iraq (MNC–I) developed and fielded procedures to account for the $270 million provided by the Government of Iraq in support of the new Iraqi I–CERP program.

*Question.* Commanders in Iraq and Afghanistan want more full-motion video capability from UAV's and other ISR platforms. From and operational perspective, what can be accomplished through sensor development and wide area surveillance to meet this demand in the near future?

Answer. The department recognizes the significant increases in demand for FMV. To that end, we are investing in additional FMV capacity, pursuing increased efficiencies out of fielded capabilities to realize more FMV hours, and are investing in development of Wide Area Airborne Sensing (WAAS) capabilities.

[Deleted.]

The USAF WAAS Program Plan to address Service requirements for fielding wide area airborne sensors on existing unmanned aircraft systems platforms was briefed to the Joint Requirements Oversight Council (JROC) on April 24, 2008 and favorably endorsed in JROCM 106–08 on May 27, 2008. The USAF is currently developing JCIDS documents for WAAS Increment 1 while a WAAS concept of employment (CONEMP) document has already been drafted.

Several additional options for rapid development and fielding of wide area airborne surveillance sensors have been submitted to the Secretary of Defense ISR Surge Task Force. These wide area surveillance proposals, in concert with a multitude of other manned and unmanned full-motion video capability proposals, are currently being reviewed for executability, cost and value.

SUBCOMMITTEE RECESS

Senator INOUYE. The subcommittee will now stand in recess until Wednesday, June 4 at 10 a.m. when we will receive testimony from public witnesses. Thank you very much.

[Whereupon, at 12:53 p.m., Tuesday, May 20, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, June 4.]

# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2009

**WEDNESDAY, JUNE 4, 2008**

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.*

The subcommittee met at 10:06 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye and Stevens.

## NONDEPARTMENTAL WITNESSES

### STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. Believe it or not, 20 years ago I was chairing this subcommittee, handling two witnesses, the Secretary of Defense and the Chairman of the Joint Chiefs. In recent times, we have decided that this subcommittee has to hear from everyone possible. So all the services, nurses, doctors, intelligence, everyone testifies.

Today we have the privilege of listening to citizens, people who handle charitable organizations, men and women who are concerned about certain projects, and we'd like to hear from you. But because time is of the essence, I hope you will work along with us. We have limited presentations to about 3½ minutes, but I can assure you that every document that you submit will be studied and scrutinized. That I promise you, sir.

So with that, may I call upon the first witness, Dr. Prem Paul, the Vice Chancellor for Research and Economic Development, University of Nebraska-Lincoln. Dr. Paul.

### STATEMENT OF PREM PAUL, Ph.D., VICE CHANCELLOR FOR RESEARCH AND ECONOMIC DEVELOPMENT, UNIVERSITY OF NEBRASKA-LINCOLN; CHAIR, EPSCoR–IDEA COALITION

Dr. PAUL. Mr. Chairman and members of the subcommittee: My name, as you mentioned, is Dr. Prem Paul. I'm the Chair of the EPSCoR–IDEA Coalition. I'm here today on behalf of the Coalition of EPSCoR–IDEA States, a nonprofit organization representing 25 States and 2 territories. The coalition promotes the importance of a strong national science and technology research infrastructure and works to improve the research competitiveness of the States.

EPSCoR ensures enhancing the capabilities of institutions of higher education in our States. It develops, plans, and executes competitive, peer-reviewed research and engineering work that

supports identified mission critical needs of the Department of Defense (DOD), as stated in the Department's broad agency announcements.

Fiscal year 2009 is the most critical year for the EPSCoR program. The administration's fiscal year 2009 budget proposes only $2.8 million for DEPSCoR and assumes elimination of the program thereafter. Eliminating the program would cripple important basic research efforts at our universities across the Nation and would abandon a program that has worked for nearly 15 years to build a national infrastructure of DOD research.

This subcommittee in fiscal year 2008 responded aggressively to the administration's plan to terminate DEPSCoR with an allocation of nearly $20 million. The Senate Armed Services Committee responded by requiring a federally funded research and development center, FFRDC, assessment of the program to study the program's success. This assessment will comment in a forward-looking way on how the DEPSCoR program might be enhanced to ensure that it can meet the goal of furthering a national research infrastructure for DOD's basic research. This FFRDC is expected to report to Congress later this year.

In addition, the Department now has the ability to expand the number of eligible States in the DEPSCoR program to roughly 35, but we firmly believe that this would not only dilute the program, but would abandon the original statutory intent to fund only those States that have historically received the least amount of funding.

Our coalition strongly asserts that the administration's plan to terminate the program and to delete the request for $2.8 million is both shortsighted and risks abandoning competitive, mission-critical research being conducted at our universities. In addition, any administrative changes to the program, including increasing the number of participating States, is premature, given that the current FFRDC assessment will provide important insight into all administrative and budgetary functions of the program.

The coalition respectfully requests that this subcommittee again affirm its support for DEPSCoR by matching its fiscal year 2008 allocation of nearly $20 million for the program in fiscal year 2009. We also ask that you consider providing report language indicating that this subcommittee opposes any premature administrative changes to the program in light of the FFRDC assessment currently being undertaken.

Mr. Chairman and members of the subcommittee, we appreciate all the support that you have provided in the past. We also appeal to you that every State has important contributions to make to the Nation's competitiveness and every State has scientists and engineers who can contribute significantly to supporting the research needs of the DOD. DEPSCoR ensures that every State does just that.

Thank you very much.

Senator INOUYE. I thank you very much, Dr. Paul. [The statement follows:]

PREPARED STATEMENT OF PREM PAUL, PH.D.

Mr. Chairman and members of the subcommittee, my name is Dr. Prem Paul and I am the Vice Chancellor for Research and Economic Development at the University of Nebraska-Lincoln and chair of the EPSCoR/IDeA Coalition (Coalition). I am privi-

leged to be here today on behalf of the Coalition of EPSCoR/IDeA States,[1] a nonprofit organization representing 25 States and 2 territories. The Coalition promotes the importance of a strong national science and technology research infrastructure, and works to improve the research competitiveness of States that have historically received the least amount of Federal research funding.

Thank you for the opportunity to testify before your subcommittee regarding the Department of Defense Experimental Program to Stimulate Competitive Research (DEPSCoR), and thank you sincerely to the Members of this Subcommittee for your continued support of DEPSCoR. It is because of your support that DEPSCoR remains a vital program to half the States in the Nation and participating institutions.

The Department of Defense (DOD) EPSCoR program was initially established in Public Law 103–337 with two important policy objectives. First, DEPSCoR ensures a national research and engineering infrastructure by enhancing the capabilities of institutions of higher education in DEPSCoR States. Secondly, DEPSCoR develops, plans and executes competitive, peer-reviewed research, and engineering work that supports identified mission critical research needs of the Department of Defense as stated in the Department's Broad Agency Announcements. Today, EPSCoR States represent 20 percent of the U.S. population, 25 percent of the research and doctoral universities, and 18 percent of the Nation's scientists and engineers.

In Nebraska for example, DEPSCoR has funded research projects such as supporting the Army in studying the molecular response to biowarfare agents that our service members or our civilian population may one day encounter. In fiscal year 2008, DEPSCoR funded research for advancements in anti-jamming capabilities which significantly improves the position, location and timing correction accuracy due to GPS receiver implementation. In another study for the Air Force, a wireless sensor network that can locate, track and identify multiple moving objects was created. This device works both indoors and outdoors where global positioning systems do not function. It allows the military, especially those stationed in Afghanistan and Iraq, to determine the position of friendly assets in difficult environments.

Mr. Chairman and members of this subcommittee, fiscal year 2009 is perhaps the most critical year for the DEPSCoR program since it was initially authorized during the 103d Congress. The administration's fiscal year 2009 budget proposes only $2.8 million for DEPSCoR in fiscal year 2009 and assumes elimination of the program thereafter. Clearly, eliminating the DEPSCoR program would cripple important basic research efforts at universities across the Nation and would abandon a program that has worked for nearly 15 years to build a national infrastructure of Department of Defense research. Even at the administration's proposed number of $2.8 million, the program cannot advance its statutory mission of research infrastructure and support of Department of Defense research priorities.

In fiscal year 2008, the administration first announced its plans to terminate DEPSCoR. This subcommittee responded aggressively with a very generous allocation of nearly $20 million, an amount which returned the program to a level that ensured the program could be effective and could make substantial progress in furthering the statutory intent of the program. Likewise, the Senate Armed Services Committee aggressively responded by requiring a Federally Funded Research and Development Center (FFRDC) assessment of the program to study the program's success, but also to comment in a forward-looking way on how the DEPSCoR program might be enhanced to ensure that it can meet the goal of furthering a national research infrastructure for Department of Defense basic research. This FFRDC is expected to be reported to Congress later this year, and our Coalition has worked diligently to produce data and supporting materials so that this study can serve as a valuable tool for Congress in determining the future of the DEPSCoR program.

Finally, in response to new statutory flexibility for the Department in administering the DEPSCoR program, our Coalition has worked tirelessly with numerous Senators, including members of this subcommittee, to maintain a DEPSCoR program that serves only the historically underfunded States contemplated during the program's creation. The Department now has the ability to expand the number of eligible States in the DEPSCoR program to roughly 35, but we firmly believe that this would not only dilute the program, but it would abandon the original statutory

[1] Alabama, **Alaska, Arkansas, Delaware**, Hawaii, **Idaho, Kansas, Kentucky, Louisiana, Maine**, Mississippi, **Montana, Nebraska, Nevada, New Hampshire**, New Mexico, **North Dakota, Oklahoma, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Vermont, Virgin Islands, West Virginia**, and **Wyoming**.

States in bold letters are eligible for the DEPSCoR program. All of the States listed above are also eligible for the EPSCoR program.

intent of the program to fund only those States that have historically received the least amount of funding.

In light of these developments, and in light of the FFRDC assessment due later this year, our Coalition strongly asserts that the administration's plan to terminate the program and its meager request of $2.8 million for fiscal year 2009 is both shortsighted and risks abandoning competitive, mission critical basic research being conducted at universities across the country. Likewise, our Coalition asserts that any administrative changes to the program, including increasing the number of participating States, is premature given that the current FFRDC assessment will provide important insight into all administrative and budgetary functions of the program.

Accordingly, the Coalition respectfully requests that this subcommittee again affirm its support for DEPSCoR by matching its fiscal year 2008 allocation of nearly $20 million for the program in fiscal year 2009, and consider providing report language indicating that this subcommittee opposes any premature administrative changes to the program in light of the FFRDC assessment currently being undertaken.

Although the program could be significantly enhanced with an even greater allocation than $20 million, we recognize the tight discretionary budget constraints faced by this subcommittee and we recognize that the FFRDC study will provide an opportunity for a much fuller discussion in the next fiscal year. We, therefore, simply ask that this subcommittee level fund the DEPSCoR program at the fiscal year 2008 level so that we can protect DEPSCoR prior to the issuance of the FFRDC study and so that we can ensure an effective basic research program in fiscal year 2009.

Mr. Chairman and members of this subcommittee, every State has important contributions to make to the Nation's competitiveness and every State has scientists and engineers that can contribute significantly to supporting the research needs of the Department of Defense. DEPSCoR ensures that every State does just that.

Eliminating or significantly underfunding the DEPSCoR program will create a critical research shortfall in participating States that otherwise may not receive an investment of Department of Defense research funding. Now more than ever we must invest in research programs that will support our national security and will improve our readiness and defense capabilities in the future by building a national research infrastructure to support to our long-term research capability requirements. The participating DEPSCoR States continue to do just that, but it will require the continued support of this subcommittee to level fund this program at its current allocation of $20 million.

Mr. Chairman and members of this subcommittee, on behalf of the Coalition of EPSCoR/IDeA States, I thank you for your time and for the opportunity to testify before the subcommittee on the importance of the DEPSCoR program, and I appreciate your consideration of this request.

Thank you.

Senator INOUYE. I'll call upon the Chair of the Extremity War Injuries Project Team, Dr. Andrew N. Pollak.

**STATEMENT OF ANDREW N. POLLAK, M.D., CHAIR, EXTREMITY WAR INJURIES PROJECT TEAM, AMERICAN ACADEMY OF ORTHOPAEDIC SURGEONS**

Dr. POLLAK. Good morning, Mr. Chairman. I'm Dr. Andy Pollak. I'm Chief of Orthopaedic Surgery at Shock Trauma at Baltimore. As you mentioned, I chair the Extremity War Injuries Project Team for the American Academy of Orthopaedic Surgeons.

On behalf of military and civilian orthopaedic surgeons and researchers, I take this opportunity to very strongly urge this subcommittee to continue to provide significant resources for peer-reviewed medical research on extremity war injuries. Thank you for providing the DOD with funding for this purpose since fiscal year 2006.

Chairman Inouye, we know of your experience involving extremity trauma during war and appreciate the fact that you have both personal and professional perspectives from which to address this issue. We're very grateful for the dedicated work of Senators Tom

Harkin and Kay Bailey Hutchison, both members of this subcommittee. They worked together in sponsoring a recent "Dear Colleague" letter to you and to Senator Stevens requesting $50 million for this critical peer-reviewed research program.

Being from Maryland, I'm proud to acknowledge that subcommittee member Senator Barbara Mikulski and Senator Ben Cardin also supported the request, which was signed by 15 Senators in all.

Mr. Chairman, last August I had the privilege of performing surgeries in military facilities at Balad, Iraq, and Landstuhl, Germany, on the invitation of Air Force Surgeon General James Roudebush. I can assure this subcommittee of the outstanding quality of trauma care being delivered by the military health system there.

The problem facing surgeons is the limitation of medical knowledge and techniques in this field. We need your help to advance the state of the art. Over 80 percent of injuries to our service men and women in the global war on terror now involve the extremities, often severely mangled and multiple injuries to the arms and legs.

The peer-reviewed orthopaedic extremity trauma research program was designed to develop targeted medical research. The objective is to help military surgeons to find new limb-sparing techniques, with the goal of avoiding amputations and preserving and restoring the function of injured extremities. The interest and capacity of the U.S. research community is very strong. During the past 2 years, the DOD has been able to fund 26 top research projects. However, another 177 approved highly scored projects have been turned away because of limited funding, a situation that will continue into fiscal year 2009 unless the program receives the significant resources needed to achieve an operating budget of $50 million.

This desperately needed targeted research will lead to improvements in quality of life for our injured heroes. The funding you provide is being well spent. The new knowledge gained is advancing our ability to better understand and better treat serious extremity injuries. Our message is straightforward: The state of the science must be advanced to provide better treatment options for our wounded service members who suffer extremity trauma. The current peer-reviewed research program has a very large backlog of unfunded top-quality research proposals that must be addressed, and the DOD must be convinced to actively budget for extremity trauma research. But until that occurs, we believe that Congress has an obligation to ensure that DOD receives the necessary resources.

Mr. Chairman, Mr. Vice Chairman, you've recognized the urgent need to finance extremity research over the last 3 years. We are extremely grateful for that support. Based on the level of scientific need and the amount of unfunded research, our goal is to see this DOD program achieve an operating level of $50 million per year.

Thank you and the entire subcommittee for your vision and leadership in responding to this appeal. We strongly urge your continued support. Thank you.

[The statement follows:]

PREPARED STATEMENT OF ANDREW N. POLLAK

Chairman Inouye, Vice Chairman Stevens, members of the Senate Defense Appropriations Subcommittee, we thank you for the opportunity to testify today. I am Andrew N. Pollak, M.D., and I speak today on behalf of the American Academy of Orthopaedic Surgeons (AAOS), of which I am an active member, as well as on behalf of military and civilian orthopaedic surgeons involved in extremity trauma research and care.

I am Chair of the Academy's Extremity War Injuries and Disaster Preparedness Project Team, past-chair of its Board of Specialty Societies, and a subspecialist in orthopaedic traumatology. I am Associate Director of Trauma and Head of the Division of Orthopaedic Traumatology at the R. Adams Cowley Shock Trauma Center and the University of Maryland School of Medicine. My division at Shock Trauma is responsible for providing education and training in orthopaedic traumatology to residents from eight separate training programs nationally, including the Bethesda Naval, Walter Reed Army, and Tripler Army orthopaedic residency programs. In addition, Shock Trauma serves as the home for the Air Force Center for the Sustainment of Trauma and Readiness Skills (CSTARS) program. I also serve as a Commissioner on the Maryland Health Care Commission and on the Board of Directors of the Orthopaedic Trauma Association.

Senators, on behalf of all the military and civilian members of the American Academy of Orthopaedic Surgeons, please allow me to take this opportunity today to sincerely thank you both as well as the members of this subcommittee for your vision and leadership in providing funding in fiscal years 2006, 2007, and 2008 for the Army's peer reviewed medical research program on extremity war injuries.

We are very grateful for the dedicated work of Senators Tom Harkin and Kay Bailey Hutchison—both members of this subcommittee—in sponsoring a "Dear Colleague" letter this year supporting a request of $50 million for this critical peer reviewed research program. I am proud to say subcommittee Member Senator Barbara Mikulski also supported the request which was signed by the following additional Senators, and we are very thankful for their support: Senators Barrasso, Brown, Cardin, Chambliss, Colman, Cornyn, Durbin, Inhofe, Isakson, Kennedy, Sanders, and Stabenow.

Mr. Chairman, we very respectfully commend the committee's work in including additional resources for this important research in the fiscal year 2008 Supplemental Appropriations bill currently under negotiation and we strongly urge your continued support of this program for fiscal year 2009 at an annual operating level of $50 million. We request that you continue that level of resources until the Department of Defense (DOD) begins to include funding for extremity trauma research in its regular budget request to this committee.

Our message is simple:

—the state-of-the-science must be advanced to provide better treatment options for our wounded service members who suffer extremity trauma;

—the current peer-reviewed research program has a very large backlog of unfunded, top quality research proposals that must be addressed; and

—the Department of Defense must be convinced to actively budget for extremity trauma research, but until that occurs, we believe that the Congress has an obligation to ensure that the necessary resources are appropriated and directed.

As these combined wars enter their sixth year, there continues to be a profound need in the Nation for focused medical research to help military surgeons find new limb-sparing techniques with the goal of avoiding amputations and preserving and restoring the function of injured extremities.

Chairman Inouye, we know of your experience with extremity trauma during war and appreciate the fact that you have both personal and professional perspectives from which to address this issue.

You may remember that last year we were accompanied by CBS News correspondent Kimberly Dozier, who was recovering from severe wounds to her legs and head sustained on the streets of Baghdad while covering American soldiers on patrol with Iraqi security forces on Memorial Day 2006. She had been imbedded with the Army's 4th Infantry Division. The patrol was the victim of a car bombing which critically injured Kimberly and killed her cameraman, soundman, a U.S. Army captain they were following, and his Iraqi translator. I am happy to report that Ms. Dozier is back to work reporting for CBS. In fact, she recently won the prestigious Peabody Journalism Award for her coverage last year of U.S. military women who had lost limbs in the line of duty in Iraq. She is truly one of those rare individuals willing to put herself in harm's way to chronicle the work of our brave American service men and women in Iraq.

Ms. Dozier wrote about her experiences in surviving and recovering from the blast of a 500-pound car bomb remotely detonated on a Baghdad street. In a Washington Post op-ed article Sunday, September 30, 2007, titled "What I Faced After Iraq," she discussed the many medical decisions that have to be made by surgeons in the repair and recovery phases of treating wounded soldiers. She also detailed many important clinical questions that arise where much more medical research is needed. "Like me, future victims of extremity war injuries will desperately need the kind of knowledge that could be gained from adequate research," she concluded.

During the past year there have been many other accounts of the challenges to recovery faced by our wounded warriors with extremity injuries. The powerful HBO documentary by James Gandolfini, "Alive Day Memories: Home From Iraq," was one of those. The film contains interviews with 10 members of the Army and Marines who survived severe injuries. Each has their "Alive Day"—the day they narrowly escaped dying. Many spoke of the types of extremity injuries that have been sustained by our troops in Iraq and Afghanistan.

Military researchers have documented that fact that approximately 82 percent of war injuries suffered fighting the global war on terror involve the extremities—often severe and multiple injuries to the arms and legs.

In fact, House Report 110–279 (July 30, 2007, page 402) accompanying the fiscal year 2008 Defense Appropriations bill states that "Extremity injuries are the number one battlefield injury . . . dynamic research and treatment is necessary to provide service members the greatest ability to recover from injuries sustained on the battlefield."

By funding the Peer Reviewed Orthopaedic Extremity Trauma Research Program operated on behalf of all services by the Army's Medical Research and Materiel Command, your committee is directly advancing the state-of-the-science in this field. Your action will directly result in improved treatments for our wounded warriors now and in future conflicts.

It is important to point out that unique to this conflict is a new type of patient, a warfighter with multiple and severely mangled extremities who is otherwise free of life-threatening injury to the torso because of improvements in protective body armor and the excellent care quickly delivered through the echelon treatment system. Such injuries are rarely, if ever, seen in civilian surgical hospitals, even in Level 1 trauma centers. Current challenges that often compound the battlefield injuries include serious infections due to the nature of the injuries and the environment where they are sustained, and the need for immediate transport for more complex surgery.

The Academy's interest in this effort began in the very early days of Operation Enduring Freedom (OEF) when our deployed military Academy members began to report the great clinical needs that were emerging as they went about their work in surgeries to save injured service men and women. Soon studies on the nature of injuries in Iraq and Afghanistan documented the high proportion of extremity injuries as well as the severity of injuries.

I was fortunate to travel to Landstuhl, Germany, and Iraq last August to initiate the Distinguished Visiting Scholars Program. This program is a joint initiative between the AAOS and the Orthopaedic Trauma Association. The activity allows civilian orthopaedic trauma specialists with demonstrated clinical expertise and national recognition for their teaching abilities to volunteer 2 weeks at a time to be away from their practices performing surgeries at Landstuhl Regional Medical Center. I also had the privilege of performing surgical operations in Balad, Iraq, as part of a request by Air Force Surgeon General James Roudebush to evaluate the trauma care being delivered at the Air Force Theater Hospital and to investigate the feasibility and value of extending the Distinguished Visiting Scholars Program into Iraq and Afghanistan. Based on my experiences in Balad, I can assure this committee of the outstanding quality of trauma care being delivered by the military health system there.

On January 23 and 24 of this year, the third annual Extremity War Injuries Scientific Symposium was held in Washington, DC, sponsored by our Academy, along with the Society of Military Orthopaedic Surgeons and the Orthopaedic Trauma Association. This combined effort of the two associations and the United States military began in 2006 in an initiative to examine the nature of extremity injuries sustained during OEF and Operation Iraqi Freedom (OIF) and to plan for advancing the state-of-the-science and treatment of these injuries. The 2008 meeting was attended by more than 175 military and civilian leaders in extremity medical research and treatment from around the world. We were very fortunate to have had Joint Chiefs Chairman ADM Michael Mullen, Senator Tom Harkin, and Assistant Secretary of Defense for Health Affairs Dr. Ward Casscells each speak to the conference audience about their perspectives on injuries being sustained by our armed forces.

This conference series has produced a widely referenced scientific publication describing the clinical challenges posed by extremity war injuries, and a research agenda to guide the scientific community and the managers of the Peer Reviewed Orthopaedic Extremity Trauma Research Program in planning and executing the program.

ORTHOPAEDIC TRAUMA FROM OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM

The likelihood of surviving wounds on the battlefield was 69.7 percent in WWII and 76.4 percent in Vietnam. Now, thanks in part to the use of body armor, "up-armored" vehicles, intense training of our combat personnel, and surgical capability within minutes of the battlefield, survivability has increased dramatically to 90.2 percent as of February 2007.

The Armed Forces are attempting to return significantly injured warriors to full function or limit their disabilities to a functional level in the case of the most severe injuries. The ability to provide improved recovery of function moves toward the goal of keeping injured warriors part of the military team. Moreover, when they do leave the Armed Forces, these rehabilitated warriors have a greater chance of finding worthwhile occupations outside of the service to contribute positively to society. The military believes that it has a duty and obligation to provide the highest level of care and rehabilitation to those men and women who have suffered the most while serving the country and our Academy fully supports those efforts.

It probably comes as no surprise that the vast majority of trauma experienced in Iraq and Afghanistan is orthopaedic-related, especially upper and lower extremity and spine. A recent article in the "Journal of Orthopaedic Trauma" reports on wounds sustained in Operation Iraqi Freedom and Operation Enduring Freedom based on data from the Joint Theater Trauma Registry, a database of medical treatment information from theater of combat operations at U.S. Army medical treatment facilities. From October, 2001 through January, 2005, of 1,566 soldiers who were injured by hostile enemy action, 1,281 (82 percent) had extremity injuries, with each solider sustaining, on average, 2.28 extremity wounds. These estimates do not include non-American and civilians receiving medical care through U.S. military facilities. (Owens, Kragh, Macaitis, Svoboda and Wenke. Characterization of Extremity Wounds in Operation Iraqi Freedom and Operation Enduring Freedom. J Orthopaedic Trauma. Vol. 21, No. 4, April 2007. 254–257.)

An earlier article reported on 256 battle casualties treated at the Landstuhl Regional Medical Center in Germany during the first 2 months of OIF, finding 68 percent sustained an extremity injury. The reported mechanism of injury was explosives in 48 percent, gun-shot wounds in 30 percent, and blunt trauma in 21 percent. As the war has moved from an offensive phase to the current counter-insurgency campaign, higher rates of injuries from explosives have been experienced. (Johnson BA. Carmack D, Neary M, et al. Operation Iraqi Freedom: the Landstuhl Regional Medical Center experience. J Foot Ankle Surg. 2005; 44:177–183.) According to the JTTR, between 2001 and 2005, explosive mechanisms accounted for 78 percent of the war injuries compared to 18 percent from gun shots.

While medical and technological advancements, as well as the use of fast-moving Forward Surgical Teams, have dramatically decreased the lethality of war wounds, wounded soldiers who may have died in previous conflicts from their injuries are now surviving and have to learn to recover from devastating injuries. While body armor is very effective in protecting a soldier's torso, his or her extremities are particularly vulnerable during attacks.

*Characteristics of Military Orthopaedic Trauma*

At this point we there have been about 36,000 casualties in the global war on terror. as mentioned earlier, the vast majority have injuries to their extremities—often severe and multiple injuries to the arms, legs, head and neck. Most wounds are caused by exploding ordinance—frequently, improvised explosive devices (IEDs), rocket-propelled grenades, as well as high-velocity gunshot wounds. Military surgeons report an average of three wounds per casualty.

According to the "New England Journal of Medicine", blast injuries are producing an unprecedented number of "mangled extremities"—limbs with severe soft-tissue and bone injuries. ("Casualties of War—Military Care for the Wounded from Iraq and Afghanistan," NEJM, December 9, 2004). The result of such trauma is open, complex wounds with severe bone fragmentation. Often there is nerve damage, as well as damage to tendons, muscles, vessels, and soft-tissue. In these types of wounds, infection is often a problem. According to the JTTR, 53 percent of the extremity wounds are classified as penetrating soft-tissue wounds, while fractures compose 26 percent of extremity wounds. Other types of extremity wounds com-

posing less than 5 percent each are burns, sprains, nerve damage, abrasions, amputations, contusions, dislocations, and vascular injuries.

The sheer number of extremity injuries represents a staggering health burden. Between January 2003 and February 2007, more than 14,500 U.S. warriors have been wounded severely enough to require evacuation out of theater. In addition, 780 American patients have lost one or more hands or feet (major limb amputation).

*Military versus Civilian Orthopaedic Trauma*

While there are similarities between orthopaedic military trauma and the types of orthopaedic trauma seen in civilian settings, there are several major differences that must be noted.

With orthopaedic military trauma, there are up to five echelons of care, unlike in civilian settings when those injured are most likely to receive initial treatment at the highest level center. Instead, wounded warriors get passed from one level of care to the next, with each level of care implementing the most appropriate type of care in order to ensure the best possible outcome. The surgeon in each subsequent level of care must try to recreate what was previously done. In addition, a majority of injured soldiers have to be "medevaced" to receive care and transportation is often delayed due to weather or combat conditions. It has been our experience that over 65-percent of the trauma is urgent and requires immediate attention.

Injuries from IEDs and other explosive ordnance in Iraq and Afghanistan differ markedly from those of gunshot wounds sustained in civilian society. The contamination, infection, and soft-tissue injury caused by exploding ordnance requires more aggressive treatment and new techniques, especially when the individual is in proximity to the blast radius.

Warriors are usually in excellent health prior to injury. However, through the evacuation process they may not be able to eat due to medical considerations resulting in impaired body nitrogen stores and decreased ability to heal wounds and fight infections. This presents many complicating factors when determining the most appropriate care.

The setting in which care is initially provided to wounded soldiers is less than ideal, to say the least, especially in comparison to a sterile hospital setting. The environment, such as that seen in Iraq and Afghanistan, is dusty and hot, leading to concerns about secondary contamination of wounds in the hospital setting. For example, infection from acinetobacter baumanni, a ubiquitous organism found in the desert soil of Afghanistan and Iraq, is extremely common. In addition, the surgical environment is under constant threat of attack by insurgents. Imagine teams of medical specialists working in close quarters to save an injured serviceman while mortars or rockets are raining down on the hospital. Finally, the forward-deployed surgical team is faced with limited resources that make providing the highest level of care difficult.

While, as I have stated, there are many unique characteristics of orthopaedic military trauma, there is no doubt that research done on orthopaedic military trauma benefits trauma victims in civilian settings. Many of the great advancements in orthopaedic trauma care have been made during times of war, including principles of debridement of open wounds, utilization of external fixation and use of tourniquets for control of hemorrhage which has been used extensively during the current conflict as well as in civilian care.

FUTURE NEEDS OF ORTHOPAEDIC EXTREMITY TRAUMA RESEARCH

As mentioned earlier, an important development in this scientific effort has been the convening of the annual Extremity War Injury Symposia, which began in January of 2006. These widely attended medical conferences in Washington, DC, bring together leading military and civilian clinicians and researchers to focus on the immediate needs of personnel sustaining extremity injuries. Discussions at the conferences has confirmed that there is tremendous interest and much untapped research capacity in the military and civilian research community in the Nation.

These extraordinary scientific meetings were a partnership effort between organized orthopaedic surgery, military surgeons and researchers. They were attended by key military and civilian physicians and researchers committed to the care of extremity injuries. The first conference addressed current challenges in the management of extremity trauma associated with recent combat in Iraq and Afghanistan. The major focus was to identify opportunities to improve care for the sons and daughters of America who have been injured serving our Nation. The second focused on the best way to deliver care within the early echelons of treatment. The third explored the wide spectrum of needs in definitive reconstruction of injuries. Scientific proceedings from the symposia have been published by our Academy and

made available to the military and civilian research community. Each conference has continued to refine the list of prioritized research needs which I will summarize.

*Timing of Treatment*

Better data are necessary to establish best practices with regard to timing of debridement, timing of temporary stabilization and timing of definitive stabilization. Development of animal models of early versus late operative treatment of open injuries may be helpful. Prospective clinical comparisons of treatment groups will be helpful in gaining further understanding of the relative role of surgical timing on outcomes.

*Techniques of Debridement*

More information is necessary about effective means of demonstrating adequacy of debridement. Current challenges, particularly for surgeons with limited experience in wound debridement, exist in understanding how to establish long-term tissue viability or lack thereof at the time of an index operative debridement. Since patients in military settings are typically transferred away from the care of the surgeon performing the initial debridement prior to delivery of secondary care, opportunities to learn about the efficacy of initial procedures are lost. Development of animal models of blast injury could help establish tissue viability markers. Additional study is necessary to understand ideal frequencies and techniques of debridement.

*Transport Issues*

Clinical experience suggests that current air evacuation techniques are associated with development of complications in wound and extremity management although the specific role of individual variables in the genesis of these complications is unclear. Possible contributing factors include altitude, hypothermia, and secondary wound contamination. Clinical and animal models are necessary to help develop an understanding of transport issues.

*Coverage Issues*

Controlled studies defining the role of timing of coverage in outcome following high-energy extremity war injuries are lacking. Also necessary is more information about markers and indicators to help assess the readiness of a wound and host for coverage procedures. Additional animal modeling and clinical marker evaluation are necessary to develop understanding in this area.

*Antibiotic Treatments*

Emergence of resistant organisms continues to provide challenges in the treatment of infection following high-energy extremity war injuries. Broader prophylaxis likely encourages development of antibiotic resistance. In the context of a dwindling pipeline of new antibiotics, particularly those directed toward gram-negative organisms, development of new technologies to fight infection is necessary. This patient population offers opportunity to assess efficacy of vaccination against common pathogens. Partnerships with infectious disease researchers currently involved in addressing similar questions warrants further development.

*Management of Segmental Bone Defects*

A multitude of different techniques for management of segmental bone defects is available. These include bone transport, massive onlay grafting with and without use of recombinant proteins, delayed allograft reconstruction, and acute shortening. While some techniques are more appropriate than others after analysis of other clinical variables, controlled trials comparing efficacy between treatment methods are lacking. Variables that may affect outcome can be grouped according to patient characteristics including co-morbidities, injury characteristics including severity of bony and soft-tissue wounds, and treatment variables including method of internal fixation selected. Evaluation of new technologies for treatment of segmental bone defects should include assessment of efficacy with adequate control for confounding variables and assessment of cost-effectiveness. Partnerships with other military research programs may be particularly effective in improving clinical capabilities in this area.

*Development of an Animal Model*

A large animal survival military blast injury model is necessary to serve as a platform for multiple research questions including: VAC v. bead pouch v. dressing changes; wound debridement strategy; effect of topical antibiotics; modulation of inflammatory response; timing of wound closure; and vascular shunt utilization.

*Amputee Issues*

Development and validation of "best practice" guidelines for multidisciplinary care of the amputee is essential. Treatment protocols should be tested clinically. Studies should be designed to allow for differentiation between the impacts of the process versus the device on outcome. Failure mode analysis as a tool to evaluate efficacy of treatment protocols and elucidate shortcomings should be utilized. Clinically, studies should focus on defining requirements for the residual limb length necessary to achieve success without proceeding to higher level amputation. Outcomes based comparisons of amputation techniques for similar injuries and similar levels should be performed. Use of local tissue lengthening and free tissue transfer techniques should be evaluated. In the context of current results and increasing levels of expectation for function following amputation, development of more sensitive and military appropriate outcomes monitors is necessary.

*Heterotopic Ossification*

This condition, known as "H.O." by the many soldiers who experience it, is abnormal and uncontrolled bone growth that often occurs following severe bone destruction or fracture. Animal models of heterotopic ossification should be utilized to develop early markers for heterotopic ossification that could identify opportunities for prevention. Better information is needed about burden of disease including prevalence following amputation for civilian versus military trauma and frequency with which symptoms develop. Treatment methods such as surgical debridement, while effective, necessarily interrupt rehabilitation. Prevention could expedite recovery and potentially improve outcome.

THE PEER REVIEWED ORTHOPAEDIC EXTREMITY TRAUMA RESEARCH PROGRAM

Senator Inouye, the AAOS and military and civilian orthopaedic surgeons and researchers are very grateful for your subcommittee's vision in creating the Peer Reviewed Orthopaedic Extremity Trauma Research Program in the fiscal year 2006 Defense Appropriations bill. This is the first program created in the Department of Defense dedicated exclusively to funding peer-reviewed intramural and extramural extremity trauma research. Having the program administered by the U.S. Army Institute of Surgical Research ensures that the funding closely follows the research priorities established by the Armed Forces. USAISR has extensive experience administering similar grant programs and is the only Department of Defense research laboratory devoted solely to improving combat casualty care. Military orthopaedic surgeons, in addition to personnel at the U.S. Army Medical Research and Materiel Command, Fort Dietrick, have also had significant input into the creation of this program and fully support its goals.

The design of the program fosters collaboration between civilian and military orthopaedic surgeons and researchers and various facilities. Civilian researchers have the expertise and resources to assist their military colleagues with the growing number of patients and musculoskeletal war wound challenges, to build a parallel research program in the military. As can been seen in reviewing the growing numbers of research applications submitted under each RFP, civilian investigators are interested in advancing the research and have responded enthusiastically to engage in these efforts, and this will also provide wide ranging spin-off benefits to civilian trauma patients.

This activity is a targeted, competitively-awarded research program where peer reviewers score proposals on the degree of (1) military relevance, (2) military impact, and (3) scientific merit. Military and civilian orthopaedic surgeons are highly involved in defining the research topics and in evaluating and scoring the proposals. This unique process ensures that projects selected for funding have the highest chance for improving treatment of battlefield injuries.

The program's first Broad Agency Announcement for grants was released on February 13, 2006, and identified the following basic, transitional, and clinical research funding priorities: improved healing of segmental bone defects; improved healing of massive soft tissue defects; improved wound healing; tissue viability assessment and wound irrigation and debridement technologies; reduction in wound infection; prevention of heterotopic ossification; demographic and injury data on the modern battlefield and the long-term outcomes of casualties (i.e., joint theatre trauma registry); and improved pre-hospital care of orthopaedic injuries.

Almost 100 pre-proposals were received for consideration, with 76 invited to compete with a full proposal. An upper limit of $500,000 was established for any one grant, to give a reasonable number of grantees an opportunity to participate. Ordinarily grants would be awarded for much higher amounts to support the research required. Larger multi-institutional studies had to limit what they were proposing.

Sixty proposals were evaluated and found meritorious and militarily relevant, however only 14 grants could be funded for their first year of research based on available funding. The amount that would have been needed to fund the remaining 46 grants totals $44,852,549.

A second call for proposals was issued by the Army on March 29, 2007 based on funding provided in the fiscal year 2007 Appropriations bill. This request for proposals generated 144 "pre proposal" applications. Of those selected to provide full applications, 96 research leaders from around the country had their projects judged by reviewers to be scientifically meritorious, with a total cost of $125 million ready for award. However, available funding allowed only 12 new grants to be funded.

Significant new funding from the Congress would allow for more robust numbers of grants, a broader scope of work and increased multi-institutional collaboration. Clinical trials and more in- depth tracking of long term outcomes would also be possible—important components in rapidly advancing the state of the science.

CONCLUSION

With extremity trauma being the most common form of injury seen in current military conflicts, it is crucial that significant funding be directed specifically to the advancement of research. The AAOS has worked closely with the top military orthopaedic surgeons, at world-class facilities such as the U.S. Army Institute of Surgical Research, Brooke Army Medical Center, Bethesda Naval Hospital, Landstuhl Regional Medical Center, and Walter Reed Army Medical Center to identify the gaps in research and clinical treatment—and the challenges are many.

Extremity trauma research currently being carried out at those and other facilities, and at civilian medical centers, is vital to the health of our soldiers and to the Armed Forces' objective to return injured soldiers to full function in hopes that they can continue to be contributing soldiers and active members of society.

The 17,000 members of our Academy thank you for sustaining the Peer Reviewed Orthopaedic Extremity Trauma Research Program. While Congress funds an extensive array of medical research through the Department of Defense, with over 80 percent of military trauma being extremity-related, I can assure you that this type of medical research will greatly benefit our men and women serving in the global war on terror and in future conflicts.

Funding is needed to support critical research outlined in the targeted research plan developed through scientific collaboration at the Extremity War Injury Symposia. Research in the management of extremity injuries will lead to quicker recovery times from blast injuries for our wounded warriors, improved function of limbs that are saved, better response rates to infection, and new advances in amputee care in cases where amputation remains the only option.

As I have demonstrated, the interest and capacity of the U.S. research community is very strong. During the past 2 years, the Defense Department has been able to fund 26 top research projects—but another 177 approved, highly scored projects have been turned away because of limited funding. The result: more than $157 million in urgently needed, high-quality research has gone unfunded and this situation will continue in fiscal year 2009 unless the program receives the significant resources needed to achieve an operating budget of $50 million.

Mr. Chairman and Mr. Vice Chairman, the American Academy of Orthopaedic Surgeons, as well as the entire orthopaedic trauma community, stands ready to work with this subcommittee to identify and prioritize research opportunities for the advancement in the care of extremity war injuries. Military and civilian orthopaedic surgeons and researchers are committed to pursuing scientific inquiry that will benefit the unfortunately high number of soldiers afflicted with such trauma and return them to the highest level of function possible. This investment to improve treatment for our soldiers will be well spent. It is imperative that the Federal Government—when establishing its defense health research priorities in the future—continues to ensure that research on treating extremity war injuries remains a top priority and that the large backlog of unfunded research is eliminated. We appreciate your consideration of our perspective on this critical issue and urge your continued action on behalf of our Nation's wounded warriors.

Senator INOUYE. I have one question, sir.

Dr. POLLAK. yes, sir.

Senator INOUYE. Those veterans who have been residing in tropical areas where it's hot and muggy have discarded their prosthetic appliances because the old World War II required a stump sock, which gets soaked up with sweat, and this huge monstrosity called

an arm or leg. Can in later life, say 30, 40 years later, decide that times have changed and equipment has changed and that they could fit themselves? Or is there a time limit?

Dr. POLLAK. Well, there's no time limit on changing the type of prosthesis that they're wearing. There have certainly been tremendous advances in prostheses and sockets and the ability to wear sockets comfortably, and much of that work, as you know, has been done at Walter Reed and San Antonio at Brook Army Medical Center and the Center for the Intrepid.

There are opportunities, and the Veterans Administration (VA) needs to work closely with the DOD to share some of the tremendous advances that have been made. I can assure that as a civilian orthopaedic surgeon right now, the quality of prosthesis available for our injured warriors coming out of Walter Reed and Brook is far in excess of anything that we can get access to for civilian patients with amputations. Hopefully, that quality of amputee care can be translated to the VA as well.

Senator INOUYE. Thank you very much, sir.

Our next witness is the Director of the University of Dayton Research Institute and Chair of ASME's DOD Task Force, Dr. John Leland. Dr. Leland.

**STATEMENT OF JOHN LELAND, Ph.D., DIRECTOR, UNIVERSITY OF DAYTON RESEARCH INSTITUTE AND CHAIR, DOD TASK FORCE, AMERICAN SOCIETY OF MECHANICAL ENGINEERS**

Dr. LELAND. Good morning, Mr. Chairman, Mr. Vice Chairman. As you noted, I'm Chair of the ASME——

Senator STEVENS. Do you want to pull on your mike so the people in back can hear you, please? Pull the mike toward you and turn it on.

Dr. LELAND. I apologize. As you mentioned, I'm Chair of the American Society of Mechanical Engineers (ASME) DOD Task Force and Director of the University of Dayton Research Institute. I'm pleased to have this opportunity to provide comments to this subcommittee on the fiscal year 2009 DOD budget request.

The ASME is a 127,000 member professional organization focused on technical, educational, and research issues. Since World War II, the United States has led the world in science innovation and technology. However, this lead is quickly eroding. Our Nation's engineers play a critical role in national defense through research discoveries and technology development. Therefore my comments will focus on the DOD science and technology budget.

The administration's fiscal year 2009 request for defense science and technology is $11.48 billion, which is $1.2 billion or 9.5 percent less than the fiscal year 2008 appropriated amount. The 2009 request, if implemented, would represent a significantly reduced investment in defense science and technology. We strongly urge this subcommittee to consider additional resources to maintain stable funding of science and technology at a minimum level of $15.4 billion.

Basic research or 6Y.1 accounts comprise a small percentage of RDT&E funds. The programs that these accounts support are crucial to fundamental scientific advances and maintaining a highly skilled science and technology workforce. The task force recommends that basic research be funded at a minimum level of $1.7

billion to ensure that these advances and the vitality of our future science and technology workforce are maintained.

With regard to 6.2 applied research I understand full well the importance of these funds for developing our future scientists and engineers. More than 250 students have the opportunity to work on defense research programs each year at the University of Dayton Research Institute. Many more enjoy opportunities through local defense-oriented companies. The proposed 16 percent reduction in 6.2 applied research would stifle a key source of technological and intellectual development as well as stunt the creation and growth of small entrepreneurial companies.

A 7.7 percent reduction in funding has been proposed in 6.3 advanced technology development. Without the system-level demonstrations funded by advanced technology development accounts, companies are reluctant to incorporate new technologies into weapons systems. Advanced technology development accounts also fund research in a range of critical materials technologies, including improved body armor and lightweight vehicle armor to protect troops against improvised explosive devices. Fortunately, Congress has recognized that such cuts are not in the best interest of our troops and has appropriated additional resources in past years.

Investments in science and technology directly affect the future of our national security. We urge this subcommittee to support an appropriation of $15.4 billion for science and technology programs, or 3 percent of the fiscal year 2009 DOD budget. This request is consistent with recommendations made by the Defense Science Board as well as by senior DOD officials who have voiced support for the future allocation of 3 percent of total obligational authority as a worthy benchmark for science and technology programs.

The ASME appreciates the difficult choices that Congress must make in this challenging budgetary environment, and I thank the committee for its ongoing support of science and technology. Thank you, Mr. Chairman.

[The statement follows:]

PREPARED STATEMENT OF JOHN LELAND

INTRODUCTION

The ASME Department of Defense (DOD) Task Force of the Committee on Federal Research and Development is pleased to comment on the fiscal year 2009 budget request for the Research, Development, Test and Evaluation (RDT&E) and the Science and Technology (S&T) portion of the DOD budget request.

With 127,000 members, ASME is a worldwide engineering society focused on technical, educational, and research issues. It conducts one of the world's largest technical publishing operations, holds approximately 30 technical conferences and 200 professional development courses each year, and sets many industry and manufacturing standards. This testimony represents the considered judgment of experts from universities, industry, and members from the engineering and scientific community who contribute their time and expertise to evaluate the budget requests and policy initiatives the DOD recommends to Congress.

Our testimony addresses three primary funding areas: Science and Technology (S&T); Engineering (RDT&E); and the University Research Initiative (URI). Our testimony also outlines the consequences of inadequate funding for defense research. These include a degraded competitive position in developing advanced military technology versus potential peer competitors that could harm the United States' global economic and military leadership.

Since World War II, the United States has led the world in science, innovation, and defense technology. However, this lead is quickly eroding and within the next few years may be substantially reduced or may completely disappear in some areas.

A recent study performed by the National Academy of Sciences, entitled "Rising Above the Gathering Storm: Energy and Employing America for a Brighter Economic Future," evaluated the position of the United States in several critical measures of technology, education, innovation, and highly skilled workforce development. While the report indicated that the United States maintains a slight lead in research and discovery, the committee states that it is "deeply concerned that the scientific and technological building blocks critical to our economic leadership are eroding at a time when many other nations are gaining strength." Proper attention should be given to the vital role that DOD S&T programs play in meeting this challenge.

DOD REQUEST FOR SCIENCE AND TECHNOLOGY

The fiscal year 2009 budget request for DOD Science and Technology (S&T) is $11.7 billion, which is $1.5 billion less than the fiscal year 2008 appropriated amount and represents a 11.7 percent reduction.

The fiscal year 2009 request, if implemented, would represent a significantly reduced investment in DOD S&T. We strongly urge this committee to consider additional resources to maintain stable funding in the S&T portion of the DOD budget. At a minimum, $15.4 billion for S&T to meet the 3 percent of Total Obligational Authority (TOA) guideline recommended by a National Academies study and set in the 2001 Quadrennial Defense Review and by Congress.

A relatively small fraction of the RDT&E budget is allocated for S&T programs. While the fiscal year 2009 S&T request represents only about 14 percent of the RDT&E total, these accounts support all of the new knowledge creation, invention, and technology developments for the military. Funds for Basic Research (6.1), Applied Research (6.2), and Advanced Technology Development (6.3) in all categories are programmed for significant funding reductions.

Basic Research (6.1) accounts would increase from $1.6 billion to $1.7 billion, a 4 percent increase. While basic research accounts comprise only a small percentage over all RDT&E funds, the programs that these accounts support are crucial to fundamental, scientific advances and for maintaining a highly skilled science and engineering workforce.

Basic research accounts are used mostly to support science and engineering research and graduate, technical education at universities in all 50 States. Almost all of the current high-technology weapon systems, from advanced body armor, vehicle protection system, to the global positioning satellite (GPS) system, have their origin in fundamental discoveries generated in these basic research programs. Proper investments in basic research are needed now, so that the fundamental scientific results will be available to create innovative solutions for future defense challenges. In addition, many of the technical leaders in corporations and Government laboratories that are developing current weapon systems, ranging from the F–35 Joint Strike Fighter to the suite of systems employed to counter Improvised Explosive Devices (IED), were educated under basic research programs funded by DOD. Failure to invest sufficient resources in basic, defense-oriented research will reduce innovation and weaken the future scientific and engineering workforce. Several of the proposed reductions to individual S&T program elements are dramatic and could have negative impacts on future military capabilities. The Task Force recommends that Basic Research (6.1) be funded at a minimum level of $1.7 billion.

Applied Research (6.2) would be reduced from $5.05 billion to $4.2 billion, a 16 percent reduction. The programs supported by these accounts apply basic scientific knowledge, often phenomena discovered under the basic research programs, to important defense needs. Applied research programs may involve laboratory proof-of-concept and are generally conducted at universities, Government laboratories, or by small businesses. Many successful demonstrations lead to the creation of small companies. Some devices created in these defense technology programs have dual use, such as GPS, and the commercial market far exceeds the defense market. However, without initial support by Defense Applied Research funds, many of these companies would not exist. Like 6.1 Basic Research, 6.2 Applied Research has also funded the educations of many of our best defense industry engineers. Failure to properly invest in applied research would stifle a key source of technological and intellectual development as well as stunt the creation and growth of small entrepreneurial companies.

Advanced Technology Development (6.3) would experience a 7.6 percent decline, from $6 billion to $5.5 billion. These resources support programs where ready technology can be transitioned into weapon systems. Without the real system level demonstrations funded by these accounts, companies are reluctant to incorporate new technologies into weapon systems programs. This line item funds research in a

range of critical materials technologies, including improved body armor to protect troops against IEDs and in developing light weight armor for vehicle protection, such as is needed for the Future Combat System (FCS). With the problems faced in Iraq with IEDs and the need for lighter armor for the FCS it does not seem wise to cut materials research. Fortunately in the past few years the United States Congress has recognized that such cuts are not in the best interest of the country, and has appropriated additional resources to maintain healthy S&T programs in critical technologies.

DOD REQUEST FOR RDT&E

The administration requested $80.7 billion for the RDT&E portion of the fiscal year 2009 DOD budget. These resources are used mostly for developing, demonstrating, and testing weapon systems, such as fighter aircraft, satellites, and warships. This amount represents growth from last year's appropriated amount 2.9 percent. Funds for the OT&E function are being reduced by historical standards. The fiscal year 2008 appropriated amount was $178 million, which is little more than half of the 2005 appropriated amount of $310 million. The fiscal year 2009 request is $189 million, but does not reflect the importance of OT&E as mandated by Congress to insure that weapon systems are thoroughly tested so that they are effective and safe for our troops.

DOD REQUEST FOR THE URI

The URI supports graduate education in Mathematics, science, and engineering and would see a $6 million increase from $300 million to $307 million in fiscal year 2009, a 2.1 percent increase. Sufficient funding for the URI is critical to educating the next generation of engineers and scientists for the defense industry. A lag in program funds will have a serious long-term negative consequence on our ability to develop a highly skilled scientific and engineering workforce to build weapons systems for years to come. While DOD has enormous current commitments, these pressing needs should not be allowed to squeeze out the small but very important investments required to create the next generation of highly skilled technical workers for the American defense industry.

REDUCED S&T FUNDING THREATENS AMERICA'S NATIONAL SECURITY

Science and technology have played a historic role in creating an innovative economy and a highly skilled workforce. Study after study has linked over 50 percent of our economic growth over the past 50 years to technological innovation. The "Gathering Storm" report places a "special emphasis on information sciences and basic research" conducted by the DOD because of large influence on technological innovation and workforce development. The DOD, for example, funds 40 percent of all engineering research performed at our universities. U.S. economic leadership depends on the S&T programs that support the Nation's defense base, promote technological superiority in weapons systems, and educate new generations of scientists and engineers.

Prudent investments also directly affect U.S. national security. There is a general belief among defense strategists that the United States must have the industrial base to develop and produce the military systems required for national defense. Many members of Congress also hold this view. A number of disconcerting trends, such as outsourcing of engineering activities and low participation of U.S. students in science and engineering, threaten to create a critical shortage of native, skilled, scientific, and engineering work force personnel needed to sustain our industrial base. Programs that boost the available number of highly educated workers who reside in the United States are important to stem our growing reliance on foreign nations, including potentially hostile ones, to fill the ranks of our defense industries and to ensure that we continue to produce the innovative, effective defense systems of the future.

RECOMMENDATIONS

In conclusion, we thank the committee for its ongoing support of DOD S&T. This Task Force appreciates the difficult choices that Congress must make in this tight budgetary environment. We believe, however, that there are critical shortages in the DOD S&T areas, particularly in those that support basic research and technical education that are critical to U.S. military in the global war on terrorism and defense of our homeland.

The Task Force recommends the following:

—We urge this subcommittee to support a $300 million increase in basic research accounts for S&T programs. We are encouraged by the movement toward meeting the recommendations in the "Rising Above the Gathering Storm" report that called for a 10 percent increase in defense basic research.

—We also recommend that the committee support the Pentagon's stated goal of 3 percent of the DOD's budget be spend for the DOD S&T program 6.1 basic research, 6.2 applied research, and 6.3 advanced technology development.

Senator INOUYE. Thank you very much.

Senator Stevens.

Senator STEVENS. Doctor, the Augustine report indicated that, while India was graduating 700,000 engineers and China 400,000, we graduated 70,000. What's the association doing about trying to increase recruitment into this profession?

Dr. LELAND. Well, besides the things that the association does in terms of raising awareness of engineering, we also support a number of scholarship programs in cooperation with the DOD, for example the SMART program and the NDSEG program and others. But these are small efforts compared to what our country has to do as a whole to pull kids back into science and engineering.

Senator STEVENS. Well, I was astounded to hear last week the number of students that attend 1 year of college and quit. I do think that it's up to professionals to start going to those schools and trying to interest them in further education and not to quit, because we are really falling behind in terms of the level of sciences, technology people, medical students. We have to turn that around or we're going to be in real trouble.

Thank you.

Dr. LELAND. Thank you.

Senator INOUYE. Thank you very much.

Our next witness is the Co-chairman of the National Military and Veterans Alliance, Captain Marshall Hanson. Captain Hanson.

**STATEMENT OF CAPTAIN MARSHALL HANSON, USNR (RETIRED), CO-CHAIRPERSON, NATIONAL MILITARY AND VETERANS ALLIANCE**

Captain HANSON. Thank you, Mr. Chairman, Senator Stevens. The National Military and Veterans Alliance (NMVA) is again honored to testify. The alliance represents 31 military retiree, veteran, and survivor associations with more than 3.5 million members. The NMVA supports a strong national security. During this global war on terror, recruiting and retention continue to remain paramount.

While the alliance is well aware that the subcommittee faces certain budget constraints, the NMVA continues to urge the President and Congress to increase defense spending to 5 percent of gross domestic product during times of war to cover procurement, prevent unnecessary personnel cuts, and afford needed benefits for serving members and retirees.

Recruiting bonuses and incentives continue to be essential to encourage participation. It is not enough to offer incentives on the initial tour. We have to also encourage our seasoned veterans to stay.

The services face a growing challenge as midgrade officers and enlisted face a tough reenlistment choice after 8 years of service. The Army is already calling upon first lieutenants to fill the jobs that are normally performed by captains and it is finding it a challenge to select enough O–3s for promotion to major.

We thank you for funding end strength increases for the Army and the Marine Corps. This will reduce the PERS–TEMPO, permitting our younger warriors to stay at home longer. But the alliance is concerned with continued cuts in the Air Force and Navy, as manpower is being reduced faster than the planned technology is being procured that would replace airmen and sailors.

It is also important that we have parity in equipment and training for the new operational Guard and Reserve. Cuts in the strength of the Reserve components seem to be counterintuitive to preventing any unforeseen strategic event.

One inequity we ask your assistance on is the Reserve early retirement benefit that was passed last year by the authorizers. This benefit only began on January 28, 2008. During the war it seems unfair that benefits would differ for when service was performed. The reason given for a deferred start was the cost. We ask that your staff work with the alliance's reserve component committee to find funding to correct the eligibility for this benefit to those who have served since September 11, 2001.

It is also crucial that military healthcare be funded. The alliance is concerned that the President's DOD healthcare budget continues to undercut the military beneficiaries' needs. We ask you to continue to fully fund military healthcare in fiscal year 2009.

The NMVA thanks this subcommittee for funding the phased-in survivor benefit plan (SBP) and the dependency and indemnity compensation (DIC) offset last year. But widows of members who are killed in the line of service are continuing to be penalized. Even under the present offset, the vast majority of our enlisted families receive little benefit from this new program because the SBP is almost completely offset by DIC. The NMVA respectfully requests that this subcommittee find excess funding to expand this provision.

As the war continues, our Active and Reserve serving members face challenges. The alliance is confident in your ongoing support and the alliance would like to thank the subcommittee for its ongoing efforts and also for this opportunity to testify.

Thank you very much.

Senator INOUYE. Captain, I can assure you that we'll do our absolute best to live up to our promises to our veterans.

Captain HANSON. Thank you, sir.

Senator INOUYE. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF CAPTAIN MARSHALL HANSON

NATIONAL MILITARY AND VETERANS ALLIANCE

The Alliance was founded in 1996 as an umbrella organization to be utilized by the various military and veteran associations as a means to work together towards their common goals. The Alliance member organizations are:

American Logistics Association
American Military Retirees Association
American Military Society
American Retirees Association
American World War II Orphans Network
AMVETS (American Veterans)
Armed Forces Marketing Council
Army and Navy Union
Catholic War Veterans
Gold Star Wives of America, Inc.
Japanese American Veterans Association
Korean War Veterans Foundation
Legion of Valor
Military Order of the Purple Heart
Military Order of the World Wars

Military Order of Foreign Wars
National Assoc. for Uniformed Services
National Gulf War Resource Center
Naval Enlisted Reserve Association
Naval Reserve Association
Paralyzed Veterans of America
Reserve Enlisted Association
Reserve Officers Association
Society of Military Widows
The Retired Enlisted Association
TREA Senior Citizens League
Tragedy Assist. Program for Survivors
Uniformed Services Disabled Retirees
Veterans of Foreign Wars
Vietnam Veterans of America
Women in Search of Equity

These organizations have over three and a half million members who are serving our Nation or who have done so in the past, and their families.

INTRODUCTION

Mr. Chairman and distinguished members of the committee, the National Military and Veterans Alliance (NMVA) is very grateful for the invitation to testify before you about our views and suggestions concerning defense funding issues. The overall goal of the National Military and Veterans Alliance is a strong National Defense. In light of this overall objective, we would request that the committee examine the following proposals.

While the NMVA highlights the funding of benefits, we do this because it supports National Defense. A phrase often quoted "The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional as to how they perceive the Veterans of earlier wars were treated and appreciated by their country," has been frequently attributed to GEN George Washington. Yet today, many of the programs that have been viewed as being veteran or retiree are viable programs for the young serving members of this war. This phrase can now read, "The willingness with which our young people, today, are willing to serve in this war is how they perceive the veterans of this war are being treated."

This has been brought to the forefront by how quickly an issue such as the treatment of wounded warriors suffering from Traumatic Brain Injury or Post Traumatic stress Disorder has been brought to the national attention.

In a long war, recruiting and retention becomes paramount. The National Military and Veterans Alliance, through this testimony, hopes to address funding issues that apply to the veterans of various generations.

FUNDING NATIONAL DEFENSE

NMVA is pleased to observe that the Congress continues to discuss how much should be spent on National Defense. The Alliance urges the President and Congress to increase defense spending to 5 percent of Gross Domestic Product during times of war to cover procurement and prevent unnecessary personnel end strength cuts.

PAY AND COMPENSATION

Our serving members are patriots willing to accept peril and sacrifice to defend the values of this country. All they ask for is fair recompense for their actions. At a time of war, compensation rarely offsets the risks.

The NMVA requests funding so that the annual enlisted military pay raise exceeds the Employment Cost Index (ECI) by at least half of a percent.

Further, we hope that this committee continues to support targeted pay raises for those mid-grade members who have increased responsibility in relation to the overall service mission. Pay raises need to be sufficient to close the civilian-military pay gap.

NMVA would apply the same allowance standards to both Active and Reserve when it comes to Aviation Career Incentive Pay, Career Enlisted Flyers Incentive Pay, Diving Special Duty Pay, Hazardous Duty Incentive Pay, and other special pays.

The Service chiefs have admitted one of the biggest retention challenges is to recruit and retain medical professionals. NMVA urges the inclusion of bonus/cash payments (Incentive Specialty pay IPS) into the calculations of Retirement Pay for military health care providers. NMVA has received feedback that this would be incentive to many medical professionals to stay in longer.

*G–R Bonuses*.—Guard and Reserve component members may be eligible for one of three bonuses, Prior Enlistment Bonus, Re-enlistment Bonus, and Reserve Affiliation Bonuses for Prior Service Personnel. These bonuses are used to keep men and woman in mission critical military occupational specialties (MOS) that are experi-

encing falling numbers or are difficult to fill. During their testimony before this committee the Reserve Chiefs addressed the positive impact that bonuses have upon retention. This point cannot be understated. The operation tempo, financial stress, and civilian competition for jobs make bonuses a necessary tool for the DOD to fill essential positions. The NMVA supports expanding and funding bonuses to the Federal Reserve Components.

*Reserve/Guard Funding*.—NMVA is concerned about ongoing DOD initiatives to end "two days pay for one days work," and replace it with a plan to provide one-thirtieth of a month's pay model, which would include both pay and allowances. Even with allowances, pay would be less than the current system. When concerns were addressed about this proposal, a retention bonus was the suggested solution to keep pay at the current levels. Allowances differ between individuals and can be affected by commute distances and even ZIP codes. Certain allowances that are unlikely to be paid uniformly include geographic differences, housing variables, tuition assistance, travel, and adjustments to compensate for missing health care.

The NMVA strongly recommends that the reserve pay system "two days pay for one days work," be funded and retained, as is.

EDUCATIONAL ISSUES

*MGIB–SR Enhancements*

Practically all active duty and Selected Reserve enlisted accessions have a high school diploma or equivalent. A college degree is the basic prerequisite for service as a commissioned officer, and is now expected of most enlisted as they advance beyond E–6.

Officers to promote above O–4 are expected to have a post-graduate degree. The ever-growing complexity of weapons systems and support equipment requires a force with far higher education and aptitude than in previous years.

Both political parties are looking at ways of enhancing the GI bill. There are suggested features in legislation be suggested by both sides. At a minimum, the GI bill needs to be viewed as more than a recruiting and retention incentive. Education is a means to help reintegrate our returning veterans into society. A recent survey by military.com, of returning military veterans, found that 81 percent didn't feel fully prepared to enter the work force, and 76 percent of these veterans said they were unable translate their military skills into civilian proficiencies.

Transferability of educational benefits to spouses and children are another key aspect that should be included in a G.I. Bill enhancement. In addition, for those with existing degrees and outstanding debts, the G.I. Bill stipend, should be allowed to pay-off outstanding student loans.

No enhancement can be accomplished without funding. This should be viewed as an investment rather than an expense. The original G.I. bill provided years of economic stimulus, returning $7 for every $1 invested in veterans.

The National Military and Veterans Alliance asks this subcommittee to support funding for suggested G.I. Bill funding.

The Montgomery G.I. Bill for Selective Reserves (MGIB–SR) will continue to be an important recruiting and retention tool. With massive troop rotations the Reserve forces can expect to have retention shortfalls, unless the Government provides enhances these incentives as well.

The problem with the current MGIB–SR is that the Selected Reserve MGIB has failed to maintain a creditable rate of benefits with those authorized in Title 38, Chapter 30. MGIB–SR has not even been increased by cost-of-living increases since 1985. In that year MGIB rates were established at 47 percent of active duty benefits. The MGIB–SR rate is 28 percent of the Chapter 30 benefits. Overall the allowance has inched up by only 7 percent since its inception, as the cost of education has climbed significantly.

The NMVA requests appropriations funding to raise the MGIB–SR and lock the rate at 50 percent of the active duty benefit. Cost: $25 million/first year, $1.4 billion over 10.

FORCE POLICY AND STRUCTURE

*War Funding*

The Alliance thanks the committee for the war funding amended to the Supplemental Appropriations Act 2008, H.R. 2642. While the debate on Iraqi policy is important, the Alliance would like to stress that resulting legislation should be independent and not included as language in any Defense Appropriation bill. Supporting the troops includes providing funding for their missions.

NMVA supports the actions by this subcommittee to put dollars for the war back into the Emergency Supplemental.

*End Strength*

The NMVA concurs with funding increases in support of the end strength boosts of the Active Duty Component of the Army and Marine Corps that have been recommended by Defense Authorizers. New recruits need to be found and trained now to start the process so that American taxpayer can get a return on this investment. Such growth is not instantaneously productive. Yet, the Alliance is concerned with continued end strength cuts to the other services: the Air Force and the Navy. Trying to pay the bills by premature manpower reductions may have consequences.

*Manning Cut Moratorium*

The NMVA would also like to put a freeze on reductions to the Guard and Reserve manning levels. A moratorium on reductions to End Strength is needed until the impact of an operational reserve structure is understood. Many force planners call for continuation of a strategic reserve as well. NMVA urges this subcommittee to at least fund to last year's levels.

SURVIVOR BENEFIT PLAN (SBP) AND SURVIVOR IMPROVEMENTS

The Alliance wishes to deeply thank this subcommittee for your funding of improvements in the myriad of survivor programs.

However, there is still an issue remaining to deal with: Providing funds to end the SBP/DIC offset.

SBP/DIC Offset affects several groups. The first is the family of a retired member of the uniformed services. At this time the SBP annuity the servicemember has paid for is offset dollar-for-dollar for the DIC survivor benefits paid through the VA. This puts a disabled retiree in a very unfortunate position. If the servicemember is leaving the service disabled it is only wise to enroll in the Survivor Benefit Plan (perhaps being uninsurable in the private sector). If death is service connected then the survivor loses dollar-for-dollar the compensation received under DIC.

SBP is a purchased annuity, available as an elected earned employee benefit. The program provides a guaranteed income payable to survivors of retired military upon the member's death. Dependency and Indemnity Compensation (DIC) is an indemnity program to compensate a family for the loss of a loved one due to a service-connected death. They are different programs created to fulfill different purposes and needs.

A second group affected by this dollar-for-dollar offset is made up of families whose servicemember died on active duty. Recently, Congress created active duty SBP. These servicemembers never had the chance to pay into the SBP program. But clearly Congress intended to give these families a benefit. With the present offset in place the vast majority of families receive no benefit from this new program, because the vast numbers of our losses are young men or women in the lower paying ranks. SBP is completely offset by DIC payments.

Other affected families are servicemembers who have already served a substantial time in the military. Their surviving spouse is left in a worse financial position that a younger widow. The older widows will normally not be receiving benefits for her children from either Social Security or the VA and will normally have more substantial financial obligations (mortgages, etc). This spouse is very dependent on the SBP and DIC payments and should be able to receive both.

The NMVA respectfully requests this subcommittee fund the SBP/DIC offset.

CURRENT AND FUTURE ISSUES FACING UNIFORMED SERVICES HEALTH CARE

The National Military and Veterans Alliance must once again thank this committee for the great strides that have been made over the last few years to improve the health care provided to the active duty members, their families, survivors, and Medicare eligible retirees of all the Uniformed Services. The improvements have been historic. TRICARE for Life and the Senior Pharmacy Program have enormously improved the life and health of Medicare Eligible Military Retirees their families and survivors. It has been a very successful few years. Yet there are still many serious problems to be addressed.

*Wounded Warrior programs*

As the committee is aware, Congress has held a number of hearings about the controversy at Walter Reed Army Medical Center. The NMVA will not revisit the specifics. With the Independent Review Group and the Dole/Shalala Commission recommending the closure of Walter Reed, an emphasis needs to be placed on the urgency of upgrades at Bethesda, and the new military treatment hospital at Fort Belvoir. NMVA hopes that this committee will financially support the studies that measure the adequacy of this plan.

The Alliance supports continued funding for the wounded warriors, including monies for research and treatment on Traumatic Brain Injuries (TBI), Post Traumatic Stress Disorder, the blinded, and our amputees. The Nation owes these heroes an everlasting gratitude and recompense that extends beyond their time in the military. These casualties only bring a heightened need for a DOD/VA electronic health record accord to permit a seamless transition from being in the military to being a civilian.

*Full Funding for the Defense Health Program*

The Alliance applauds the subcommittee's role in providing adequate funding for the Defense Health Program (DHP) in the past several budget cycles. As the cost of health care has risen throughout the country, you have provided adequate increases to the DHP to keep pace with these increases.

Full funding for the defense health program is a top priority for the NMVA. With the additional costs that have come with the deployments to Southwest Asia, Afghanistan and Iraq, we must all stay vigilant against future budgetary shortfalls that would damage the quality and availability of health care.

With the authorizers having postponed the Department of Defenses suggested fee increases, the Alliance is concerned that the budget saving have already been adjusted out of the President's proposed budget. NMVA is confident that this subcommittee will continue to fund the DHP so that there will be no budget shortfalls.

The National Military and Veterans Alliance urges the subcommittee to continue to ensure full funding for the Defense Health Program including the full costs of all new programs.

*TRICARE Pharmacy Programs*

NMVA supports the continued expansion of use of the TRICARE Mail Order pharmacy.

To truly motivate beneficiaries to a shift from retail to mail order adjustments need to be made to both generic and brand name drugs co-payments. NMVA recommends that both generic and brand name mail order prescriptions be reduced to zero co-payments to align with military clinics.

Ideally, the NMVA would like to see the reduction in mail order co-payments without an increase in co-payments for Retail Pharmacy.

The National Military and Veterans Alliance urges the subcommittee to adequately fund adjustments to co-payments in support of recommendations from Defense Authorizers.

*TRICARE Standard Improvements*

TRICARE Standard grows in importance with every year that the global war on terrorism continues. A growing population of mobilized and demobilized Reservists depends upon TRICARE Standard. A growing number of younger retirees are more mobile than those of the past, and likely to live outside the TRICARE Prime network.

An ongoing challenge for TRICARE Standard involves creating initiatives to convince health care providers to accept TRICARE Standard patients. Health care providers are dissatisfied with TRICARE reimbursement rates that are tied to Medicare reimbursement levels. The Alliance is pleased by Congress' plan to prevent near-term reductions in Medicare reimbursement rates, which will help the TRICARE Program.

Yet this is not enough. TRICARE Standard is hobbled with a reputation and history of low and slow payments as well as what still seems like complicated procedures and administrative forms that make it harder and harder for beneficiaries to find health care providers that will accept TRICARE. Any improvements in the rates paid for Medicare/TRICARE should be a great help in this area. Additionally, any further steps to simplify the administrative burdens and complications for health care providers for TRICARE beneficiaries hopefully will increase the number of available providers.

The Alliance asks the Defense Subcommittee to include language encouraging continued increases in TRICARE/Medicare reimbursement rates.

*TRICARE Retiree Dental Plan (TRDP)*

The focus of the TRICARE Retiree Dental Plan (TRDP) is to maintain the dental health of Uniformed Services retirees and their family members. Several years ago we saw the need to modify the TRDP legislation to allow the Department of Defense to include some dental procedures that had previously not been covered by the program to achieve equity with the active duty plan.

With ever increasing premium costs, NMVA feels that the Department should assist retirees in maintaining their dental health by providing a Government cost-

share for the retiree dental plan. With many retirees and their families on a fixed income, an effort should be made to help ease the financial burden on this population and promote a seamless transition from the active duty dental plan to the retiree dental plan in cost structure. Additionally, we hope the Congress will enlarge the retiree dental plan to include retired beneficiaries who live overseas.

The NMVA would appreciate this committee's consideration of both proposals.

NATIONAL GUARD AND RESERVE HEALTH CARE

*Funding Improved TRICARE Reserve Select*

It is being suggested that the TRICARE Reserve Select healthcare plan be changed to allow the majority of Selected Reserve participate at a 28 percent co-payment level with the balance of the premium being paid by the Department of Defense.

NMVA asks the committee to continue to support funding of the TRICARE Reserve Select program.

*Mobilized Health Care—Dental Readiness of Reservists*

The number one problem faced by Reservists being recalled has been dental readiness. A model for healthcare would be the TRICARE Dental Program, which offers subsidized dental coverage for Selected Reservists and self-insurance for SELRES families.

In an ideal world this would be universal dental coverage. Reality is that the services are facing challenges. Premium increases to the individual Reservist have caused some junior members to forgo coverage. Dental readiness has dropped. The Military services are trying to determine how best to motivate their Reserve Component members but feel compromised by mandating a premium program if Reservists must pay a portion of it.

Services have been authorized to provide dental treatment as well as examination, but without funding to support this service. By the time many Guard and Reserve are mobilized, their schedule is so short fused that the processing dentists don't have time for extensive repair.

The National Military Veterans Alliance supports funding for utilization of Guard and Reserve Dentists to examine and treat Guardsmen and Reservists who have substandard dental hygiene. The TRICARE Dental Program should be continued, because the Alliance believes it has pulled up overall Dental Readiness.

*Demobilized Dental Care*

Under the revised transitional healthcare benefit plan, Guard and Reserve who were ordered to active duty for more than 30 days in support of a contingency and have 180 days of transition health care following their period of active service.

Similar coverage is not provided for dental restoration. Dental hygiene is not a priority on the battlefield, and many Reserve and Guard are being discharged with dental readiness levels much lower than when they were first recalled. At a minimum, DOD must restore the dental state to an acceptable level that would be ready for mobilization, or provide some subsidize for 180 days to permit restoration from a civilian source.

Current policy is a 30-day window with dental care being space available at a priority less than active duty families.

NMVA asks the committee for funding to support a DOD's demobilization dental care program. Additional funds should be appropriated to cover the cost of TRICARE Dental premiums and co-payment for the 6 months following demobilization if DOD is unable to do the restoration.

OTHER GUARD AND RESERVE ISSUES

Ensure adequate funding to equip Guard and Reserve at a level that allows them to carry out their mission. Do not turn these crucial assets over to the active duty force. In the same vein we ask that the Congress ensure adequate funding that allows a Guardsman/Reservist to complete 48 drills, and 15 annual training days per member, per year. DOD has been tempted to expend some of these funds on active duty support rather than personnel readiness.

The NMVA strongly recommends that Reserve Program funding remain at sufficient levels to adequately train, equip, and support the robust reserve force that has been so critical and successful during our Nation's recent major conflicts.

While Defense Authorizers provided an early retirement benefit in fiscal year 2008, only those who have served in support of a contingency operation since 28 January 2008 are eligible, nearly 6 years and 4 months after Guard and Reserve members first were mobilized to support the active duty force in this conflict. Over

600,000 Reservists have served during this period and were excluded from eligibility. The explanation given was lack of mandatory funding offset. To exclude a portion of our warriors is akin to offering the original GI Bill to those who served after 1944.

NMVA hopes that this subcommittee can help identify excess funding that would permit an expanded early retirement benefit for those who have served.

ARMED FORCES RETIREMENT HOMES

Following Hurricane Katrina, Navy/Marine Corps residents from AFRJ-Gulfport were evacuated from the hurricane-devastated campus and were moved to the AFRH-Washington, DC, campus. Dormitories were reopened that are in need of refurbishing.

NMVA urges this subcommittee to continue funding upgrades at the Washington, DC, facility, and to continue funding to rebuild the Gulfport facility.

CONCLUSION

Mr. Chairman and distinguished members of the subcommittee the Alliance again wishes to emphasize that we are grateful for and delighted with the large steps forward that the Congress has affected the last few years. We are aware of the continuing concern all of the subcommittee's members have shown for the health and welfare of our service personnel and their families. Therefore, we hope that this subcommittee can further advance these suggestions in this committee or in other positions that the members hold. We are very grateful for the opportunity to submit these issues of crucial concern to our collective memberships. Thank you.

Senator INOUYE. Our next panel is made up of: Lieutenant General McCarthy, Dr. Suchy, Dr. Boehm-Davis, and Ms. Hinestrosa.

Our next witness is the Executive Director of the Reserve Officers Association of the United States, Lieutenant General Dennis M. McCarthy, United States Marine Corps, Retired. General McCarthy.

**STATEMENT OF LIEUTENANT GENERAL DENNIS M. McCARTHY, USMC (RETIRED), EXECUTIVE DIRECTOR, RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES**

General MCCARTHY. Mr. Chairman, Senator Stevens, members of the subcommittee: thank you for the opportunity to speak once again on the issue of funding for our Nation's Reserve components. As I said many times before, in an all-volunteer era the United States cannot conduct extended military operations without augmenting and reinforcing the Active component. That reinforcement must come from one of two sources, either a draft or a viable and capable National Guard and Reserve.

The 700,000 men and women of our Nation's Reserve components have provided that reinforcing force since 2001. They have literally saved the country from a draft. Every indication I see and hear is that they can and will continue to do so if they're properly trained, equipped, and supported. Congress has made great strides in increasing the funding for these important needs. But realism demands that we recognize that the armed services frequently push their Reserve components to a lower priority at times when funding is tight.

The Reserve Officers Association (ROA)—and I've been authorized to speak on this subject for the Reserve Enlisted Association as well—urges this subcommittee to specifically identify funding for both the National Guard and the Federal Reserve components, ensuring that those funds must be spent to train and equip the Reserve components and to support their families' unique needs.

Both the Congress and the DOD have been given an excellent blueprint for enhancing the Reserve components of the 21st century. The report of the Commission on National Guard and Reserves will guide policymakers and legislators to many of the right answers. I don't personally agree with every word in the document, but ROA believes that it has much value and that you should give each of its 95 recommendations serious consideration.

At the end of the day, I believe the Nation wants an all-volunteer force and that it doesn't want a draft. The only way to achieve both of these objectives is to ensure that the Reserve and the National Guard continue to be filled with the same type of great Americans who serve today. To do that, you must ensure that they are fully trained, properly equipped, and that their families are adequately supported. And you must ensure that your appropriation goes where you intend it to go.

These young men and women, Mr. Chairman, will not come back from combat to sit around empty training centers because there's no equipment for them to train on. They don't come back for a rest, they don't stay in the Reserve components to rest. They come back to continue to train and to prepare for whatever the next mission is. The equipment simply must be present both in the theater, of course, but the equipment must also be present in the training centers, so that when they come back they can retrain, refit, and get ready for whatever else the Nation calls upon them to do.

Mr. Chairman, again I thank you for the opportunity to testify and for the support that you have consistently given to our Reserve components.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL DENNIS M. MCCARTHY

The Reserve Officers Association of the United States (ROA) is a professional association of commissioned and warrant officers of our Nation's seven uniformed services and their spouses. ROA was founded in 1922 during the drawdown years following the end of World War I. It was formed as a permanent institution dedicated to National Defense, with a goal to teach America about the dangers of unpreparedness. When chartered by Congress in 1950, the act established the objective of ROA to: ". . . support and promote the development and execution of a military policy for the United States that will provide adequate National Security." The mission of ROA is to advocate strong Reserve Components and national security, and to support Reserve officers in their military and civilian lives.

The Association's 65,000 members include Reserve and Guard soldiers, sailors, marines, airmen, and Coast Guardsmen who frequently serve on Active Duty to meet critical needs of the uniformed services and their families. ROA's membership also includes officers from the U.S. Public Health Service and the National Oceanic and Atmospheric Administration who often are first responders during national disasters and help prepare for homeland security. ROA is represented in each State with 55 departments plus departments in Latin America, the District of Columbia, Europe, the Far East, and Puerto Rico. Each department has several chapters throughout the State. ROA has more than 450 chapters worldwide.

ROA is a member of The Military Coalition where it co-chairs the Tax and Social Security Committee. ROA is also a member of the National Military/Veterans Alliance. Overall, ROA works with 75 military, veterans, and family support organizations.

ROA PRIORITIES

The Reserve Officers Association CY 2008 Legislative Priorities are:

—Assure that the Reserve and National Guard continue in a key national defense role, both at home and abroad.

—Reset the whole force to include fully funding equipment and training for the National Guard and Reserves.

—Providing adequate resources and authorities to support the current recruiting and retention requirements of the Reserves and National Guard.
—Support citizen warriors, families, and survivors.

*Issues to help fund, equip, and train*

Advocate for adequate funding to maintain National Defense during the GWOT.
Regenerate the Reserve Components (RC) with field compatible equipment.
Fence RC dollars for appropriated Reserve equipment.
Fully fund Military Pay Appropriation to guarantee a minimum of 48 drills and 2 weeks training.
Sustain authorization and appropriation to National Guard and Reserve Equipment Account (NGREA) to permit flexibility for Reserve Chiefs in support of mission and readiness needs.
Optimize funding for additional training, preparation, and operational support.
Keep Active and Reserve personnel and Operation and Maintenance funding separate.
Equip Reserve Component members with equivalent personnel protection as Active Duty.

*Issues to assist recruiting and retention*

Support incentives for affiliation, re-enlistment, retention, and continuation in the RC.

*Pay and Compensation*

Provide differential pay for Federal employees.
Offer Professional pay for RC medical professionals.
Eliminate the one-thirtieth rule for Aviation Career Incentive Pay, Career Enlisted Flyers Incentive Pay, Diving Special Duty Pay, and Hazardous Duty Incentive Pay.

*Education*

Introduce an enhanced GI Bill for the 21st century.

*Health Care*

Provide Medical and Dental Readiness through subsidized preventive health care.
Extend military coverage for restorative dental care for up to 180 days following deployment.

*Spouse Support*

Repeal the SBP-Dependency Indemnity Clause (DIC) offset.

NATIONAL GUARD AND RESERVE EQUIPMENT AND PERSONNEL ACCOUNTS

It is important to maintain separate equipment and personnel accounts to allow Reserve Component Chiefs the ability to direct dollars to needs.

*Key Issues facing the Armed Forces concerning equipment.*

Developing the best equipment for troops fighting the global war on terrorism.
Procuring new equipment for all U.S. Forces.
Maintaining or upgrading the equipment already in the inventory.
Replacing the equipment deployed from the homeland to the war.
Making sure new and renewed equipment gets into the right hands, including the Reserve Component.

*Reserve Component Equipping Sources*

Procurement.
Cascading of equipment from Active Component.
Cross-leveling.
Recapitalization and overhaul of legacy (old) equipment.
Congressional adds.
National Guard and Reserve Appropriations (NGREA)
Supplemental appropriation.

CONTINUED RESETTING OF THE FORCE

Resetting or reconstitution of the force is the process to restore people, aircraft and equipment to a high state of readiness following a period of higher-than-normal, or surge, operations.

Some equipment goes through recapitalization: stripping down and rebuilding equipment completely. Recapitalization is one of the fastest ways to get equipment back to units for use, and on some equipment, such as trucks, recapitalization costs

only 75 percent of replacement costs. A second option is to upgrade equipment, such as adding armor. A third option is to simply extend the equipment's service life through a maintenance program.

Operations Iraqi Freedom and Enduring Freedom are consuming the Reserve Component force's equipment. Wear and tear is at a rate many times higher then planned. Battle damage expends additional resources. Many equipment items used in Southwest Asia are not receiving depot-level repair because equipment items are being retained in theater.

In addition to dollars already spent to maintain this well-worn equipment for ongoing operations, the Armed Forces will likely incur large expenditures in the future to repair or replace (reset) a significant amount of equipment when hostilities cease. The services are currently funding their reset programs in large part through the use of supplemental appropriations

PERSONNEL TRAINING

When Reserve Component personnel participate in an operation they are focused on the needs of the particular mission, which may not include everything required to maintain qualification status in their military occupation specialty (MOS, AFSC, NEC).

—There are many different aspects of training that are affected.
  —Skills that must be refreshed for specialty.
  —Training needed for upgrade but delayed by mission.
  —Ancillary training missed.
  —Professional military education needed to stay competitive.
  —Professional continuing education requirements for single-managed career fields and other certified or licensed specialties required annually.
  —Graduate education in business related areas to address force transformation and induce officer retention.
—Loss, training a replacement: There are particular challenges that occur to the force when a loss occurs during a mobilization or operation and depending on the specialty this can be a particularly critical requirement that must be met.
  —Recruiting may require particular attention to enticing certain specialties or skills to fill critical billets.
  —Minimum levels of training (84 days basic, plus specialty training).
  —Retraining may be required due to force leveling as emphasis is shifted within the service to meet emerging requirements.

END STRENGTH

The ROA would like to put a freeze on reductions to the Guard and Reserve manning levels. ROA urges this subcommittee to fund to at least last year's levels.

—Army National Guard of the United States, 352,600.
—Army Reserve, 206,000.
—Navy Reserve, 67,800.
—Marine Corps Reserve, 39,600.
—Air National Guard of the United States, 106,700.
—Air Force Reserve, 67,500.
—Coast Guard Reserve, 10,000

In a time of war and the highest OPTEMPO in recent history, it is wrong to make cuts to the end strength of the Reserve Components. We need to pause to permit force planning and strategy to catch-up with budget reductions.

READINESS

Readiness is a product of many factors, including the quality of officers and enlisted, full staffing, extensive training and exercises, well-maintained weapons and authorized equipment, efficient procedures, and the capacity to operate at a fast tempo. The pace of wartime operations has a major impact on service members.

The Defense Department does not attempt to keep all active units at the C–1 level. The risk is without resetting the force returning Active and Reserve units will be C–4 or lower because of missing equipment, and without authorized equipment their training levels will deteriorate.

NONFUNDED ARMY RESERVE COMPONENT EQUIPMENT

The Army National Guard and Army Reserve have made significant contributions to ongoing military operations, but equipment shortages and personnel challenges have increased and, if left unattended, may hamper the reserves' preparedness for future overseas and domestic missions.

To provide deployable units, the Army National Guard and the Army Reserve have transferred large quantities of personnel and equipment to deploying units, an approach that has resulted in growing shortages in nondeployed units. Also, reserve units have left quantities of equipment overseas and DOD has not yet developed plans to replace it.

*Army Reserve Unfunded Requirements*

Approximately 4 percent of USAR's equipment has been left in theater, representing one-third of USAR Heavy Equipment Transporters, 25 percent of USAR medium non-tactical tractors, and 15 percent of USAR HMMWVs.

Currently, Army Reserve units average a 68 percent of required equipment on hand. To meet pre-mobilization training objectives, the Army Reserve was forced to expend limited resources to move 6,700 training items from units to training locations in fiscal year 2007, with the expectation to ship another 7,000 pieces of equipment to pre-mobilizations training sites in fiscal year 2008.

To address all Army Reserve shortfalls, $6.8 billion is needed in NGREA and other accounts for USAR designated equipment.

*Army Reserve Modernization Vehicle Requirements—$1.75 billion*

Light-medium trucks (LMTV) 2.5 Ton Truck; Medium Tactical Vehicle (MTV) 5.0 Ton Truck; Truck Cargo PLS 10×10 M1075; PLS Trailer; High Mobility Multi-Purpose Wheeled Vehicle (HMMWV); High Mobility Multi-Purpose Wheeled Vehicle, up-armored; and Truck Tractors Line Haul (M915A3).

*Recruiting Bonuses—$321 million*

These bonuses are critical to exceed an end strength of 205,000 soldiers. For 205,000 mission ready soldiers, additional soldiers are needed to be in the training conduit. To fully fund just the Army Recruiter Assistance Program (ARAP) $28.5 million is needed.

*Professional Military Education—$195 million*

To support higher occupational skill qualification rates.

*Special Pre-mobilization training days—$162 million*

In order to integrate into a fully integrated operational force, $80 million for additional training days are needed for 20,000 soldiers, and another $82 million to resource up to 17 days of pre-mobilization training.

*Army Reserve Force Structure rebalancing—$66 million*

Increased training events and equipment to replace less-equipment intensive units.

*Construction and modernization of Army Reserve Centers—$281.7 million*

To build five Army Reserve centers and modernize other Reserve Centers.

*Reduction in Facility Maintenance backlog—$256 million*

*Army National Guard Top Ten Equipment Requirements*

Priority 1 equipment requirements by the Army National Guard totals $2 billion.

*Joint Forces HQ Command and Control—$168.4 million*

Man-portable Communications Support Kits; Joint Incident Site Communications and Interim Satcom Incident Site. (JISC & ISISCS); Wideband Imagery Satellite Terminals; Army Battle Command Systems; Warfighters Information Network Tactical Systems.

*Civil Support Teams (Force Protection)—$88 million*

NBC Reconnaissance Vehicle; Portable Chemical Decontamination System; Portable Riot Control Dispenser.

*Maintenance—$48.5 million*

Electrical and Electronic Properties Measuring and Testing instruments.

*Aviation—$100.5 million*

UH–60A to UH–60L Upgrade Kits; LUH–72A S&S Mission Equipment Package.

*Engineers—$129.2 million*

Horizontal Construction/Heavy Equipment; Route and Area Clearance Equipment.

*Medical—$8.75 million*

Expeditionary Medical Vehicles.

*Communication—$145.3 million*

PHOENIX Satellite Upgrade; Radios.

*Transportation—$1.15 million*

FMTV/LMTV Cargo Trucks; HMMWV; HTV 8×8 Heavy Trucks; Tactical Trailers.

*Security—$68.2 million*

Night Vision Goggles; Illuminator, Infrared AN/PEC–15; Commander Vehicle CVICV.

*Logistics Equipment—$93.77 million*

In-transit Asset Visibility System; Field Feeding Systems; Generator Sets; Tactical Water and Water Purification Systems.

AIR FORCE RESERVE COMPONENT EQUIPMENT PRIORITIES

ROA continues to support military aircraft Multi-Year Procurement (MYP) for more C–17s and more C–130Js for USAF.

*Air Force Reserve Unfunded Requirements*

The Air Force Reserve (AFR) mission is to be an integrated member of the Total Air Force to support mission requirements of the joint warfighter. To achieve interoperability in the future, the Air Force Reserve top ten priorities for "Other Equipment" are:

*C–40 D multi-role Airlift(3)*.—To replace C–9 C's.

*Aircraft Infra-Red Counter Measures (6)*.—Installs LAIRCM Group A and B kits on (6) C–130 H2's and procures all associated spares and support equipment.

*Airlift Defensive Systems (16)*.—Install ADS systems onto (16) AFRC C–5As at Lackland Air Force Base against IR missile threats.

*ARC–210 Radio (61)*.—Procure AN/ARC–210 Group A and B multi-band, jam resistant beyond line of sight radios for (61) AFRC C/HC–130 aircraft to replace VHF radio.

*Infrared Missile Warning System (27)*.—Modify (27) A–10s with MWS; integrates missile warning into the ALQ–213 Counter Measures Set; allows faster, automatic responses.

*APN–241 Radar (17)*.—Modify (17) remaining C–130H2 AC, includes group A, B, installs, spares, support equipment, and sustainment through the FYDP.

*Infra-Red Counter Measures (42)*.—Procure and install (42) LAIRCM lite systems on AFRC C–5s. Protects high value national assets against advanced IR missile threats.

*Missile Warning System (MWS)*.—Upgrade/replacement—Improve and integrate the existing Electronic Attack (EA) for A–10 and F–16 and Electronic Protection (EP) for A–10, F–16, and HC–130.

*SAFIRE Lookout Troop Window and Seat Modifications. (61)*.—A larger window in the C–130 paratroop doors will increase the field of view for the scanner. A collocated seat will help keep the scanner alert as crucial scanning duties are performed.

*C–5 Structural Repair*.—Stress corrosion cracking of C–5A Aft Crown Skins and Contour Box Beam Fittings requires fleet-wide replacement to avoid grounding and restriction of outsize cargo-capable to sustain strategic mobility assets.

*Air National Guard Top Ten Equipment Requirements*

Priority 1 equipment requirements by the Air National Guard total $500 million.

*Joint Forces HQ Command and Control—$27 million*

Cell Restoral; ANG Readiness center Crisis Action Team; Joint Incident Site Communications and Interim Satcom Incident Site. (JISC & ISISCS).

*Medical—$33.9 million*

Expeditionary Medical System (EMEDS); Tamiflu.

*Communication—$72.3 million*

Wireless Internet; 11xCell Phone Restoral; 11x JISC and ISISCS.

*Logistics Equipment—$15.7 million*

Combat Readiness Training Center; HLS/HLD Mission Essential; Single Pallet Expeditionary Field (SPEK) Kitchen Phase IV; Disaster Response Bed down Kits.

*Transportation—$52.1 million*

P–19, P–22, P–23 Firefighting Vehicles; Refueling Vehicles.

*Engineers—$31.2 million*

Construction/Heavy Equipment—Loaders, Graders, Evacuators, Mixers, Backhoes; Explosive Ordnance Disposal (EOD) IED Equipment.

*Civil Support Teams (Force Protection)—$21.4 million*

PJ/STs Medical Treatment Equipment; Hazardous Material Equipment; Fire Fighter Self Contained Breathing Apparatus; CBRNE Incident Response Equipment; Personnel Protective Equipment for First Responders to WMD.

*Maintenance—$13.4 million*

Standard Asset Tracking System.

*Security—$74.5 million*

Security Forces Body Armor (vests, helmets); Night Vision Goggles; Mobility Bag Upgrades; Weapons Upgrades (stocks, racks, rifles, storage cases).

*Aviation—$158.5 million*

HH–60 Avionic Upgrades, Para-rescue Specialist upgrades, Special Tactics Survivability Upgrades and Modernization Suite; C–21 A Avionics upgrades; HC–130 Data Link; HC/MC–120 LAARS V–12; C–130 CDU, NVIS, radar, propulsion upgrades; RC–26 Avionics, BLOS, CNS/ATM upgrades.

NAVY RESERVE UNFUNDED PRIORITIES

Active Reserve Integration (ARI) aligns Active and Reserve Component units to achieve unity of command. Navy Reservists are fully integrated into their AC supported commands. Little distinction is drawn between AC and RC equipment, but unique missions remain.

*C–40 A Combo cargo/passenger Airlift (4)—$330 million*

The Navy requires a Navy Unique Fleet Essential Airlift Replacement Aircraft. This aircraft was designated as the C–40A to replace the aging C–9 fleet. The C–40A is able to carry 121 passengers or 40,000 pounds of cargo, compared with 90 passengers or 30,000 pounds for the C–9. In addition, the maximum range for the Clipper is approximately 1,500 miles more than the C–9.

*C–130J Aircraft (5)—$320 million*

These Aircraft are needed to fill the shortfall in Navy Unique Fleet Essential Airlift (NUFEA). C–130 J's are flown by Navy Reserve crews for intra-theater support as tactical transport aircraft.

*P–3 Maritime Patrol Aircraft Fixes—$312 million*

Due to the grounding of 39 airframes in December 2007, there is a shortage of maritime patrol and reconnaissance aircraft, which are flown in associate Active and Reserve crews. P–3 wing crack kits are still needed for fiscal year 2009.

*New Accession Training Bonuses—$17 million*

This is the Navy Reserve's only non-prior service accession program. The request funds $10 million for bonuses, and $7 million to meet increase Reserve Component recruiting.

*DDG–1000 Training Facility, Norfolk—$5 million*

A training facility is needed for both Active and Reserve augmentees to the fleet to prepare sailors for the next generation of destroyer.

MARINE CORPS RESERVE UNFUNDED PRIORITIES

The Marine Corps Reserve faces two primary equipping challenges, supporting and sustaining its forward deployed forces in the Long War while simultaneous resetting and modernizing the Force to prepare for future challenges. Only by equally equipping and maintaining both the Active and Reserve forces will an integrated Total Force be seamless.

*Training Allowance (T/A) Shortfalls—$187.7 million*

Shortfalls consist of over 300 items needed for individual combat clothing and equipment, including protective vests, poncho, liner, gloves, cold weather clothing, environmental test sets, took kits, tents, camouflage netting, communications systems, engineering equipment, combat and logistics vehicles and weapon systems.

*Brite Star FLIR (6)—$7.2 million*

A cost-effective military qualified third-generation multi-sensor system that provides TV surveillance, a laser designator, and a laser range finder. These are needed to upgrade Reserve aircraft to match active duty configuration.

*Virtual Combat Convoy Trainer (1)—$2.75 million*

A mobile self-contained convoy trainer simulates the space and physical constraints of the HMMWV. It incorporates small arms and crew-served weapons response training, mission rehearsal and coordination with other units. Can train up to 10 marines at a time and can be relocated for convoy training at various Reserve Training Centers.

*Deployable Virtual Training Environment—DVTE (12)—$444,000*

Simulation technologies that will help prepare Reserve Marines for combat. It is made up of two components: the Combined Arms Network (CAN) and the Infantry Tool Kit (ITK), which contain several tactical simulations. Of 184 sites, there are 12 technological suites remaining to be purchased.

*Tactical Remote Sensor System—TRSS (3)—$7.98 million*

This is a suite of sensors used by the Ground Sensors Platoons of the Intelligence Battalions to accomplish their mission to detect enemy movement on avenues of approach.

*MCB Twenty Nine Palms, Vehicle Maintenance Facility—$10.9 million*

Addition to Marine Corp Reserve Training Center for vehicle storage and maintenance.

Ground equipment mission readiness rates for non-deployed Marine Forces Reserve Units average 88 percent based on Training Allowance. Reduced readiness results from shortages in home station Training Allowance. There is approximately a 10 percent readiness shortfall across the Force for most equipment.

NATIONAL GUARD AND RESERVE EQUIPMENT APPROPRIATION

Prior to 1997, the National Guard and Reserve Equipment Appropriation was a critical resource to ensure adequate funding for new equipment for the Reserve Components. The much-needed items not funded by the respective service budget were frequently purchased through this appropriation. In some cases it was used to bring unit equipment readiness to a needed state for mobilization.

With the war, the Reserve and Guard are faced with mounting challenges on how to replace worn out equipment, equipment lost due to combat operations, legacy equipment that is becoming irrelevant or obsolete, and in general replacing that which is gone or aging through normal wear and tear. Funding levels, rising costs, lack of replacement parts for older equipment, etc. has made it difficult for the Reserve Components to maintain their aging equipment, not to mention modernizing and recapitalizing to support a viable legacy force. The Reserve Components would benefit greatly from a National Military Resource Strategy that includes a National Guard and Reserve Equipment Appropriation.

ROA LAW CENTER

It was suggested that ROA could incorporate some Federal military offices, such as recruiting offices, into the newly remodeled ROA Minuteman Memorial building. ROA would be willing to work with this committee on any suggestion.

The Reserve Officers Association's recommendation would be to develop a Servicemembers Law Center, advising Active and Reserve servicemembers who have been subject to legal problems that occur during deployment.

A legal center would help encourage new members to join the Active, Guard, and Reserve components by providing a non-affiliation service to educate prior service about USERRA and Servicemember Civil Relief Act (SCRA) protections, and other legal issues. It would help retention as a member of the staff could work with Active and Reserve Component members to counsel those who are preparing to deploy, deployed or recently deployed members facing legal problems.

The Legal Center could advise, refer by providing names of attorneys who work related legal issues and amicus curiae briefs, encourage law firms to represent servicemembers, and educate and training lawyers, especially active and reserve judge advocates on servicemember protection cases. The center could also be a resource to Congress.

ROA would set-aside office spaces. ROA's Defense Education Fund would hire an initial staff of one lawyer, and one administrative law clerk to man the Servicemembers Law Center to counsel individuals and their legal representatives.

Anticipated startup cost, first year: $750,000

CIOR/CIOMR FUNDING REQUEST

The Interallied Confederation of Reserve Officers (CIOR) was founded in 1948, and its affiliate organization, The Interallied Confederation of Medical Reserve Officers (CIOMR) was founded in 1947. The organization is a nonpolitical, independent confederation of national reserve associations of the signatory countries of the North Atlantic Treaty (NATO). Presently there are 16 member nation delegations representing over 800,000 reserve officers.

CIOR supports four programs to improve professional development and international understanding.

*MIlitary Competition*.—The CIOR Military Competition is a strenuous 3-day contest on warfighting skills among Reserve Officers teams from member countries. These contests emphasize combined and joint military actions relevant to the multinational aspects of current and future Alliance operations.

*Language Academy*.—The two official languages of NATO are English and French. As a non-Government body, operating on a limited budget, it is not in a position to afford the expense of providing simultaneous translation services. The Academy offers intensive courses in English and French at proficiency levels 1, 2, and 3 as specified by NATO Military Agency for Standardization. The Language Academy affords national junior officer members the opportunity to become fluent in English as a second language.

*Partnership for Peace (PfP)*.—Established by CIOR Executive Committee in 1994 with the focus of assisting NATO PfP nations with the development of reserve officer and enlisted organizations according to democratic principles. CIOR's PfP Committee, fully supports the development of civil-military relationships and respect for democratic ideals within PfP nations. CIOR PfP Committee also assists in the invitation process to participating countries in the Military Competition.

*Young Reserve Officers Workshop*.—The workshops are arranged annually by the NATO International Staff (IS). Selected issues are assigned to joint seminars through the CIOR Defense and Security Issues (SECDEF) Commission. Junior grade officers work in a joint seminar environment to analyze Reserve concerns relevant to NATO.

Dues do not cover the workshops and individual countries help fund the events. The Department of the Army as Executive Agent hasn't been funding these programs.

CONCLUSION

DOD is in the middle of executing a war and operations in Iraq are directly associated with this effort. The impact of the war is affecting the very nature of the Guard and Reserve, not just the execution of Roles and Missions. Without adequate funding, the Guard and Reserve may be viewed as a source to provide funds to the Active Component. It makes sense to fully fund the most cost efficient components of the Total Force, its Reserve Components.

At a time of war, we are expending the smallest percentage of GDP in history on National Defense. Funding now reflects close to 4 percent of GDP including supplemental dollars. ROA has a resolution urging that defense spending should be 5 percent to cover both the war and homeland security. While these are big dollars, the President and Congress must understand that this type of investment is what it will take to equip, train, and maintain an all-volunteer force for adequate National Security.

The Reserve Officers Association, again, would like to thank the sub-committee for the opportunity to present our testimony. We are looking forward to working with you, and supporting your efforts in any way that we can.

Senator INOUYE. I thank you very much, General. How would you assess the morale of those men and women who have served abroad in Afghanistan and Iraq, members of the National Guard?

General MCCARTHY. Obviously, Mr. Chairman, I have less personal contact than I once did, so I get a lot of secondhand reports. But my sense is that it remains very, very good, and the fact that the services continue to make their recruiting goals and that they continue to retain high quality people I think is the very best indication.

But I'm concerned when I hear about units that come back and don't have the equipment and the things that they need. I think that's a morale destroyer and something that we need to be very watchful of.

Senator INOUYE. I thank you very much, sir.

Our next witness is the Chairman of the Council on Government Affairs of the American Dental Association, Dr. Keith Suchy.

**STATEMENT OF KEITH W. SUCHY, D.D.S., CHAIRMAN, COUNCIL ON GOVERNMENT AFFAIRS, AMERICAN DENTAL ASSOCIATION**

Dr. SUCHY. Good morning, Mr. Chairman and Senator Stevens. My name is Dr. Keith Suchy as you stated, Mr. Chairman. I'm Chairman of the Council on Government Affairs for the American Dental Association (ADA). The ADA represents over 155,000 dentists, including almost 3,000 dentists in military service. We thank you this morning for the opportunity to testify regarding military dental research programs. It's a very small but valuable program that certainly needs the subcommittee's support to continue its work.

When we last testified in 2004 before this subcommittee, the goal of military dental research was simply to keep our deployed forces healthy. While oral health is still one of our priorities, the wars in Afghanistan and Iraq have dramatically changed our dental research agenda. It's been estimated that more than 40 percent of the injuries in these conflicts are to the head and face, and to date over 1,600 young men and women have been treated at Walter Reed and Bethesda alone for such injuries.

These wounds present a unique challenge to the dental researchers and to the dentists who are treating these patients. The importance of restoring facial features cannot be overstated. They really affect the person's ability to communicate and embody one's sense of self, and the loss of facial features brings with it very adverse psychological effects. Re-entering the workforce back home, for example, is all but impossible.

Restoring the facial tissue and structure is complicated and currently the maxillofacial prosthetic materials we use are not adequately mimicking natural tissues. Naval dentists at Great Lakes are working to develop better materials already to replace facial skin, ears, and noses, and the dentists at Walter Reed and Bethesda Medical Centers are currently fashioning skulls and facial bones using synthetic polymers and titanium mesh screens.

In addition, our naval dental researchers are working to establish a program where we would take predeployment 3D CT scans of every warfighter. This certainly would allow a template for the dentists that make cranial and facial structures and allow them to work from these CTs to get more exact replacements for the wounded. If this method proves successful, it has implications for military and non-military patients who have lost similar structures through cancers and traumas.

Preventing burns and injuries to the face and head has been a top priority of our Army dental researchers for many years, and as a result of previous congressional funding the Army has developed a lightweight face shield to reduce, if not prevent, such injuries. A final prototype is nearing completion and we look forward to the

field trials with it. We've included a picture of this shield in our submitted testimony, and we've also detailed several more research projects in our written statement along with specific funding requests.

Mr. Chairman, all of our requests have direct implications to combat medicine. All of them are targeted to improve the oral health of the deployed personnel, and they can really lead to enormous cost savings in the field.

In 2007, this program was funded for $4 million and the current funding is at only $1.2 million, a loss of 70 percent of our resources. This current funding level is woefully inadequate and we are therefore requesting $6 million in the subcommittee's bill to restore and expedite this research. This small amount I understand brings with it the risk of being overlooked, but it translates into an immense difference for the wounded who can once again look into the mirror and see a familiar face.

Thank you, Mr. Chairman. This concludes my testimony and I certainly look forward to any questions.

Senator INOUYE. Thank you very much, doctor. I can understand what you're trying to tell us.

Dr. SUCHY. Thank you, sir.

Senator INOUYE. There's too many of them.

[The statement follows:]

PREPARED STATEMENT OF KEITH SUCHY, D.D.S.

Good morning, Mr. Chairman and members of the subcommittee. I am Dr. Keith Suchy, Chairman of the Council on Government Affairs of the American Dental Association (ADA), which represents over 155,000 dentists including almost 3,000 dentists in the military services. Thank you for the opportunity to testify to discuss appropriations for military dental research.

This is a small but very valuable program that needs the committee's support to continue its work.

Military dental research is not a new program. The Army began formal dental research with the establishment of the Army Dental School in 1922, which was a precursor to the establishment of the U.S. Army Institute of Dental Research in 1962.

The Navy Dental Research Facility at Great Lakes was established in 1947, which subsequently became the Naval Dental Research Institute in 1967 (now known as the Naval Institute for Dental and Biomedical Research). In 1997, both activities were co-located at Great Lakes as a result of the Base Realignment and Closure activities of 1991. These research programs share common Federal funding and a common goal to reduce the incidence and impact of dental diseases and maxillofacial injury on deployed troops. This is unique research that is not duplicated by the National Institutes of Health or in the civilian community.

In 2004, when we last testified before this committee, the goal of military dental research was to keep deployed troops orally healthy. While that is still a priority, the war in Afghanistan and Iraq has dramatically changed the research agenda.

It has been estimated that more than 40 percent of the injuries in this war are to the head and face. With over 90 percent of wounded warriors surviving their injuries, these wounds present a unique challenge to dental researchers and prosthodontists and oral surgeons who treat the patients.

Treatment for head and facial wounds, often resulting in traumatic brain injury, is usually a long process that requires significant care. The initial length of time from injury to restoration is between 5–6 months, and includes placement in ICU. A long-term stay at Walter Reed or Bethesda Naval hospital is often necessary to treat wound infections. Once the infection has cleared patients are sent to a rehabilitation facility, then back to the hospital for the implant, followed by 2 or more years of outpatient therapy for everything from motor to sensory to speech skills.

Preventing and treating these injuries, by investing in military dental research could result in significant cost savings to the military.

If you speak with the dentist at Walter Reed in charge of fashioning cranial and facial structures and ask what does he need most, he will tell you protective head

gear to prevent such injuries, better restorative materials, and better tissue retention materials. These are areas that dental researchers at Great Lakes are researching.

The importance of restoring facial appearance cannot be understated. Facial features affect a person's ability to communicate and embody one's sense of self. Loss of a face or facial features also brings with it psychological effects. Imagine how hard it is to be accepted for employment if you were missing a nose, jaw, ear, or smooth facial skin. These are the challenges that confront the patients and the dentists who strive to return our wounded troops to society.

We have included in our testimony, pictures of such wounds so you can see to what extent it is necessary to restore bone structure to the head and around the eyes, nose, mouth and jaw, and the challenges facial skin grafts create. They are hard to look at and because of that, they have not been chronicled in the news like other injuries.

Restoring facial tissue and structure is complicated and unique. The maxillofacial prosthetic materials currently available for head and neck prosthetic reconstruction do not adequately mimic natural tissues. The silicone materials being used today for head/neck and maxillofacial prosthetic reconstruction for ears, noses and facial tissue provide limited restoration of function. These materials have limited durability and are esthetically poor. In addition, the colorants added to make the prosthetic materials appear life-like are very unstable. Ultimately, these artificially reconstructed features do not look natural and have to be replaced.

Currently, dentists at Walter Reed and Bethesda Medical Centers are fashioning bony structures with synthetic polymer materials and titanium mesh screens. Using a CT scan of the wounded patient's head, they fabricate mirror images of the undamaged bone to fashion the replacements. While this process has worked well, it can be improved significantly.

One goal of Navy dental researchers is to establish a technique for dentists at military treatment centers to recreate as close as possible the original craniofacial shapes and contours using synthetic materials. Toward this aim, the use of 3–D imaging to aid in the complex treatment planning and surgical reconstruction of traumatic craniofacial injuries is being investigated. By taking a pre-deployment 3–D CT scan of every war fighter, dentists who fabricate cranial implants and facial structures can work from them to make more exact replacements. They would not have to rely on creating mirror images of head and facial structures which might not be exact and therefore would require multiple surgeries to correct. If this method proves successful, it can also be used for military and non-military patients who have lost extensive amounts of head and neck structures as a result of facial or oral cancer surgery.

Dental researchers also hope to develop a means of releasing antibiotics from the surface of craniofacial implants to prevent infections. Current infection rate is between 10–12 percent. The Navy is using nanotechnology to infuse antibiotics in nanoparticles applied to the implants that maxillofacial prosthodontists and oral surgeons are placing. By using antibiotics that will be released over time they hope to prevent long term or recurring infections.

Before this war, cranial and facial replacements of this magnitude for such destructive wounds were rare. Now, over 1,600 young men and women have been treated at Walter Reed and Bethesda alone. No one knows how well the polymers and titanium will hold up, whether they will lead to further infections or deteriorate over time.

Equally important to naval military dentists at Great Lakes is the development of improved head and neck prosthetic materials specifically for a young adult population (ages 18–40). Soft tissue facial features like ears and noses present unique challenges in restoring function and appearance, as well as, improving the systems for attachment of the prostheses.

The facial features must be fabricated from artificial materials that match a patient's skin. Current materials being used for the replacement of facial features are modeled after middle-aged and older skin. The objectives of the research being done by the Navy are to characterize selected properties of human skin (i.e., color, translucency, elasticity, etc.) of patients in the age group 18–40 years and to compare those properties to those of existing prosthetic materials. The ultimate goal is the development of durable maxillofacial prosthetic materials that more closely mimic the skin of younger adults. Navy researchers will also determine the small color and textural differences between maxillofacial reconstruction materials which would be detectable by human observers.

Preventing injuries and burns to the face and head have been a top priority of Army dental researchers for many years. As a result of congressional funding, the Army has developed a lightweight face-shield to reduce if not prevent such injuries.

It is also designed to prevent burns. Prototypes were developed and evaluated in spring 2007. The two submissions were rated second and third out of seven items evaluated. A final prototype is nearing completion and we look forward to field trials, the next research step. We have included in our testimony a picture of one of these shields.

As we stated at the beginning of our testimony, research being done by Navy and Army dentists at Great Lakes is focusing on war-related injuries. However, they have not stopped projects that focus on keeping deployed troops orally healthy. Deployed troops can be evacuated from a war zone for injuries as well as oral disease.

A new study published in "Military Medicine" this month reports that from 2003–2004, oral-facial injuries accounted for 327 evacuations from Iraq and 47 from Afghanistan. Of those, 158 (42 percent) were due to disease, 136 (36 percent) were due to battle injuries; mostly facial fractures and 80 (21 percent) were due to non-battle injuries (such as motor vehicle accidents, sports injuries, etc.)

One reason for evacuations due to disease is plaque-related conditions, including trench mouth, which can account for as much as 75 percent of the daily dental sick call rate in deployed troops. Even soldiers who ship out in good oral health can become vulnerable to these severe gum diseases if stationed in combat areas where access to oral hygiene is difficult. An easy and cost effective way to address these conditions is the development of an anti-plaque chewing gum, which could be included in every meals ready-to-eat or mess kit. The Army has successfully developed such a product. It is a novel antimicrobial peptide (KSL–W) that will be incorporated into chewing gum to control plaque growth and reduce dental emergencies due to plaque.

When untreated dental plaque leads to oral infections and abscesses, affected troops must be evacuated for treatment which can be costly and dangerous. Procedure demands that convoys be no less than four vehicles, exposing many to attack. The anti-plaque chewing gum is a simple and inexpensive solution. It is a direct result of previous congressional funding.

Dehydration continues to be a significant problem, not only for soldiers in Iraq and Afghanistan, but with basic trainees as well. Extreme dehydration can come on rapidly and result in altered behavior, such as severe anxiety, confusion, faintness or lightheadedness, inability to stand or walk, rapid breathing, weak, rapid pulse and loss of consciousness. If field commanders could detect oncoming dehydration it would reduce the number of troops affected and improve missions.

There is currently no non-invasive method to determine a soldier's hydration status in order to prevent heat injuries. Army dental researchers at Great Lakes are developing a miniature intraoral sensor to monitor hydration rates that could be bonded to a soldier's tooth. Health care personnel at a remote site could monitor the sensor and alert the deployed forces to administer fluids before the situation becomes critical.

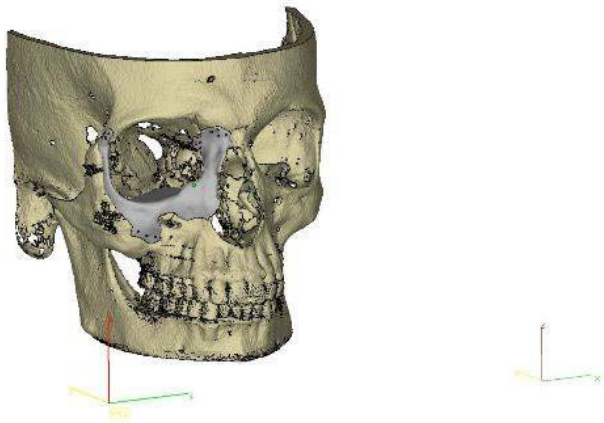
Since we last testified before the committee in 2004, naval researchers have licensed and are transitioning to commercial partners for final development rapid point-of-care tests for the detection of military relevant diseases. This includes devices use properties in saliva to: (1) monitor the immune response in recipients of the U.S.-licensed anthrax vaccine; (2) diagnose tuberculosis; and (3) monitor cortisol levels. Congressional funding was key in developing this diagnostic device which has great implications for homeland security needs.

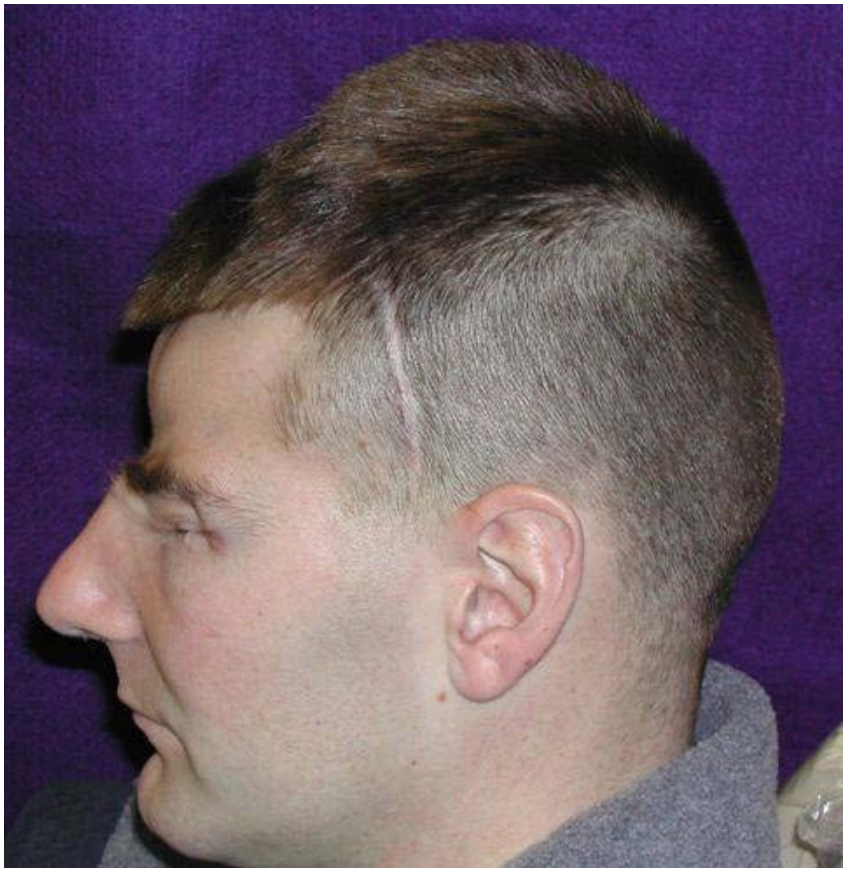
These are just a few of the dental research projects being conducted at the Great Lakes facility. All have a direct relationship to combat medicine, are targeted to improve the oral health of deployed personnel and can lead to enormous cost savings for forces in the field. Furthermore, while the Army and the Navy do not duplicate the research done by the National Institute of Dental and Craniofacial Research, many of their findings will have implications within the civilian community or other Federal agencies.

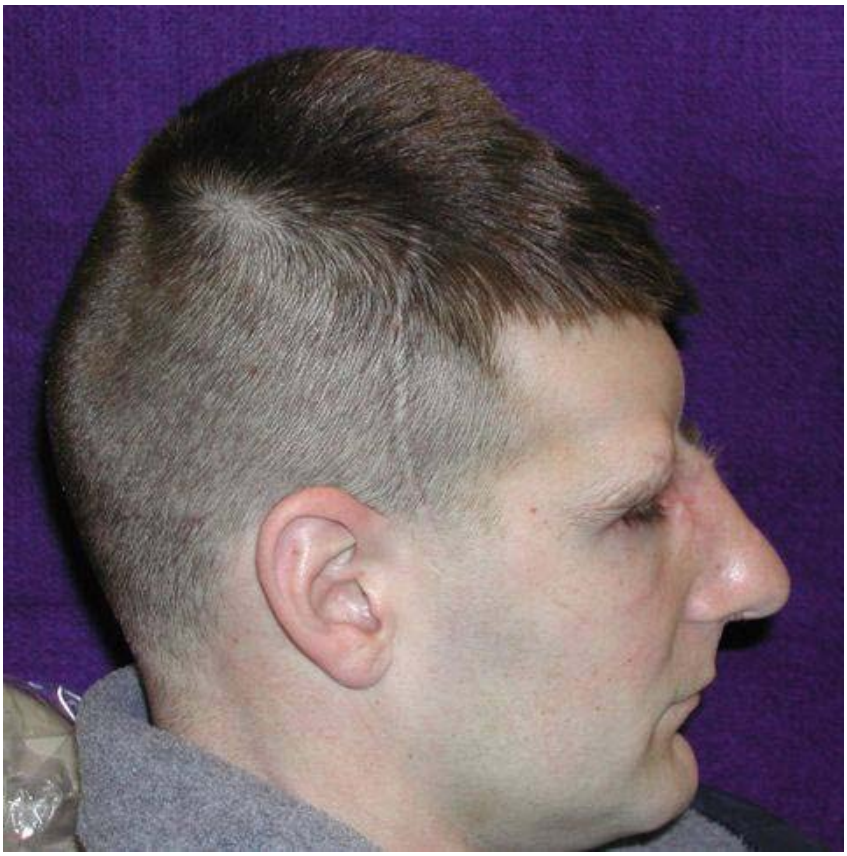
In 2007, the military dental research program at Great Lakes was funded at $4 million. Current funding for the program is $1.2 million. The ADA believes that if the funding continues to stay at this level or be decreased further, it will significantly retard highly needed treatments for our wounded.

Therefore, the Association strongly recommends that the committee include in its fiscal year 2009 bill funding for military dental research at $6 million to restore and expedite this research for the deployed forces.

The ADA thanks the committee for allowing us to present these issues related to the dental and oral health of our great American service men and women.







Senator INOUYE. Now may I call upon Dr. Deborah Boehm-Davis, Chair of the Department of Psychology, George Mason University. Doctor.

**STATEMENT OF DEBORAH BOEHM-DAVIS, Ph.D., CHAIR, DEPARTMENT OF PSYCHOLOGY, GEORGE MASON UNIVERSITY, ON BEHALF OF THE AMERICAN PSYCHOLOGICAL ASSOCIATION**

Dr. BOEHM-DAVIS. Good morning, Mr. Chairman, Senator Stevens. I'm submitting testimony on behalf of the American Psychological Association, or APA, a scientific and professional association of more than 148,000 psychologists and affiliates.

Senator STEVENS. Pull the mike back, please, toward you. Thank you.

Dr. BOEHM-DAVIS. For decades, clinical and research psychologists have brought their unique and critical expertise to meeting the needs of our military and its personnel, playing a vital role within the Department of Defense.

I am a human factors psychologist. The goal of psychology, as I'm sure you know, is to understand and predict human behavior. Human factors psychologists take that knowledge and embed it in systems to enhance safety and productivity. Over my career, I've

worked in two application areas—human-computer interaction and transportation—specifically focusing on aviation and highway safety. For the past several years I've had the privilege of serving on the Air Force Scientific Advisory Board.

This morning I focus on APA's request that Congress reverse administration cuts to the overall DOD science and technology (S&T) budget and maintain support for important behavioral sciences research on counterterrorism and counterintelligence operations within DOD. Specifically, APA urges the subcommittee to provide a minimum of $13.2 billion for Defense S&T in fiscal year 2009.

Although the President's budget allows for an increase in DOD basic research, it does not provide for bringing this basic research into applications for military use. To do so, we must strengthen the 6.2 and 6.3 research programs, which face substantial cuts in the administration's proposed budget. This would be in line with the 2008 report from the National Academies on human behavior in military contexts, which calls for enhanced research in six areas of behavioral research that traditionally have been supported by the military research laboratories: the Army Research Institute, the Office of Naval Research, and the Air Force Research Laboratory.

These labs need increased basic and applied research funding in fiscal year 2009 to expand their reach even further into effectively mapping the human terrain.

Finally, APA also is concerned with the potential loss of invaluable human-centered research programs within DOD's counterintelligence field activity (CIFA), due to a current reorganization of their structure and personnel strength. APA urges the subcommittee to provide ongoing funding in fiscal year 2009 for CIFA's behavioral research programs on cybersecurity, insider threat, and other counterterrorism and counterintelligence operational challenges as they merge into other defense agencies, the most likely being the Defense Intelligence Agency.

As a member of an Air Force study team examining cybersecurity, I heard concrete data that confirmed what I knew as a human factors psychologist and as a behavioral scientist: the greatest threat to cybersecurity is people. It is critical to understand human behavior and to be able to design systems that can counter these threats.

Thank you and, on behalf of APA, I urge the subcommittee to support the men and women on the front lines by reversing another round of dramatic, detrimental cuts to the overall Defense S&T account and the human-oriented research projects within the military labs and CIFA. Thank you.

[The statement follows:]

PREPARED STATEMENT OF DR. DEBORAH BOEHM-DAVIS

The American Psychological Association (APA) is a scientific and professional organization of more than 148,000 psychologists and affiliates.

For decades, psychologists have played vital roles within the Department of Defense (DOD), as providers of clinical services to military personnel and their families, and as scientific researchers investigating mission-targeted issues ranging from airplane cockpit design to human intelligence-gathering. More than ever before, psychologists today bring unique and critical expertise to meeting the needs of our military and its personnel. APA's testimony will focus on reversing administration cuts to the overall DOD Science and Technology (S&T) budget and maintaining support for important behavioral sciences research within DOD.

DOD RESEARCH

"People are the heart of all military efforts. People operate the available weaponry and technology, and they constitute a complex military system composed of teams and groups at multiple levels. Scientific research on human behavior is crucial to the military because it provides knowledge about how people work together and use weapons and technology to extend and amplify their forces."——"Human Behavior in Military Contexts" Report of the National Research Council, 2008

Just as a large number of psychologists provide high-quality clinical services to our military service members stateside and abroad, psychological scientists within DOD conduct cutting-edge, mission-specific research critical to national defense.

In terms of the overall DOD S&T budget, the President's request for fiscal year 2009 included a renewed commitment to supporting basic, 6.1 level research. However, the administration also included deep cuts in the applied and advanced technology (6.2 and 6.3) programs within the DOD S&T account. Funding for overall S&T would fall again in fiscal year 2009 to $11.7 billion, a significant decrease from the estimated fiscal year 2008 level of $13.2 billion.

The President's budget request for basic and applied research at DOD in fiscal year 2009 is $11.7 billion, a decrease of $1.5 billion from the enacted fiscal year 2008 level. APA urges the subcommittee to reverse this cut to the critical defense science program by providing a total of $13.2 billion for DOD S&T in fiscal year 2009. The increase in DOD basic research support is laudable, but the ability to bring this basic research into applications for military use relies on maintaining and strengthening the 6.2 and 6.3 research programs at the same time.

BEHAVIORAL RESEARCH WITHIN THE MILITARY SERVICE LABS AND DOD

Within DOD, the majority of behavioral, cognitive, and social science is funded through the Army Research Institute (ARI) and Army Research Laboratory (ARL); the Office of Naval Research; and the Air Force Research Laboratory (AFRL), with additional, smaller human systems research programs funded through the Office of the Secretary of Defense, the Defense Advanced Research Projects Agency (DARPA), and DOD's Counterintelligence Field Activity (CIFA).

The military service laboratories provide a stable, mission-oriented focus for science, conducting and sponsoring basic (6.1), applied/exploratory development (6.2), and advanced development (6.3) research. These three levels of research are roughly parallel to the military's need to win a current war (through products in advanced development) while concurrently preparing for the next war (with technology "in the works") and the war after next (by taking advantage of ideas emerging from basic research). All of the services fund human-related research in the broad categories of personnel, training and leader development; warfighter protection, sustainment and physical performance; and system interfaces and cognitive processing.

*New National Academies Report Calls for Doubling Behavioral Research*

The new National Academies report on Human Behavior in Military Contexts (2008) recommends doubling the current budgets for basic and applied behavioral and social science research "across the U.S. military research agencies." It specifically calls for enhanced research in six areas: intercultural competence; teams in complex environments; technology-based training; nonverbal behavior; emotion; and behavioral neurophysiology.

Behavioral and social science research programs eliminated from the mission labs due to cuts or flat funding are extremely unlikely to be picked up by industry, which focuses on short-term, profit-driven product development. Once the expertise is gone, there is absolutely no way to "catch up" when defense mission needs for critical human-oriented research develop. As DOD noted in its own Report to the Senate Appropriations Committee:

"Military knowledge needs are not sufficiently like the needs of the private sector that retooling behavioral, cognitive and social science research carried out for other purposes can be expected to substitute for service-supported research, development, testing, and evaluation . . . our choice, therefore, is between paying for it ourselves and not having it."

*Defense Science Board Calls for Priority Research in Social and Behavioral Sciences: Mapping the Human Terrain*

This emphasis on the importance of social and behavioral research within DOD is echoed by the Defense Science Board (DSB), an independent group of scientists and defense industry leaders whose charge is to advise the Secretary of Defense and

the Chairman of the Joint Chiefs of Staff on "scientific, technical, manufacturing, acquisition process, and other matters of special interest to the Department of Defense."

In its 2007 report on 21st Century Strategic Technology Vectors, the DSB identified a set of four operational capabilities and the "enabling technologies" needed to accomplish major future military missions (analogous to winning the Cold War in previous decades). In identifying these capabilities, DSB specifically noted that "the report defined technology broadly, to include tools enabled by the social sciences as well as the physical and life sciences." Of the four priority capabilities and corresponding areas of research identified by the DSB for priority funding from DOD, the first was defined as "mapping the human terrain."

MAINTAINING BEHAVIORAL RESEARCH DURING CIFA REORGANIZATION

In addition to strengthening the DOD S&T account, and behavioral research within the military labs in particular, APA also is concerned with the potential loss of invaluable human-centered research programs within DOD's CIFA due to a current reorganization of CIFA's structure and personnel strength. Within CIFA, psychologists lead intramural and extramural research programs on counterintelligence issues ranging from models of "insider threat" to cybersecurity and detection of deception. These psychologists also consult with the three military services to translate findings from behavioral research directly into enhanced counterintelligence operations on the ground.

APA urges the subcommittee to provide ongoing funding in fiscal year 2009 for counterintelligence behavioral science research programs in light of their direct support for military intelligence operations.

SUMMARY

On behalf of APA, I would like to express my appreciation for this opportunity to present testimony before the subcommittee. Clearly, psychological scientists address a broad range of important issues and problems vital to our national security, with expertise in modeling behavior of individuals and groups, understanding and optimizing cognitive functioning, perceptual awareness, complex decision-making, stress resilience, recruitment and retention, and human-systems interactions. We urge you to support the men and women on the front lines by reversing another round of cuts to the overall defense S&T account and the human-oriented research projects within the military laboratories and CIFA.

As our Nation rises to meet the challenges of current engagements in Iraq and Afghanistan as well as other asymmetric threats and increased demand for homeland defense and infrastructure protection, enhanced battlespace awareness and warfighter protection are absolutely critical. Our ability to both foresee and immediately adapt to changing security environments will only become more vital over the next several decades. Accordingly, DOD must support basic S&T research on both the near-term readiness and modernization needs of the department and on the long-term future needs of the warfighter.

Below is suggested appropriations report language for fiscal year 2009 which would encourage the DOD to fully fund its behavioral research programs within the military laboratories and protect counterintelligence research.

DEPARTMENT OF DEFENSE

*Research, development, test, and evaluation*

*Behavioral Research in the Military Service Laboratories*.—The Committee notes the increased demands on our military personnel, including high operational tempo, leadership and training challenges, new and ever-changing stresses on decision-making and cognitive readiness, and complex human-technology interactions. To help address these issues vital to our national security, the Committee has provided increased funding to reverse cuts to applied psychological research through the military research laboratories: the Air Force Office of Scientific Research and AFRL; the ARI and ARL; and the Office of Naval Research.

*Human-centered Counterintelligence Research*.—The Committee urges the DOD to continue supporting human-centered research, formerly coordinated through CIFA, as its behavioral science programs are reorganized within other defense intelligence entities.

Senator INOUYE. Dr. Davis, thank you.

Senator Stevens.

Senator STEVENS. Last week, doctor, Dr. Peake, Secretary of Veterans Affairs, was in Alaska and we had some discussions concerning the use of telemedicine and extending it into the psychological and psychiatric side of medicine. Have you done any work in that?

Dr. BOEHM-DAVIS. No, sir, I have not personally. I do know that the Army Research Lab in Aberdeen has done work on telepresence. I was on a review panel that looked at that work some years ago.

Senator STEVENS. Think of the cost of transporting people in my State hundreds of miles to come into a veterans clinic or a hospital. That would be very cost effective if it could be developed. I would encourage your association to go into that. These veterans that come from small villages or from rural America, to travel long distances and then stand in line doesn't make much sense.

If we can use telepsychiatry, telepsychology, I think it would improve the system vastly and really be, as I said, cost effective.

Dr. BOEHM-DAVIS. Thank you.

Senator STEVENS. Thank you.

Senator INOUYE. I've been urging my colleagues to look into the problems that you describe very carefully because oftentimes they compare World War II with the present war, and statistically the differences are of an historic nature. For example, in my regiment 96 percent of the men were single, 4 percent were married. Today it's just the opposite. It's about 65, 70 percent are married and the rest are unmarried.

Second, the last phone call you made was when you left home and then the next phone call was maybe 2 years later or 3 years later. Today they pick up the cell phone and call up Iraq every day or carry on conversations on the e-mail, and every so often little junior gets on the line and says: "Daddy, come home."

I would think it has an impact upon one's mind. Are these things being considered?

Dr. BOEHM-DAVIS. Those issues are personnel issues and I believe that the agencies are looking at those. It's a little bit to the side of the work that I personally do, but I can look into that and get back to you with more information.

Senator INOUYE. Thank you very much.

Dr. BOEHM-DAVIS. Thank you.

Senator INOUYE. Now we have the Executive Vice President of the National Breast Cancer Coalition, Ms. Carolina Hinestrosa.

**STATEMENT OF CAROLINA HINESTROSA, EXECUTIVE VICE PRESIDENT, NATIONAL BREAST CANCER COALITION**

Ms. HINESTROSA. Thank you, Chairman Inouye and Senator Stevens, for the opportunity to talk to you about a program that has made a significant difference in the lives of women and their families.

I'm Carolina Hinestrosa, now a three-time breast cancer survivor. I testify today on behalf of the more than 3 million women living with breast cancer. There is no question that most of the progress in the fight against this disease has been made possible by the Appropriation Committee's investment in breast cancer research through the Department of Defense peer-reviewed breast

cancer research program. This program has launched new models of biomedical research that have benefited academia, other funding agencies, and both public and private institutions, and, most importantly, women. It has changed for the better the way research is performed and has been replicated by programs focused on other diseases, by other countries, and by the States.

To make sure this unprecedented progress moves forward, we ask that you support a separate $150 million appropriation for fiscal year 2009. In order to continue the success of the program, you must ensure that it maintains its integrity and separate identity in addition to the requested level of funding. This is important not just for breast cancer, but for all biomedical research that has benefited from this incredible Government program.

The hallmark of the Department of Defense peer-reviewed breast cancer research program is funding for innovative scientific ventures that represent an attempted avenue of investigation or novel applications of existing technologies. Many of the grant mechanisms developed by this program have later been adopted by the National Institutes of Health (NIH) and by other prestigious research programs, more recently the Howard Hughes Institute. This program has also funded unprecedented multi-disciplinary, multi-institution collaborations.

One example of the promising outcomes of research funded by the program was the development of the first monoclonal antibody targeted therapy, an unprecedented approach that prolongs the lives of women with a particularly aggressive type of breast cancer.

The DOD breast cancer research program is extremely efficient and accountable. Over 90 percent of funds allocated to date have gone directly to research. The program is also transparent, as one of the first to report its results regularly back to the public at a meeting called Era of Hope. The next Era of Hope is June 25 through June 28 this year in Baltimore, and we urge you and encourage you to participate.

The program is unique because it includes consumers as voting members of both the scientific peer review panels and the programmatic review panels, and consumers work alongside leaders in the scientific community in setting the vision for the program.

The competitive peer review process in which research proposals are reviewed first for scientific quality and then for programmatic relevance was developed by the Institute of Medicine (IOM). It has been reviewed favorably by the IOM on two separate occasions, in 1997 and 2004.

Chairman Inouye and Ranking Member Stevens, we have appreciated your personal support of this program in the past. I am hopeful that you and your subcommittee will continue that determination and leadership.

Thank you again for the opportunity to testify today and for giving hope to the 3 million women in the United States living with breast cancer and their daughters at risk.

Senator INOUYE. I thank you very much.

Ladies and gentlemen, in case you've forgotten, the author of the breast cancer research funding is the man sitting to my left, Senator Stevens. For that move he was highly criticized, not only by the Department of Defense, but by the medical profession, because

the question was what does Defense know anything about breast cancer? After all, there are just a few women in the Defense Department.

But he persisted and we've got some cures, I think. You can thank Senator Stevens.

Ms. HINESTROSA. Thank you very much.

Senator INOUYE. Now we'll have—give him a hand.

[The statement follows:]

PREPARED STATEMENT OF FRAN VISCO, J.D., PRESIDENT, NATIONAL BREAST CANCER COALITION

Thank you, Mr. Chairman and members of the Appropriations Subcommittee on Defense, for the opportunity to testify today about a Program that has made a significant difference in the lives of women and their families. I am Fran Visco, a 20-year breast cancer survivor, a wife and mother, a lawyer, and president of the National Breast Cancer Coalition (NBCC or Coalition). I come before you representing the hundreds of member organizations and thousands of individual members of the Coalition. NBCC is a grassroots organization dedicated to ending breast cancer through action and advocacy. The Coalition's main goals are to increase Federal funding for breast cancer research and collaborate with the scientific community to implement new models of research; improve access to high quality health care and breast cancer clinical trials for all women; and expand the influence of breast cancer advocates wherever breast cancer decisions are made.

You and your committee have shown great determination and leadership in funding the Department of Defense (DOD) peer-reviewed Breast Cancer Research Program (BCRP or Program) at a level that has brought us closer to eradicating this disease. Chairman Inouye and Ranking Member Stevens, we appreciate your longstanding personal support for this Program. I am hopeful that you and your committee will continue that determination and leadership.

I know you recognize the importance of this Program to women and their families across the country, to the scientific and health care communities and to the DOD. Much of the progress in the fight against breast cancer has been made possible by the Appropriations Committee's investment in breast cancer research through the DOD BCRP. This Program has launched new models of biomedical research that have benefited other agencies and both public and private institutions. It has changed for the better the way research is performed and has been replicated by programs focused on other diseases, by other countries and States. To support this unprecedented progress moving forward, we ask that you support a separate $150 million appropriation for fiscal year 2009. In order to continue the success of the Program, you must ensure that it maintain its integrity and separate identity, in addition to the requested level of funding. This is important not just for breast cancer, but for all biomedical research that has benefited from this incredible Government Program. In addition, as Institute of Medicine (IOM) reports concluded in 1997 and 2004, there continues to be excellent science that would go unfunded without this Program. It is only through a separate appropriation that this Program is able to continue to focus on breast cancer yet impact all other research. The separate appropriation of $150 million will ensure that this Program can rapidly respond to changes and new discoveries in the field and fill the gaps in traditional funding mechanisms.

Since its inception, this Program has matured into a broad-reaching influential voice forging new and innovative directions for breast cancer research and science. Despite the enormous successes and advancements in breast cancer research made through funding from the DOD BCRP, we still do not know what causes breast cancer, how to prevent it, or how to cure it. It is critical that innovative research through this unique Program continues so that we can move forward toward eradicating this disease.

OVERVIEW OF THE DOD BREAST CANCER RESEARCH PROGRAM

The DOD peer-reviewed BCRP has established itself as a model medical research program, respected throughout the cancer and broader medical community for its innovative, transparent, and accountable approach. The pioneering research performed through the Program has the potential to benefit not just breast cancer, but all cancers, as well as other diseases. Biomedical research is being transformed by the DOD BCRP's success.

This Program is both innovative and incredibly streamlined. It continues to be overseen by an integration panel including distinguished scientists and advocates, as recommended by the IOM. Because there is little bureaucracy, the Program is able to respond quickly to what is currently happening in the research community. Because of its specific focus on breast cancer, it is able to rapidly support innovative proposals that reflect the most recent discoveries in the field. It is responsive, not just to the scientific community, but also to the public. The flexibility of the Program has allowed the Army to administer it with unparalleled efficiency and effectiveness.

An integral part of this Program has been the inclusion of consumer advocates at every level. Breast cancer is not just a problem of scientists; it is a problem of people. Advocates bring a necessary perspective to the table, ensuring that the science funded by this Program is not only meritorious, but it is also meaningful and will make a difference in people's lives. The consumer advocates bring accountability and transparency to the process. Many of the scientists who have participated in the Program have said that working with the advocates has changed the way they approach research. Let me quote Dr. Michael Diefenbach of Mount Sinai School of Medicine:

"I have served as a reviewer for the Department of Defense's Breast and Prostate Cancer Review programs and I am a member of the behavioral study section for the National Cancer Institute . . . I find survivors or advocate reviewers as they are sometimes called bring a sense of realism to the review process that is very important to the selection and ultimately funding process of important research . . . Both sides bring important aspects to the review process and the selected projects are ultimately those that can fulfill scientific rigor and translatability from the research arena to clinical practice. I urge that future review panels include advocate reviewers in the review process."

Since 1992, over 585 breast cancer survivors have served on the BCRP peer review panels. As a result of this inclusion of consumers, the Program has created an unprecedented working relationship between the public, scientists, and the military, and ultimately has led to new avenues of research in breast cancer. The vital role of the advocates in the success of the BCRP has led to consumer inclusion in other biomedical research programs at DOD. This Program now serves as an international model.

It is important to note that the integration panel that designs this Program has a strategic plan for how best to spend the funds appropriated. This plan is based on the state of the science—both what scientists know now and the gaps in our knowledge—as well as the needs of the public. While this plan is mission driven, and helps ensure that the science keeps that mission—eradicating breast cancer—in mind, it does not restrict scientific freedom, creativity or innovation. The integration panel carefully allocates these resources, but it does not predetermine the specific research areas to be addressed.

UNIQUE FUNDING OPPORTUNITIES

The DOD BCRP research portfolio includes many different types of projects, including support for innovative ideas, networks to facilitate clinical trials, and training of breast cancer researchers.

Developments in the past few years have begun to offer breast cancer researchers fascinating insights into the biology of breast cancer and have brought into sharp focus the areas of research that hold promise and will build on the knowledge and investment we have made. The Innovative Developmental and Exploratory Awards (IDEA) grants of the DOD Program have been critical in the effort to respond to new discoveries and to encourage and support innovative, risk-taking research. Concept Awards support funding even earlier in the process of discovery. These grants have been instrumental in the development of promising breast cancer research by allowing scientists to explore beyond the realm of traditional research and unleash incredible new ideas. IDEA and Concept grants are uniquely designed to dramatically advance our knowledge in areas that offer the greatest potential. IDEA and Concept grants are precisely the type of grants that rarely receive funding through more traditional programs such as the National Institutes of Health and private research programs. They therefore complement, and do not duplicate, other Federal funding programs. This is true of other DOD award mechanisms also.

Innovator awards invest in world renowned, outstanding individuals rather than projects, by providing funding and freedom to pursue highly creative, potentially groundbreaking research that could ultimately accelerate the eradication of breast cancer. The Era of Hope Scholar Award supports the formation of the next genera-

tion of leaders in breast cancer research, by identifying the best and brightest scientists early in their careers and giving them the necessary resources to pursue a highly innovative vision of ending breast cancer.

These are just a few examples of innovative funding opportunities at the DOD BCRP that are filling gaps in breast cancer research. Scientists have lauded the Program and the importance of these award mechanisms. In 2005, Zelton Dave Sharp wrote about the importance of the Concept award mechanism:

"Our Concept grant has enabled us to obtain necessary data to recently apply for a larger grant to support this project. We could have never gotten to this stage without the Concept award. Our eventual goal is to use the technology we are developing to identify new compounds that will be effective in preventing and/or treating breast cancer . . . Equally important, however, the DOD BCRP does an outstanding job of supporting graduate student trainees in breast cancer research, through training grants and pre-doctoral fellowships . . . The young people supported by these awards are the lifeblood of science, and since they are starting their training on projects relevant to breast cancer, there is a high probability they will devote their entire careers to finding a cure. These young scientists are by far the most important "products" that the DOD BCRP produces."

Zelton Dave Sharp,
Associate Professor, Interim Director/Chairman,
Institute of Biotechnology/Dept. Molecular Medicine,
University of Texas Health Science Center (August 2005)

The DOD BCRP also focuses on moving research from the bench to the bedside. DOD BCRP awards are designed to fill niches that are not addressed by other federal agencies. The BCRP considers translational research to be the application of well-founded laboratory or other pre-clinical insight into a clinical trial. To enhance this critical area of research, several research opportunities have been offered. Clinical Translational Research Awards have been awarded for investigator-initiated projects that involve a clinical trial within the lifetime of the award. The BCRP has expanded its emphasis on translational research by also offering five different types of awards that support work at the critical juncture between laboratory research and bedside applications.

The Centers of Excellence award mechanism brings together the world's most highly qualified individuals and institutions to address a major overarching question in breast cancer research that could make a significant contribution towards the eradication of breast cancer. Many of these centers are working on questions that will translate into direct clinical applications. These centers include the expertise of basic, epidemiology and clinical researchers, as well as consumer advocates.

Dr. John Niederhuber, now the Director of the National Cancer Institute, said the following about the Program when he was Director of the University of Wisconsin Comprehensive Cancer Center in April, 1999:

"Research projects at our institution funded by the Department of Defense are searching for new knowledge in many different fields including: identification of risk factors, investigating new therapies and their mechanism of action, developing new imaging techniques and the development of new models to study [breast cancer] . . . Continued availability of this money is critical for continued progress in the nation's battle against this deadly disease."

Scientists and consumers agree that it is vital that these grants continue to support breast cancer research. To sustain the Program's momentum, $150 million for peer-reviewed research is needed in fiscal year 2009.

SCIENTIFIC ACHIEVEMENTS

One of the most promising outcomes of research funded by the DOD BCRP was the development of the first monoclonal antibody targeted therapy that prolongs the lives of women with a particularly aggressive type of advanced breast cancer. This drug could not have been developed without first researching and understanding the gene known as HER-2/neu, which is involved in the progression of some breast cancers. Researchers found that over-expression of HER-2/neu in breast cancer cells results in very aggressive biologic behavior. The same researchers demonstrated that an antibody directed against HER-2/neu could slow the growth of the cancer cells that over-expressed the gene. This research, which led to the development of the targeted therapy, was made possible in part by a DOD BCRP-funded infrastructure grant. Other researchers funded by the DOD BCRP are identifying similar kinds of genes that are involved in the initiation and progression of cancer.

Another example of innovation in the Program is in the area of imaging. One DOD BCRP awardee developed a new use for medical hyperspectral imaging (MHSI) technology. This work demonstrated the usefulness of MHSI as a rapid, noninvasive, and cost-effective evaluation of normal and tumor tissue during a real-time operating procedure. Application of MHSI to surgical procedures has the potential to significantly reduce local recurrence of breast tumors and may facilitate early determination of tumor malignancy.

Studies funded by the DOD BCRP are examining the role of estrogen and estrogen signaling in breast cancer. For example, one study examined the effects of the two main pathways that produce estrogen. Estrogen is often processed by one of two pathways; one yields biologically active substances while the other does not. It has been suggested that women who process estrogen via the biologically active pathway may be at higher risk of developing breast cancer. This research will yield insights into the effects of estrogen processing on breast cancer risk in women with and without family histories of breast cancer.

Another example of success from the Program is a study of sentinel lymph nodes (SLNs). This study confirmed that SLNs are indicators of metastatic progression of disease. The resulting knowledge from this study and others has led to a new standard of care for lymph node biopsies. If the first lymph node is negative for cancer cells, then it is unnecessary to remove all the lymph nodes. This helps prevent lymphodema which can be painful and have lasting complications.

FEDERAL MONEY WELL SPENT

The DOD BCRP is as efficient as it is innovative. In fact, 90 percent of funds go directly to research grants. The flexibility of the Program allows the Army to administer it in such a way as to maximize its limited resources. The Program is able to quickly respond to current scientific advances and fulfills an important niche by focusing on research that is traditionally under-funded. This was confirmed and reiterated in two separate IOM reports released in 1997 and 2004. The areas of focus of the DOD BCRP span a broad spectrum and include basic, clinical, behavioral, environmental sciences, and alternative therapy studies, to name a few. The BCRP benefits women and their families by maximizing resources and filling in the gaps in breast cancer research.

The Program is responsive to the scientific community and to the public. This is evidenced by the inclusion of consumer advocates at both the peer and programmatic review levels. The consumer perspective helps the scientists understand how the research will affect the community and allows for funding decisions based on the concerns and needs of patients and the medical community.

The outcomes of the BCRP-funded research can be gauged, in part, by the number of publications, abstracts/presentations, and patents/licensures reported by awardees. To date, there have been more than 11,700 publications in scientific journals, more than 12,000 abstracts and nearly 550 patents/licensure applications. The American public can truly be proud of its investment in the DOD BCRP. Scientific achievements that are the direct result of the DOD BCRP grants are undoubtedly moving us closer to eradicating breast cancer.

INDEPENDENT ASSESSMENTS OF PROGRAM SUCCESS

The success of the DOD peer-reviewed BCRP has been illustrated by several unique assessments of the Program. The IOM, which originally recommended the structure for the Program, independently re-examined the Program in a report published in 1997. They published another report on the Program in 2004. Their findings overwhelmingly encouraged the continuation of the Program and offered guidance for program implementation improvements.

The 1997 IOM review of the DOD peer-reviewed BCRP commended the Program, stating, "the Program fills a unique niche among public and private funding sources for cancer research. It is not duplicative of other programs and is a promising vehicle for forging new ideas and scientific breakthroughs in the Nation's fight against breast cancer." The 2004 report spoke to the importance of the program and the need for its continuation.

TRANSPARENT AND ACCOUNTABLE TO THE PUBLIC

The DOD peer-reviewed Breast Cancer Research Program not only provides a funding mechanism for high-risk, high-return research, but also reports the results of this research to the American people every 2 to 3 years at a public meeting called the Era of Hope. The 1997 meeting was the first time a federally-funded program reported back to the public in detail not only on the funds used, but also on the research undertaken, the knowledge gained from that research and future directions

to be pursued. The fifth Era of Hope meeting will be held in Baltimore, Maryland, June 25–28, 2008.

The DOD peer-reviewed Breast Cancer Research Program has attracted scientists across a broad spectrum of disciplines, launched new mechanisms for research and facilitated new thinking in breast cancer research and research in general. A report on all research that has been funded through the DOD BCRP is available to the public. Individuals can go to the DOD website and look at the abstracts for each proposal at http://cdmrp.army.mil/bcrp/.

COMMITMENT OF THE NATIONAL BREAST CANCER COALITION

The NBCC is strongly committed to the DOD BCRP in every aspect, as we truly believe it is one of our best chances for finding cures for and ways to prevent breast cancer. The Coalition and its members are dedicated to working with you to ensure the continuation of funding for this Program at a level that allows this research to forge ahead. From 1992, with the launch of our "300 Million More Campaign" that formed the basis of this Program, until now, NBCC advocates have appreciated your support.

Over the years, our members have shown their continuing support for this Program through petition campaigns, collecting more than 2.6 million signatures, and through their advocacy on an almost daily basis around the country asking for support of the DOD BCRP.

There are 3 million women living with breast cancer in this country today. This year, more than 40,000 will die of the disease and more than 240,000 will be diagnosed. We still do not know how to prevent breast cancer, how to diagnose it truly early or how to cure it. It is an incredibly complex disease. We simply cannot afford to walk away from this program.

This April many of the women and family members who support this program came to NBCC's Annual Advocacy Training Conference here in Washington, DC. More than 600 breast cancer activists from across the country, representing groups in their communities and speaking on behalf of tens of thousands of others, were here as part of our efforts to end breast cancer. The overwhelming interest in and dedication to eradicating this disease continues to be evident as people not only are signing petitions, but are willing to come to Washington, DC, from across the country to tell their members of Congress about the vital importance of continuing the DOD BCRP.

Since the very beginning of this Program in 1992, Congress has stood with us in support of this important investment in the fight against breast cancer. In the years since, Chairman Inouye and Ranking Member Stevens, you and this entire committee have been leaders in the effort to continue this innovative investment in breast cancer research.

NBCC asks you, the Defense Appropriations Subcommittee, to recognize the importance of what has been initiated by the Appropriations Committee. You have set in motion an innovative and highly efficient approach to fighting the breast cancer epidemic. We ask you now to continue your leadership and fund the Program at $150 million and maintain its integrity. This is research that will help us win this very real and devastating war against a cruel enemy.

Thank you again for the opportunity to submit testimony and for giving hope to all women and their families, and especially to the 3 million women in the United States living with breast cancer.

Senator INOUYE. Now may I call on the next panel, made up of Dr. Levine, Mr. Carlebach, Mr. Davis, and Mr. Rick Jones.

Our next witness is the past President of the American Society of Tropical Medicine and Hygiene, American Society of Tropical Medicine and Hygiene, Dr. Myron M. Levine.

**STATEMENT OF MYRON M. LEVINE, M.D., D.P.P.H., PAST PRESIDENT, ON BEHALF OF THE AMERICAN SOCIETY OF TROPICAL MEDICINE AND HYGIENE**

Dr. LEVINE. Thank you, Mr. Chairman, Ranking Member Stevens, and members of the subcommittee. I welcome the opportunity to testify before you on behalf of the American Society of Tropical Medicine and Hygiene, or ASTMH. I commend the subcommittee for its attention to the vital issue of research on infectious diseases

of military importance and the role of that research in protecting our troops deployed abroad.

I'm a physician, an infectious disease consultant and epidemiologist, and, as you mentioned, have served in the past as president of our society, the world's largest professional membership organization dedicated to the prevention and control of tropical diseases.

On behalf of our membership, I'd like to make a plea for assuring adequate funding for the DOD's infectious disease research programs, in particular malaria research. Because the U.S. military operates in so many tropical and developing regions of the globe, preventing or being able to promptly diagnose and treat tropical diseases is often critical to mission success. For this reason, and based on the lessons learned from decades of deployments and military operations in tropical regions, the U.S. military has historically played a pivotal role in the development of anti-malarial drugs and research on malaria vaccines. Several widely used anti-malarial drugs were originally developed by U.S. military researchers.

Similarly, for three decades the U.S. Army and Navy research teams have been at the forefront of malaria vaccine research. The new drugs to treat and vaccines to prevent malaria that are derived from the research and development efforts of U.S. military investigators will also be available to protect U.S. civilian travelers to developing areas, and in some instances they may be useful for preventing malaria in indigenous populations, particularly young children in endemic areas.

The consequence that inadequate prevention of malaria can have on a U.S. military deployment was highlighted a few years ago during a small peacekeeping operation in Liberia in 2003. Of 157 marines who spent one or more nights ashore during this operation, nearly one-half contracted malaria, and nearly one-half of those had to be emergency air-evacuated to Germany, where many ended up in intensive care units.

We need to assure that malaria vaccines will complete their development and become licensed as soon as possible, and that new drugs will come into the armamentarium to treat malaria caused by parasites that are resistant to currently available drugs.

Malaria vaccine research in 2006, the last year for which we have data, was approximately $27.8 million. We're concerned that this funding level is not commensurate with the health threat that this disease poses to military operations. Therefore, we respectfully request that the subcommittee increase funding for malaria vaccine and new drug research to a minimum level of $30 million for fiscal year 2009. We also request that subsequent annual increases be planned so that by fiscal year 2015 funding will reach at least $76.6 million.

These increases will support programs that will help ensure that our troops are protected from malaria when they serve our Nation overseas.

Mr. Chairman, Ranking Member Stevens, subcommittee members, I thank you for the opportunity to speak today on behalf of the ASTMH.

[The statement follows:]

PREPARED STATEMENT OF MYRON M. LEVIN

*Overview*.—The American Society of Tropical Medicine and Hygiene (ASTMH or Society) appreciates the opportunity to submit written testimony to the Senate Defense Appropriations subcommittee. With nearly 3,500 members, ASTMH is the world's largest professional membership organization dedicated to the prevention and control of tropical diseases. We represent, educate, and support tropical medicine scientists, physicians, clinicians, researchers, epidemiologists, and other health professionals in this field.

As part of our efforts, we advocate implementation and funding of Federal programs that address the prevention and control of infectious diseases that are leading causes of death and disability in the developing world, and which pose threat to U.S. citizens. Priority diseases include malaria, Dengue fever, Ebola, cholera, and tuberculosis. Because the military operates in and deploys to so many tropical regions, reducing the risk that tropical diseases present to service men and women is often critical to mission success.

For this reason, we respectfully request that the subcommittee expand funding for military malaria research and control initiatives, providing the following allocations in the fiscal year 2009 defense appropriations bill to support the military's readiness for tropical disease threats.

—$30 million to support efforts to develop a vaccine against malaria and to develop new anti-malaria drugs to replace older drugs that are losing their effectiveness as a result of parasite resistance.

ASTMH also requests that there are consistent increases in the overall funding level for Department of Defense (DOD) malaria research programs that, along with subsequent annual increases, results in $76.6 million in funding by fiscal year 2015.

We very much appreciate the subcommittee's consideration of our views, and we stand ready to work with subcommittee members and staff on these and other important tropical disease matters.

*ASTMH*.—ASTMH plays an integral and unique role in the advancement of the field of tropical medicine. Its mission is to promote global health by preventing and controlling tropical diseases through research and education. As such, the Society is the principal membership organization representing, educating, and supporting tropical medicine scientists, physicians, researchers, and other health professionals dedicated to the prevention and control of tropical diseases. Our members reside in 46 States and the District of Columbia and work in a myriad of public, private, and non-profit environments, including academia, the U.S. military, public institutions, Federal agencies, private practice, and industry.

The Society's long and distinguished history goes back to the early 20th century. The current organization was formed in 1951 with the amalgamation of the National Malaria Society and the American Society of Tropical Medicine. Over the years, the Society has counted many distinguished scientists among its members, including Nobel laureates. ASTMH and its members continue to have a major impact on the tropical diseases and parasitology research carried out around the world.

*Tropical Medicine and Tropical Diseases*.—The term "tropical medicine" refers to the wide-ranging clinical work, research, and educational efforts of clinicians, scientists, and public health officials with a focus on the diagnosis, mitigation, prevention, and treatment of diseases prevalent in the areas of the world with a tropical climate. Most tropical diseases are located in either sub-Saharan Africa, parts of Asia (including the Indian subcontinent), or Central and South America. Many of the world's developing nations are located in these areas; thus tropical medicine tends to focus on diseases that impact the world's most impoverished individuals.

The field of tropical medicine encompasses clinical work treating tropical diseases, work in public health and public policy to prevent and control tropical diseases, basic and applied research related to tropical diseases, and education of health professionals and the public regarding tropical diseases.

Tropical diseases are illnesses that are caused by pathogens that are prevalent in areas of the world with a tropical climate. These diseases are caused by viruses, bacteria, and parasites which are spread through various mechanisms, including airborne routes, sexual contact, contaminated water and food, or an intermediary or "vector"—frequently an insect (e.g., a mosquito)—that transmits a disease between humans in the process of feeding.

*Malaria*.—Malaria is highly treatable and preventable. The tragedy is that despite this, malaria is one of the leading causes of death and disease worldwide. According to the CDC, as many as 2.7 million individuals die from malaria each year, with 75 percent of those deaths occurring in African children. In 2002, malaria was the fourth leading cause of death in children in developing countries, causing 10.7 percent of all such deaths. Malaria-related illness and mortality extract a significant

human toll as well as cost Africa's economy $12 billion per year perpetuating a cycle of poverty and illness. Nearly 40 percent of the world's population lives in an area that is at high risk for the transmission of malaria.

TROPICAL DISEASE CONTROL AND PREVENTION: A KEY COMPONENT OF MILITARY PREPAREDNESS

Service men and women constitute a significant proportion of the healthy adults traveling each year to malarial regions on behalf of the U.S. Government. For this reason, the U.S. military has long taken a primary role in the development of anti-malarial drugs, and many of the most effective and widely used anti-malarials were developed by U.S. military researchers. Drugs that have saved countless lives throughout the world were originally developed by the U.S. military to protect troops serving in tropical regions during World War II, the Vietnam War, and the Korean War.

Fortunately, in recent years the broader international community has stepped up its efforts to reduce the impact of malaria in the developing world, particularly by reducing childhood malaria mortality, and the U.S. military is playing an important role in this broad partnership. The U.S. military also makes significant contributions to the global effort to develop a malaria vaccine. But military malaria researchers are working practically alone in the area most directly related to U.S. national security: drugs designed to protect or treat healthy adults who travel to regions endemic to malaria. These drugs benefit everyone living or traveling in the tropics but are particularly essential to the United States for the protection of forces from disease during deployments.

Unfortunately, the prophylaxis and treatments currently given to U.S. service men and women are losing their effectiveness, and increased Federal support is required to develop their replacements. Drugs such as Chloroquine-Primaquine and Mefloquine that are used to prevent or treat malaria in healthy adults are declining in efficacy. The reasons vary, but the result is the same: the U.S. Government is increasingly unable to send personnel to regions endemic to malaria without a significant risk that many of them will become seriously ill. Similarly, the residents of regions endemic to malaria are finding that existing drugs are no longer as effective at preventing or treating malaria.

"Malaria has affected almost all military deployments since the American Civil War and remains a severe and ongoing threat."——From "Battling Malaria: Strengthening the U.S. Military Malaria Vaccine Program", Institute of Medicine (IOM) Report, 2006

As the IOM notes in the 2006 report quoted above, current malaria prevention strategies are inadequate. The most recent and dramatic example of this as it relates to military readiness was in 2003 when a small U.S. peacekeeping force was deployed to Liberia. Of the 157 marines who spent at least one night ashore during this operation, 69 developed malaria, despite being supplied with anti-malarials. Half of the infected Marines had to be evacuated by air to Germany. The 1993 operation "Restore Hope" in Somalia was also impacted by high malaria incidence among U.S. troops. If new drugs are not developed soon, U.S. operations in sub-Saharan Africa and some parts of Southeast Asia will increasingly be at-risk for significant disease casualties.

To ensure that as many American soldiers as possible are protected from tropical and other diseases, Congress provides funding each year to support DOD programs focused on the development of vaccines and drugs for priority infectious disease. To that end, the Walter Reed Army Institute of Research and Naval Medical Research Center—which are co-located in the Inouye Building in Silver Spring, Maryland—coordinates one of the world's premier tropical disease research programs. These entities contributed to the development of the gold standard for experimental malaria immunization of humans, and the most advanced and successful vaccine and drugs current being deployed around the world.

The need to develop new and improved malaria prophylaxis and treatment for U.S. service members is not yet a crisis, but it would quickly become one if the United States were to become involved in a large deployment to a country or region where malaria is endemic, especially sub-Saharan Africa. Fortunately, a relatively tiny amount of increased support for this program would restore the levels of research and development investment required to produce the drugs that will safeguard U.S. troops from malaria. In terms of the overall DOD budget, that malaria research program's funding is small—approximately $27.8 million in fiscal year 2006—but very important. Cutting funding for this program would deal a major blow to the military's work to reduce the impact of malaria on soldiers and civilians

alike, thereby undercutting both the safety of troops deployed to tropical climates, and the health of civilians in those regions.

REQUESTED MALARIA-RELATED ACTIVITIES AND FUNDING LEVELS

ASTMH maintains that the battle against malaria requires funding for a comprehensive approach to disease control including public health infrastructure improvements, mosquito abatement initiatives, and increased availability of existing anti-malarial drugs. In addition, research must continue to develop new anti-malarial drugs and better diagnostics, and to identify an effective malaria vaccine. Much of this important research currently is underway at the DOD. Additional funds and a greater commitment from the Federal Government are necessary to make progress in malaria prevention, treatment, and control.

In fiscal year 2006, the DOD spent only $27.8 million annually for malaria vaccine research, this despite the fact that malaria historically has been a leading cause of troop impairment and continues to be a leading cause of death worldwide. A more substantial investment will help to protect American soldiers and potentially save the lives of millions of individuals around the world. As noted previously, we respectfully request that the subcommittee support the following funding levels:

—$30 million to support efforts to develop a vaccine against malaria and to develop new anti-malaria drugs to replace older drugs that are losing their effectiveness as a result of parasite resistance.

ASTMH also requests that there are consistent increases in overall funding level for Department of Defense malaria research programs that, along with subsequent annual increases, results in $76.6 million in funding by fiscal year 2015.

*Conclusion*.—Thank you for your attention to these important but often overlooked military readiness matters. We know that you face many challenges in choosing funding priorities and we hope that you will provide the requested fiscal year 2009 resources to those programs identified above. ASTMH appreciates the opportunity to share its views, and we thank you for your consideration of our requests.

Senator INOUYE. Thank you very much, Dr. Levine.

Senator Stevens and I come from the old generation where we were prescribed atabrine. I believe that was the medicine they called it. Atabrine?

Dr. LEVINE. Yes.

Senator INOUYE. How does it compare to the vaccine that you speak of?

Dr. LEVINE. Well, when we have the vaccine that fills the criteria for protection of troops, for the ideal vaccine there will not be need for chemoprophylaxis. The problem with chemoprophylaxis is the need for the line officers to make sure that the drug, no matter how good it is, is taken on the appropriate schedule, and also there are supply issues. With the vaccine, this is something that would be done predeployment and protection would come from the immunization.

Senator INOUYE. When will it be available under your scheme?

Dr. LEVINE. Very good question. A first generation of vaccines, in great part based on research carried out at Walter Reed and at the Naval Medical Research Center, is expected to be licensed about 2013 or 2014. That'll be a first generation.

There is also the beginning of another vaccine, again coming out of research with a military history, and that would probably be later, perhaps 2017 or so.

Senator STEVENS. When will that be—how long will it be effective?

Dr. LEVINE. The first generation vaccines may have a high level efficacy of only about 6 months. But the improved ultimate vaccine would have efficacy that would go more than 1 year, perhaps 2 years.

Senator STEVENS. Well, I took atabrine for at least 18 months and turned a little bit yellow, but it worked. What about, didn't the marines have atabrine?

Dr. LEVINE. There was medication available, but there was not good compliance with taking of the anti-malarials.

Senator STEVENS. So half of them got sick with malaria in that short a period?

Dr. LEVINE. Yes. In West Africa malaria is highly, highly seasonal.

Senator STEVENS. Someone should have been courtmartialed.

Thank you very much.

Senator INOUYE. Well, our next witness is the Ovarian Cancer National Alliance representative, Mr. Mark Carlebach.

**STATEMENT OF MARK CARLEBACH ON BEHALF OF THE OVARIAN CANCER NATIONAL ALLIANCE**

Mr. CARLEBACH. Mr. Chairman and Senator Stevens: Thank you for the opportunity to testify before you today about the ovarian cancer research program at the DOD. My name is Mark Carlebach and my wife Lacey Gallagher was diagnosed with ovarian cancer on February 5, 2005. Lacey was one of the small percent of women diagnosed early with stage 1–C ovarian cancer. Unfortunately, her ovarian cancer was of a particularly aggressive and chemo-resistant type known as clear cell ovarian cancer. Lacey was in remission for almost 2 years after her original diagnosis, but it recurred in July 2007 with metastases to her lungs.

Lacey was the most determined and courageous person I've ever known. Nonetheless, despite her incredible efforts, that involved diet, supplements, many investigational approaches that she pursued, in addition to two surgeries, radiation, and several chemotherapy protocols, Lacey died of ovarian cancer on February 27, 2008, less than 37 months after her original early diagnosis. She was 45.

Lacey felt strongly that awareness and support for curing ovarian cancer should reflect ovarian cancer's mortality rate and not merely its incidence rate. While ovarian cancer might not be as common as other forms of cancer, its mortality rate is particularly high and requires more funding as a result.

Through Lacey's efforts with the Ovarian Cancer National Alliance (OCNA), Lacey had hoped to make this argument herself, but never recovered sufficiently to be as active an ovarian cancer cure advocate as she had hoped. I am honored to be here today to speak as a representative for my most amazing wife, Lacey, who cannot be here herself.

As much as anything, Lacey saw herself as an analyst. Before she died, Lacey suggested that the OCNA prepare the following statistics to support her thesis that spending for ovarian cancer is disproportionately low if you use its mortality rate rather than its incidence rate as a basis for funding decisions. Here is what the OCNA came up with.

First, last year the congressionally directed medical research programs funded $138 million for breast cancer research, $80 million for prostate cancer research, and $10 million for ovarian cancer research. All of these diseases are terrible and it's hard to say that

any deserves less funding. Still, if you look at these numbers as a dollar of investment for each cancer death, you would see that this funding represents $3,000 for each cancer—for each breast cancer or prostate cancer death, but only $650 for each ovarian cancer death.

In other words, the congressionally directed medical program, research programs, spent four and one-half times the amount per death for breast and prostate cancer than it did on ovarian cancer.

In other Federal programs we see similar statistics. The overall amount spent on breast cancer is more than $18,000, on prostate cancer is more than $14,000, and on cervical cancer is more than $26,000. The amount of money spent on ovarian cancer, in contrast, was less than $7,500.

When Lacey was first diagnosed, I tried to comfort her with assurances that researchers were working on treatments and a cure. With just a little time and luck, I hoped Lacey would benefit from these efforts. She was an optimistic person by nature, but challenged me with the sobering fact that ovarian cancer is relatively rare, with less research and fewer cures on the horizon as a result.

One way to compensate for this is to at least consider the number of deaths from a particular disease as a basis for normalizing your funding decisions. We therefore—I'm joining with the ovarian cancer community in respectfully requesting that Congress provide $25 million for the ovarian cancer research program, OCRP, in fiscal year 2009 as part of the Federal Government's investment in the DOD congressionally directed medical research programs.

Thank you for your support in the past and in this effort in the future.

[The statement follows:]

PREPARED STATEMENT OF MARK CARLEBACH

I thank the subcommittee for this opportunity to submit comments for the record regarding the Ovarian Cancer National Alliance (Alliance) fiscal year 2009 funding recommendations. We believe these recommendations are critical to ensure that advances can be made to help reduce and prevent suffering from ovarian cancer.

I am here through the Alliance, which advocates for continued Federal investment in the Department of Defense Congressionally Directed Medical Research Programs (CDMRP). The Alliance respectfully requests that Congress provide $25 million for the Ovarian Cancer Research Program (OCRP) in fiscal year 2009.

OVARIAN CANCER'S DEADLY STATISTICS

According to the American Cancer Society, in 2008, more than 21,000 American women will be diagnosed with ovarian cancer, and more than 15,000 will lose their lives to this terrible disease. Ovarian cancer is the fifth leading cause of cancer death in women. Currently, more than half of the women diagnosed with ovarian cancer will die within 5 years. When detected early, the 5-year survival rate increases to more than 90 percent, but when detected in the late stages, the 5-year survival rate drops to less than 29 percent.

In the more than 30 years since the war on cancer was declared, ovarian cancer mortality rates have not significantly improved. A valid and reliable screening test—a critical tool for improving early diagnosis and survival rates—still does not exist for ovarian cancer. Behind the sobering statistics are the lost lives of our loved ones, colleagues and community members. While we have been waiting for the development of an effective early detection test, thousands of our mothers, daughters, sisters, and friends—including one-third of our founding board members have lost their battle with ovarian cancer.

Last year a number of prominent cancer organizations released a consensus statement about ovarian cancer identifying the early warning symptoms of ovarian cancer. Without a reliable diagnostic test, we can rely only on this set of vague symp-

toms of a deadly disease, and trust that both women and the medical community will identify these symptoms and act promptly and quickly. Unfortunately, we know that this does not always happen. Too many women are diagnosed late due to the lack of a test; too many women and their families endure life-threatening and debilitating treatments to kill cancer; too many women are lost to this horrible disease.

THE OVARIAN CANCER RESEARCH PROGRAM

The aim of the OCRP is to conquer ovarian cancer by promoting innovative multidisciplinary research efforts on understanding, detecting, preventing, diagnosing, and controlling ovarian cancer. In support of this, the OCRP has distributed $111.7 million from 1997 to 2007 for research on topics ranging from diagnosis to treatment to quality of life.

Since 1997, research conducted through the OCRP has been published and presented widely, helping bolster and expand the limited body of scientific knowledge of ovarian cancer. Further, the program attracts and retains investigators to the field of ovarian cancer research. The OCRP has ample use for increased funds; in fiscal year 2005, the program funded less than 15 percent of the successful research proposals due to insufficient funds. Only with increased funding can the OCRP grow and continue to contribute to the fight against ovarian cancer.

Today, ovarian cancer researchers are still struggling to develop the first ovarian cancer screening test. With traditional research models largely unsuccessful, the innovative grants awarded by the OCRP are integral in moving the field of research forward. The OCRP has been responsible for the only two working animal models of ovarian cancer—models that will help unlock keys to diagnosing and treating ovarian cancer. In 2007, researchers announced the discovery of a potential biomarker that may be used on ovarian cancer screening. Only with sufficient funding will the realization of a desperately-needed screening test be possible.

The OCRP has received a $10 million appropriation for the past 6 years. The OCRP is a modest program compared to the other cancer programs in the CDMRP, and has made vast strides in fighting ovarian cancer with relatively few resources. With more resources, the program can support more research into screening, early diagnosis and treatment of ovarian cancer. In light of this, we request that Congress appropriate $25 million for fiscal year 2009 to the OCRP.

SCIENTIFIC ACHIEVEMENTS

Since its inception, the OCRP has developed a multidisciplinary research portfolio that encompasses etiology, prevention, early detection/diagnosis, preclinical therapeutics, quality-of-life, and behavioral research projects. The OCRP strengthens the Federal Government's commitment to ovarian cancer research and supports innovative and novel projects that propose new ways of examining prevention, early detection and treatment. The program also attracts new investigators into ovarian cancer research, and encourages proposals that address the needs of minority, elderly, low-income, rural, and other under-represented populations.

The program's achievements have been documented in numerous ways, including 371 publications, 431 abstracts/presentations and, 15 patents applied for/obtained. The program also has introduced and supported 25 new investigators in the field of ovarian cancer research, 18 of whom are still active in ovarian cancer research. Investigators funded through the OCRP have produced several crucial breakthroughs in the study of prevention and detection, including: recent research has focused on immunotherapy, ovarian cancer stem cells, and the microtumor environment.

SUMMARY

On behalf of the entire ovarian cancer community—patients, family members, clinicians, and researchers—I thank you for your leadership and support of Federal programs that seek to reduce and prevent suffering from ovarian cancer. Thank you in advance for your support of $25 million in fiscal year 2009 funding for the Ovarian Cancer Research Program.

Senator INOUYE. This is a personal matter, but my wife of 57 years was infected or afflicted with ovarian cancer and she passed away 27 months ago.

Mr. CARLEBACH. Sorry to hear that.

Senator INOUYE. I know what you're going through.

Mr. CARLEBACH. Thank you.

Senator STEVENS. May I? The incidence of ovarian cancer, I know it's a terrible thing, but have you got any figures on the incidence of those people that are in the military? We really are dealing with treatment of military people in this bill. We also handle the NIH bill and I think that's where this emphasis should be for ovarian cancer.

Mr. CARLEBACH. I don't know the answer to your statistic, but I'll work with OCNA and get back to you on that.

Senator STEVENS. Thank you.

Senator INOUYE. Our next witness is the Director of the Legislative Programs of the Fleet Reserve Association, Mr. John R. Davis. Mr. Davis.

**STATEMENT OF JOHN R. DAVIS, DIRECTOR OF LEGISLATIVE PROGRAMS, THE FLEET RESERVE ASSOCIATION**

Mr. DAVIS. Mr. Chairman, Ranking Member Stevens: Thank you. The Fleet Reserve Association (FRA) wants to thank you and the entire subcommittee for your work to improve military pay, increase base allowance for housing, improve healthcare, and enhance other personal, retirement, and survivor programs.

This year, even with the $100 billion in supplemental appropriations, the United States will spend only 4 percent of its GDP on defense, as compared to 9 percent annually in the 1960s. We strongly support funding of anticipated increased end strengths in fiscal year 2009 to meet the demands of fighting the war on terror and sustaining other operational commitments.

The association is especially grateful for the inclusion of the wounded warrior assistance provisions as part of the fiscal year 2008 National Defense Authorization Act (NDAA).

Authorization is one thing; adequate funding is another, and FRA supports funding to effectively implement these badly needed reforms, adequate funding to provide for the people, training, and oversight mechanisms needed to restore confidence in the quality of care and service received by our wounded warriors and their families.

FRA also strongly supports adequate funding for the defense health program in order to meet readiness needs, fully fund TRICARE, and improve access for all beneficiaries. FRA strongly urges the subcommittee to restore the funding in lieu of the proposed TRICARE fee increases. FRA believes funding healthcare benefits for all beneficiaries is part of the cost of defending our Nation.

The association believes that the DOD must investigate and implement other options to make TRICARE more cost efficient as an alternative to shifting costs to retiree beneficiaries under age 65. That is why FRA supports the authorization of pilot programs for preventative healthcare for TRICARE beneficiaries under age 65 that are provided for in both the House and Senate versions of the NDAA. The association would welcome this subcommittee providing adequate funding to ensure success of this effort if it is authorized.

FRA supports annual active duty pay increases that are at least one-half a percent above the employment cost index and supports the 3.9 percent increase recommended in both the House and Sen-

ate versions of the defense authorization bills. Adequate pay contributes to improved morale, readiness, and retention. The value of adequate pay cannot be overstated. Better pay will reduce family stress, especially for junior enlisted, and reduce the need for military personnel to use short-term payday loans for those people who are unaware of the ruinous long-term impact of excessive interest rates.

Military pay and benefits must reflect the fact that military service is very different from work in the private sector. Also, reforming and updating the Montgomery GI bill for the reservists is an important issue to take into account on funding.

Again, thank you, Mr. Chairman and Ranking Member Stevens, for the opportunity to present the association's recommendations, and I stand ready to answer any questions you may have.

[The statement follows:]

PREPARED STATEMENT OF JOHN R. DAVIS

THE FRA

The Fleet Reserve Association (FRA) is the oldest and largest enlisted organization serving active duty, Reserves, retired, and veterans of the Navy, Marine Corps, and Coast Guard. It is congressionally chartered, recognized by the Department of Veterans Affairs (VA) as an accrediting Veteran Service Organization (VSO) for claim representation and entrusted to serve all veterans who seek its help.

FRA was established in 1924 and its name is derived from the Navy's program for personnel transferring to the Fleet Reserve or Fleet Marine Corps Reserve after 20 or more years of active duty, but less than 30 years for retirement purposes. During the required period of service in the Fleet Reserve, assigned personnel earn retainer pay and are subject to recall by the Secretary of the Navy.

FRA's mission is to act as the premier "watch dog" organization in maintaining and improving the quality of life for Sea Service personnel and their families. FRA is a leading advocate on Capitol Hill for enlisted active duty, Reserve, retired, and veterans of the Sea Services.

FRA is the co-chair of The Military Coalition (TMC) a 35-member consortium of military and veterans organizations. FRA hosts most TMC meetings and members of its staff serve in a number of TMC leadership roles, including co-chairing several committees.

FRA celebrated 83 years of service in November 2007. For over eight decades, dedication to its members has resulted in legislation enhancing quality of life programs for Sea Services personnel and other members of the Uniformed Services while protecting their rights and privileges. CHAMPUS, now TRICARE, was an initiative of FRA, as was the Uniformed Services Survivor Benefit Plan (USSBP). More recently, FRA led the way in reforming the REDUX Retirement Plan, obtaining targeted pay increases for mid-level enlisted personnel, and sea pay for junior enlisted sailors. FRA also played a leading role in obtaining predatory lending protections for servicemembers and their dependents in the fiscal year 2007 National Defense Authorization Act.

FRA's motto is: "Loyalty, Protection, and Service."

OVERVIEW

Mr. Chairman, ensuring that wounded troops, their families, and the survivors of those killed in action are cared for by a grateful Nation remains an overriding priority for the Fleet Reserve Association (FRA). The Association thanks you and the entire subcommittee for your strong and unwavering support of funding the Department of Defense (DOD) portion of the Wounded Warrior Assistance provisions in the fiscal year 2008 National Defense Authorization Act (NDAA). Another top FRA priority is full funding of the Defense Health Program (DHP) to ensure quality care for active duty, retirees, Reservists, and their families.

"The Administration's fiscal year 2009 budget would provide $541.1 billion in budget authority for national security which is 3.6 percent of Gross Domestic Product (GDP) not including war supplemental funding. Although the budget increases $10 billion a year through fiscal year 2013, it would actually decline in terms of

GDP to 3.2 percent in fiscal year 2013."[1] The defense budget is not only shrinking in terms of GDP but is also shrinking in comparison with domestic mandatory spending programs.

FRA believes this budget is woefully inadequate to fight a truly Global War on Terrorism (GWOT) and maintain other ongoing defense commitments. Even with supplemental war funding, the fiscal year 2009 Defense budget would total just over 4 percent of GDP. The Association supports a more robust financial commitment to the national defense and that is why FRA is supporting Senate Joint Resolution 26, sponsored by Senator Elizabeth Dole, which supports a base defense budget that at the very minimum totals 4 percent of GDP. This base line seems reasonable when compared to other time periods. From 1961–1963, the military consumed 9.1 percent of GDP annually. In 1986, the military consumed 6 percent of GDP and in 1991 (gulf war), the military consumed 4.6 percent of GDP. According to many experts, the active duty military has been stretched to the limit since 9/11/01.

Over the past several years, the Pentagon has been constrained in its budget, even as it has been confronted with rising personnel costs, aging weapon systems, worn out equipment, and dilapidated facilities.

This statement lists the concerns of our members, keeping in mind that the Association's primary goal is to endorse any positive safety programs, rewards, and quality of life improvements that support members of the Uniform Services, particularly those serving in hostile areas, and their families, and survivors.

WOUNDED WARRIORS

The good news is that over 90 percent of those wounded in combat in Iraq or Afghanistan survive and return home for treatment, as compared to 70 percent during the Vietnam conflict. The bad news is that they are overwhelming the medical system and uncovered flaws in a lethargic and overly bureaucratic system. A two-front war, a lengthy occupation and repeated deployments for many servicemembers has put a strain on the DOD/VA medical system that treats our wounded warriors. The system is being strained not only by volume but by the complexity of injuries and the military has shown that it is woefully inadequate in recognizing and treating cases of Traumatic Brain Injury (TBI) and Post Traumatic Stress Disorder (PTSD).

FRA is especially grateful for the inclusion of the Wounded Warrior Assistance provisions as part of the fiscal year 2008 National Defense Authorization Act. Key elements of the House and Senate-passed versions of the act, plus elements of the Dole-Shalala Commission recommendations establish new requirements to provide the people, training, and oversight mechanisms needed to restore confidence in the quality of care and service received by our wounded warriors and their families. Maintaining an effective delivery system between DOD and VA to ensure seamless transition and quality services for wounded personnel, particularly those suffering from PTSD and TBI.

Authorization is one thing—adequate funding is another and FRA supports:

—Adequate funding to allow DOD to improve care, management, and transition of seriously ill or injured warriors, including inpatients as well as out patients.
—Adequate funding to let DOD, in conjunction with VA, continue to work for improved care for PTSD and TBI.
—Adequate funding to require DOD, in conjunction with VA, to continue operations of the Senior Oversight Committee to oversee implementation of Wounded Warrior initiatives.
—Adequate funding to enable the joint DOD VA inter-agency create an effective and usable electronic health record.
—Adequate funding to provide a sufficient number of Wounded Warrior Recovery Coordinators, if authorized.

Many of these initiatives approach the jurisdictional boundaries of this distinguished subcommittee and some may even go beyond. These challenges not with standing, adequate funding is essential to helping our wounded warriors recover from their injuries in service to our Nation. The Association urges this subcommittee to work with other appropriations subcommittees to ensure sufficient funding for authorized programs that bridge jurisdictions to help our wounded warriors.

[1] *Backgrounder, The Fiscal Year 2009 Defense Budget Request: The Growing Gap in Defense Spending*, Heritage Foundation No. 2110, February 25, 2008.

HEALTH CARE

FRA strongly supports adequate funding for the Defense Health Program in order to meet readiness needs, fully fund TRICARE, and improve access for all beneficiaries regardless of age, status or location.

FRA supports adding $1.2 billion in funding to cover the cost of the drastic TRICARE fee increases proposed in the DOD fiscal year 2009 budget that have been rejected by both authorizing committees. The Association supports full funding for the Defense Health Program and believes that the Defense Department must investigate and implement other cost-savings options to make TRICARE more cost-efficient as alternatives to shifting costs for TRICARE Standard and other health care benefits to retiree beneficiaries.

Higher health care fees for retirees will significantly erode the value of retired pay, particularly for enlisted retirees who retired prior to larger and targeted recent pay adjustments enacted to close the pay gap. Military service is very different from work in the corporate world and requires service in often life-threatening duty assignments and the associated benefits offered in return must be commensurate with these realities.

The Association welcomes the Senate Armed Services Committee authorizing demonstration and pilot projects that will provide incentives for TRICARE beneficiaries' health promotions and urges this subcommittee to adequately fund these projects that have proven to save money over the long term.

FRA also supports the funding of other programs important to active duty, Reserve Component, and retired members of the Uniformed Services, their families, and survivors. The subcommittee's work has greatly improved military pay, eliminated out-of-pocket housing expenses, and enhanced other personnel, retirement, and survivor programs. This support is critical to maintaining readiness and is invaluable to our servicemembers and their families serving throughout the world fighting the global war on terror, sustaining other operational commitments and to fulfilling commitments to those who've served in the past.

PROTECT PERSONNEL PROGRAMS

*Active Duty Pay*.—FRA supports annual active duty pay increases that are at least 0.5 percent above the Employment Cost Index (ECI) along with targeted increases for mid-career and senior enlisted personnel to help close the remaining 3.4 percent pay gap between active duty and private sector pay.

FRA strongly supports the authorization and funding of a 3.9 percent fiscal year 2009 pay increase included in the Senate Armed Services Committee markup for the fiscal year 2009 Defense Authorization (S. 2787).

Adequate and targeted pay increases authorized in recent years, particularly for middle grade and senior petty and noncommissioned officers, have contributed to improved morale, readiness, and retention. Better pay reduces family stress, especially for junior enlisted and may reduce the need for military personnel use of short-term pay day loans unaware of the ruinous long-term impact of excessive interest rates.

Military pay and benefits must reflect the fact that military service is very different from work in the private sector.

*BRAC and Rebasing*.—Adequate resources are required to fund essential quality of life programs and services at bases impacted by the Base Realignment and Closure (BRAC) and rebasing initiatives. The House Armed Services Committee Readiness Subcommittee, during its mark up of the fiscal year 2009 Defense Authorization bill, noted that base-closing costs have increased by almost 50 percent and that expected savings have declined. FRA is also concerned about sustaining commissary access, MWR programs and other support for servicemembers and their families particularly at installations most impacted by these actions. These include Guam, where a significant number of marines and their families are being relocated from Okinawa. The shortage of funds is curtailing or closing some of the activities while the costs of participating in others have recently increased. Regarding Navy fitness centers, the biggest challenge is updating older fitness structures and providing the right equipment, and ensuring availability of trained staff.

*Family Readiness and Support*.—FRA supports funding for a family readiness and a robust support structure to enhance family cohesion and improve retention and recruitment. DOD and the services must provide information and education programs for families of our servicemembers. Spousal and family programs are being fine tuned and are successfully contributing to the well-being of this community. The Navy's Fleet and Family Centers and the Marines' Marine Corps Community Services (MCCS) and the family services programs are providing comprehensive, 24/7 information and referral services to the servicemember and family through its One

Source links. One Source is also particularly beneficial to mobilized Reservists and families who are unfamiliar with benefits and services available to them.

*Child and Youth Programs*.—MCPON Joe Campa testified before the House Appropriations Subcommittee on Military Construction and Veterans Affairs on February 7,2008, that there is a need for more childcare facilities with more than 8,000 children on annual waiting lists. The average waiting time for access is 6 months and up to 12 months in fleet concentration areas. "Parents are waiting too long for services and missing days from work due to lack of available childcare." Access to child care is important and FRA urges Congress to authorize adequate funding for this important program.

Other top Navy requirements are the need for more homeport/ashore barracks, and improved health care access via more providers in certain fleet concentration areas.

As an integral support system for mission readiness and deployments, it is imperative these programs be adequately funded and improved and expanded to address the needs of both married and single parents.

*Spousal Employment*.—The Association welcomes President Bush's State-of-the-Union speech recommending hiring preference for military spouses and urges Congress to continue its support of the military's effort to affect a viable spousal employment program and to authorize sufficient funds to assure the program's success. Today's all-volunteer environment requires the services to consider the whole family. FRA also supports provisions in the Senate Armed Services Committee Defense Authorization markup addressing spousal employment, which is important and can be a stepping-stone to retention of the servicemember—a key participant in the defense of this Nation.

*Active Duty and Reserve Component Personnel End Strengths*.—FRA strongly supports adequate end strengths to win the war on terror and to sustain other military commitments around the world. Inadequate end strengths increase stress on the military personnel and their families and contribute to greater reliance on the Reserve Component. FRA welcomes the administration's increase of 5,000 marines (from 189,000 to 194,000) and urges appropriations to cover the associated short- and long-term costs.

*Education Funding*.—FRA strongly supports funding for supplemental Impact Aid for 1,400 highly impacted school districts with military children. It is important to ensure our servicemembers, many serving in harm's way, have less concern about their children's education and more focus with the job at hand. Funding for Impact Aid has been flat for several years now. That is why the Association welcomes the additional $30 million of Impact Aid included in the Senate Defense Authorization bill, the $10 million in special assistance to local education agencies, and $5 million for children with severe disabilities.

*Reform of PCS Process*.—FRA appreciates that the long-delayed implementation of the Families First program which provides full replacement value reimbursements for damaged household goods moved during servicemembers' PCS relocations. This program and other authorized PCS reform initiatives must be adequately funded to ensure full implementation and the continuation of this program.

*Family Housing*.—The Association welcomes the $337 million increase for family housing from fiscal year 2008 to fiscal year 2009. It should be noted, however, that the fiscal year 2007 appropriation for family housing was more $800 million than the proposed fiscal year 2009 budget. Adequate military housing that's well maintained is critical to retention and morale.

RESERVE ISSUES

FRA stands foursquare in support of the Nation's Reservists. Due to the demands of the War on Terror, Reserve units are now increasingly being mobilized to augment active duty components. As a result of these operational demands, Reserve component is no longer a strategic Reserve but is now an operational Reserve that is an integral part of the total force. And because of these increasing demands on Reservists to perform multiple missions abroad over longer periods of time, it's essential to improve compensation and benefits to retain currently serving personnel and attract quality recruits.

*MGIB*.—FRA supports both "The Enhancement of Recruitment, Retention, and Readjustment Through Education Act" (S. 2938), and "The Post 9/11 Veterans Educational Assistance Act" (S.22). Both bills make substantial improvements to the Reserve MGIB program, and the Association urges the subcommittee to fully fund these increased Reserve benefits that may be authorized by the United States Senate. The increasing number and duration of deployments to fight the war on terror and sustain other operational commitments has put a strain on families and careers

of Reservists and more than justifies improved MGIB benefits that would provide needed recognition of this fact and enhance retention and recruitment.

*Retirement*.—If authorized, FRA supports funding retroactive eligibility for the early retirement benefit to include Reservists who have supported contingency operations since September 11, 2001. The fiscal year 2008 Defense Authorization Act (H.R. 4986) reduces the Reserve retirement age (age 60) by 3 months for each cumulative 90-days ordered to active duty. The provision, however, only applies to service after the effective date of the legislation, and leaves out more than 600,000 Reservists mobilized since 9/11 for Afghanistan and Iraq and to respond to natural disasters like Hurricane Katrina. About 142,000 of them have been deployed multiple times in the past 6 years.

*Family Readiness*.—FRA supports resources to allow increased outreach to connect Reserve families with support programs. This includes increased funding for family readiness, especially for those geographically dispersed, not readily accessible to military installations, and inexperienced with the military. Unlike active duty families who often live near military facilities and support services, most Reserve families live in civilian communities where information and support is not readily available. Congressional hearing witnesses have indicated that many of the half million mobilized Guard and Reserve personnel have not received transition assistance services they and their families need to make a successful transition back to civilian life.

CONCLUSION

FRA is grateful for the opportunity to present the organization's views to this distinguished subcommittee. The Association reiterates its profound gratitude for the extraordinary progress this subcommittee, with outstanding staff support, has made in advancing a wide range of enhanced benefits and quality-of-life programs for all uniformed services personnel, retirees, their families, and survivors.

Thank you.

Senator INOUYE. I thank you very much, sir. We do have a problem. Our latest numbers tell us that we're spending a little over $126,000 per person in the military per year, and the total cost for pay, benefits, and health for active duty personnel, $180 billion per year. So we're trying our best to do what we can to add to that, but, as you know, it's not that easy.

Yes, sir?

Mr. DAVIS. I just would like to respond. We fully understand that the cost of healthcare is going up in the military. It is also going up everywhere else. It's not just a military problem. We do support other measures, as I mentioned in the testimony and also more extensively in my written testimony. Other efforts we think should be made first to try and make the healthcare system more cost effective before shifting the cost to the retirees.

Thanks.

Senator INOUYE. Our next witness is the Legislative Director of the National Association of Uniformed Services, Mr. Rick Jones. Mr. Jones.

**STATEMENT OF RICK JONES, LEGISLATIVE DIRECTOR, NATIONAL ASSOCIATION FOR UNIFORMED SERVICES**

Mr. JONES. Thank you, Mr. Chairman. With the longest day, D-Day, June 6, 1944, just around the corner, it's an honor to testify before you two most distinguished World War II veterans. As proud as we are of the World War II generation, we are just as proud, perhaps as proud as any person could be, as any association could be, in what is going on today with the generation serving us overseas and around the globe and throughout America. What they do is vital to our security and the debt we owe them is enormous.

Mr. Chairman, quality healthcare is a very strong incentive for a military career. At a time when we are relying on our armed

forces, the DOD's recommendations to reduce military healthcare spending by $1.2 billion raises very serious questions and concerns. As you know, the DOD plans would double and even triple annual fees for retirees, and our association asks you to ensure full funding is provided to maintain the value of the healthcare benefit. What we ask is what is best for our service men and women, who have given a career in the armed services.

Mr. Chairman, the long war fought by an overstretched force gives us also a warning about force readiness. There are simply too many missions, too few troops. To sustain the service, we must recognize that an increase in troop strength is needed and it must be resourced.

We also ask that you give priority to funding operations and maintenance accounts to reset and recapitalize and renew the force.

Another matter of great interest to our members is the plan to realign and consolidate military health facilities in the National Capital Region, specifically Walter Reed Army Medical Center in Washington, DC. To maintain Walter Reed's base operations support and medical services and to ensure that they provide uninterrupted care to catastrophically wounded soldiers and marines, we request that funds be in place to ensure that Walter Reed remains open, fully operational, fully functional until the planned facilities at Bethesda and Fort Belvoir are in place and ready to give appropriate care. Our wounded warriors deserve the care that we provide and we hope that it can be resourced.

In a seamless transition, we ask that you maintain an oversight view on the DOD–VA electronic healthcare records and related coordination to ensure there is a bidirectional interoperable system, so that no one falls through the cracks. That shouldn't occur.

It is said of traumatic brain injury that it is a signature injury of the war, and indeed it is. There's a full spectrum of care available. We ask you to recognize that care and fully fund it.

We also encourage the subcommittee to ensure that funding for defense programs prosthetic research is adequate to support the full range of programs needed to meet the current healthcare challenges that our wounded warriors face.

The Uniformed Services Health University. We ask you to recognize that as the Nation's Federal school of medicine and graduate school of nursing. The care that comes out of that can help our military provide the doctors that are needed. We also ask you to ensure that the Armed Forces Retirement Home is funded.

We appreciate the opportunity you've given us to testify and thank you very much for your service and for your work here in the United States Senate. We deeply appreciate it.

[The statement follows:]

PREPARED STATEMENT OF RICK JONES

Chairman Inouye, Ranking Member Stevens, and members of the subcommittee, good morning. It is a pleasure to appear before you today to present the views of The National Association for Uniformed Services on the 2009 Defense appropriations bill.

My name is Richard "Rick" Jones, Legislative Director of the National Association for Uniformed Services (NAUS). And for the record, NAUS has not received any Federal grant or contract during the current fiscal year or during the previous 2 years in relation to any of the subjects discussed today.

As you know, Mr. Chairman, the National Association for Uniformed Services, founded in 1968, represents all ranks, branches, and components of uniformed services personnel, their spouses, and survivors. The Association includes all personnel of the active, retired, Reserve and National Guard, disabled veterans, veterans community, and their families. We love our country, believe in a strong national defense, support our troops, and honor their service.

Mr. Chairman, the first and most important responsibility of our Government is the protection of our citizens. As we all know, we are at war. That is why the Defense Appropriations bill is so very important. It is critical that we provide the resources to those who fight for our protection and our way of life. We need to give our courageous men and women everything they need to prevail. And we must recognize as well that we must provide priority funding to keep the promises made to the generations of warriors whose sacrifice has paid for today's freedom.

At the start, I want to express a NAUS concern about the amount of our investment in our national defense. At the height of the war on terror, our current defense budget represents only a little more than 4 percent of the gross national product, as opposed to the average of 5.7 percent of GNP in the peacetime years between 1940 and 2000.

We cannot look the other way in a time when we face such serious threats. Resources are required to ensure our military is fully staffed, trained, and equipped to achieve victory against our enemies. Leaders in Congress and the administration need to balance our priorities and ensure our defense in a dangerous world.

Here, I would like to make special mention of the leadership and contribution this panel has made in providing the resources and support our forces need to complete their mission. Defending the United States homeland and the cause of freedom means that the dangers we face must be confronted. And it means that the brave men and women who put on the uniform must have the very best training, best weapons, best care, and wherewithal we can give them.

Mr. Chairman, you and those on this important panel have taken every step to give our fighting men and women the funds they need, despite allocations we view as insufficient for our total defense needs. You have made difficult priority decisions that have helped defend America and taken special care of one of our greatest assets, namely our men and women in uniform.

And NAUS is very proud of the job this generation of Americans is doing to defend America. Every day they risk their lives, half a world away from loved ones. Their daily sacrifice is done in today's voluntary force. What they do is vital to our security. And the debt we owe them is enormous.

The members of NAUS applaud Congress for the actions you have taken over the last several years to close the pay gap, provide bonuses for specialized skill sets, and improve the overall quality of life for our troops and the means necessary for their support.

Our Association does, however, have some concerns about a number of matters. Among the major issues that we will address today is the provision of a proper health care for the military community and recognition of the funding requirements for TRICARE for retired military. Also, we will ask for adequate funding to improve the pay for members of our armed forces and to address a number of other challenges including TRICARE Reserve Select and the Survivor Benefit Plan.

We also have a number of related priority concerns such as the diagnosis and care of troops returning with Post Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI), the need for enhanced priority in the area of prosthetics research, and providing improved seamless transition for returning troops between the Department of Defense (DOD) and the Department of Veterans Affairs (VA). In addition, we would like to ensure that adequate funds are provided to defeat injuries from the enemy's use of Improvised Explosive Devices (IEDs).

MILITARY QUALITY OF LIFE: HEALTH CARE

Quality health care is a strong incentive to make military service a career. The Defense blueprint for military healthcare raises serious concern. DOD recommends saving $1.2 billion through sharp increases in TRICARE fees and higher copays for pharmaceuticals for 3.1 million retirees under age 65 and their families.

To achieve these savings, Defense officials would institute the plan proposed last year. That plan triples annual enrollment fees for TRICARE Prime next October for officers, to $875 from $230 a year for individuals and to $1,750 from $460 per year for families. For retired E–6 and below, the fee would jump nearly 50 percent, to $450/$900 from $230/$460. And for E–7 and above, the jump would more than double to $595/$1,190 from $230/$460.

Defense officials also suggest the establishment of a TRICARE Standard enrollment fee and an increase in the annual amount of deductible charges paid by retirees using Standard coverage. The standard beneficiary already pays a 25 percent cost share (and an added 15 percent for non-participating providers). Should Congress approve the DOD request to increase deductibles and initiate an annual fee, the value of the benefit earned by military retirees using Standard would be greatly diminished.

In addition, DOD suggests the establishment of an enrollment fee for retirees age 65 and over and their families for participation in TRICARE for Life.

DOD officials also recommend changes in TRICARE retail pharmacy copayments. Their ideas call for increasing copays for retail generic drugs to $15 from $3; for increasing copays for retail brand drugs to $25 from $9; and for increasing copays for non-formulary prescriptions to $45 from $22. By the way, these would also affect retirees age 65 and over who use TRICARE for Life.

The assertion behind the proposals is to have working-age retirees and family members pay a larger share of TRICARE costs or use civilian health plans offered by employers. Frankly, we are deeply troubled that DOD would aim to discourage retirees from using their earned benefits with the military medical system.

The National Association for Uniformed Services is certainly not comfortable with DOD estimates that by 2011, if the changes were made, 144,000 retirees currently enrolled in the TRICARE programs would bail out and go to a State or private plan and an estimated 350,000 people who earned the benefit would never come into it.

According to DOD, the Pentagon plan would drive half a million military retirees to make a choice that they might otherwise not want to make in order to reduce DOD costs this year by $1.2 billion. It is not only an extremely poor way to treat military families in times of peace or war; it is unfair, unbalanced, and would push 500,000 retirees out of TRICARE, the benefit they earned through a military career.

Mr. Chairman, the National Association for Uniformed Services asks you to ensure full funding is provided to maintain the value of the healthcare benefit provided those men and women willing to undergo the hardships of a military career.

The provision of quality, timely care is considered one of the most important benefits afforded the career military. What Congress has done reflects the commitment of a Nation, and it deserves your wholehearted support.

We urge the subcommittee to take the actions necessary for honoring our obligation to those men and women who have worn the Nation's military uniform. Confirm America's solemn, moral obligation to support our troops, our military retirees, and their families. They have kept their promise to our Nation, now it's time for us to keep our promise to them.

MILITARY QUALITY OF LIFE: PAY

For fiscal year 2009, the administration recommends a 3.5 percent across-the-board pay increase for members of the Armed Forces. The proposal is designed, according to the Pentagon, to keep military pay in line with civilian wage growth.

The National Association for Uniformed Services calls on you to put our troops and their families first. Our forces are stretched thin, at war, yet getting the job done. We ask you to express the Nation's gratitude for their critical service, increase basic pay and drill pay one-half percent above the administration's request to 3.9 percent.

Congress and the administration have done a good job over the recent past to narrow the gap between civilian-sector and military pay. The differential, which was as great as 14 percent in the late 1990s, has been reduced to just under 4 percent with the January 2008 pay increase.

However, we can do better than simply maintaining a rough measure of comparability with the civilian wage scale. To help retention of experience and entice recruitment, the pay differential is important. We have made significant strides. But we are still below the private sector.

In addition, we urge the appropriations panel to never lose sight of the fact that our DOD manpower policy needs a compensation package that is reasonable and competitive. Bonuses have a role in this area. Bonuses for instance can pull people into special jobs that help supply our manpower for critical assets, and they can also entice "old hands" to come back into the game with their skills.

The National Association for Uniformed Services asks you to do all you can to fully compensate these brave men and women for being in harm's way, we should clearly recognize the risks they face and make every effort to appropriately compensate them for the job they do.

MILITARY QUALITY OF LIFE: BASIC ALLOWANCE FOR HOUSING

The National Association for Uniformed Services strongly supports revised housing standards within the Basic Allowance for Housing (BAH). We are most grateful for the congressional actions reducing out-of-pocket housing expenses for servicemembers over the last several years. Despite the many advances made, many enlisted personnel continue to face steep challenge in providing themselves and their families with affordable off-base housing and utility expenses. BAH provisions must ensure that rates keep pace with housing costs in communities where military members serve and reside. Efforts to better align actual housing rates can reduce unnecessary stress and help those who serve better focus on the job at hand, rather than the struggle with meeting housing costs for their families.

MILITARY QUALITY OF LIFE: FAMILY HOUSING ACCOUNTS

The National Association for Uniformed Services urges the subcommittee to provide adequate funding for military construction and family housing accounts used by DOD to provide our servicemembers and their families quality housing. The funds for base allowance and housing should ensure that those serving our country are able to afford to live in quality housing whether on or off the base. The current program to upgrade military housing by privatizing Defense housing stock is working well. We encourage continued oversight in this area to ensure joint military-developer activity continues to improve housing options. Clearly, we need to be particularly alert to this challenge as we implement BRAC and related rebasing changes.

The National Association for Uniformed Services also asks special provision be granted the National Guard and Reserve for planning and design in the upgrade of facilities. Since the terrorist attacks of September 11, 2001, our Guardsmen and reservists have witnessed an upward spiral in the rate of deployment and mobilization. The mission has clearly changed, and we must recognize they account for an increasing role in our national defense and homeland security responsibilities. The challenge to help them keep pace is an obligation we owe for their vital service.

INCREASE FORCE READINESS FUNDS

The readiness of our forces is declining. The long war fought by an overstretched force tells us one thing: there are simply too many missions and too few troops. Extended and repeated deployments are taking a human toll. Back-to-back deployments means, in practical terms, that our troops face unrealistic demands. To sustain the service we must recognize that an increase in troop strength is needed and it must be resourced.

In addition, we ask you to give priority to funding for the operations and maintenance accounts where money is secured to reset, recapitalize and renew the force. The National Guard, for example, has virtually depleted its equipment inventory, causing rising concern about its capacity to respond to disasters at home or to train for its missions abroad.

The deficiencies in the equipment available for the National Guard to respond to such disasters include sufficient levels of trucks, tractors, communication, and miscellaneous equipment. If we have another overwhelming storm, hurricane or, God forbid, a large-scale terrorist attack, our National Guard is not going to have the basic level of resources to do the job right.

WALTER REED ARMY MEDICAL CENTER

Another matter of great interest to our members is the plan to realign and consolidate military health facilities in the National Capital Region. The proposed plan includes the realignment of all highly specialized and sophisticated medical services currently located at Walter Reed Army Medical Center in Washington, DC, to the National Naval Medical Center in Bethesda, Maryland, and the closing of the existing Walter Reed by 2011.

While we herald the renewed review of the adequacy of our hospital facilities and the care and treatment of our wounded warriors that result from last year's news reports of deteriorating conditions at Walter Reed Army Medical Center, the National Association for Uniformed Services believes that Congress must continue to provide adequate resources for WRAMC to maintain its base operations' support and medical services that are required for uninterrupted care of our catastrophically wounded soldiers and marines as they move through this premier medical center.

We request that funds be in place to ensure that Walter Reed remains open, fully operational and fully functional, until the planned facilities at Bethesda or Fort

Belvoir are in place and ready to give appropriate care and treatment to the men and women wounded in armed service.

Our wounded warriors deserve our Nation's best, most compassionate healthcare and quality treatment system. They earned it the hard way. And with application of the proper resources, we know the Nation will continue to hold the well being of soldiers and their families as our number one priority.

DEPARTMENT OF DEFENSE, SEAMLESS TRANSITION BETWEEN THE DOD AND VA

The development of electronic medical records remains a major goal. It is our view that providing a seamless transition for recently discharged military is especially important for servicemembers leaving the military for medical reasons related to combat, particularly for the most severely injured patients.

The National Association for Uniformed Services calls on the appropriations committee to push DOD and VA to follow through on establishing a bi-directional, interoperable electronic medical record. Since 1982, these two departments have been working on sharing critical medical records, yet to date neither has effectively come together in coordination with the other.

The time for foot dragging is over. Taking care of soldiers, sailors, airmen, and marines is a national obligation, and doing it right sends a strong signal to those currently in military service as well as to those thinking about joining the military.

DOD must be directed to adopt electronic architecture including software, data standards and data repositories that are compatible with the system used at the Department of Veterans Affairs. It makes absolute sense and it would lower costs for both organizations.

If our seriously wounded troops are to receive the care they deserve, the departments must do what is necessary to establish a system that allows seamless transition of medical records. It is essential if our Nation is to ensure that all troops receive timely, quality health care and other benefits earned in military service.

To improve the DOD/VA exchange, the hand-off should include a detailed history of care provided and an assessment of what each patient may require in the future, including mental health services. No veteran leaving military service should fall through the bureaucratic cracks.

DEFENSE DEPARTMENT FORCE PROTECTION

The National Association for Uniformed Services urges the subcommittee to provide adequate funding to rapidly deploy and acquire the full range of force protection capabilities for deployed forces. This would include resources for up-armored high mobility multipurpose wheeled vehicles and add-on ballistic protection to provide force protection for soldiers in Iraq and Afghanistan, ensure increased activity for joint research and treatment effort to treat combat blast injuries resulting from improvised explosive devices (IEDs), rocket propelled grenades, and other attacks; and facilitate the early deployment of new technology, equipment, and tactics to counter the threat of IEDs.

We ask special consideration be given to counter IEDs, defined as makeshift or "homemade" bombs, often used by enemy forces to destroy military convoys and currently the leading cause of casualties to troops deployed in Iraq. These devices are the weapon of choice and, unfortunately, a very efficient weapon used by our enemy. The Joint Improvised Explosive Device Defeat Organization (JIEDDO) is established to coordinate efforts that would help eliminate the threat posed by these IEDs. We urge efforts to advance investment in technology to counteract radio-controlled devices used to detonate these killers. Maintaining support is required to stay ahead of our enemy and to decrease casualties caused by IEDs.

DEFENSE HEALTH PROGRAM—TRICARE RESERVE SELECT

Mr. Chairman, another area that requires attention is reservist participation in TRICARE. As we are all aware, National Guard and Reserve personnel have seen an upward spiral of mobilization and deployment since the terrorist attacks of September 11, 2001. The mission has changed and with it our reliance on these forces has risen. Congress has recognized these changes and begun to update and upgrade protections and benefits for those called away from family, home and employment to active duty. We urge your commitment to these troops to ensure that the long overdue changes made in the provision of their heath care and related benefits is adequately resourced. We are one force, all bearing a critical share of the load.

DEPARTMENT OF DEFENSE, PROSTHETIC RESEARCH

Clearly, care for our troops with limb loss is a matter of national concern. The global war on terrorism in Iraq and Afghanistan has produced wounded soldiers with multiple amputations and limb loss who in previous conflicts would have died from their injuries. Improved body armor and better advances in battlefield medicine reduce the number of fatalities, however injured soldiers are coming back oftentimes with severe, devastating physical losses.

In order to help meet the challenge, Defense Department research must be adequately funded to continue its critical focus on treatment of troops surviving this war with grievous injuries. The research program also requires funding for continued development of advanced prosthesis that will focus on the use of prosthetics with microprocessors that will perform more like the natural limb.

The National Association for Uniformed Services encourages the subcommittee to ensure that funding for Defense Department's prosthetic research is adequate to support the full range of programs needed to meet current and future health challenges facing wounded veterans. To meet the situation, the subcommittee needs to focus a substantial, dedicated funding stream on Defense Department research to address the care needs of a growing number of casualties who require specialized treatment and rehabilitation that result from their armed service.

We would also like to see better coordination between the Department of Defense Advanced Research Projects Agency and the Department of Veterans Affairs in the development of prosthetics that are readily adaptable to aid amputees.

POST TRAUMATIC STRESS DISORDER (PTSD) AND TRAUMATIC BRAIN INJURY (TBI)

The National Association for Uniformed Services supports a higher priority on Defense Department care of troops demonstrating symptoms of mental health disorders and traumatic brain injury.

It is said that Traumatic Brain Injury (TBI) is the signature injury of the Iraq war. Blast injuries often cause permanent damage to brain tissue. Veterans with severe TBI will require extensive rehabilitation and medical and clinical support, including neurological and psychiatric services with physical and psycho-social therapies.

We call on the subcommittee to fund a full spectrum of TBI care and to recognize that care is also needed for patients suffering from mild to moderate brain injuries, as well. The approach to this problem requires resources for hiring caseworkers, doctors, nurses, clinicians, and general caregivers if we are to meet the needs of these men and women and their families.

The mental condition known as Post Traumatic Stress Disorder (PTSD) has been well known for more than 100 years under an assortment of different names. For example more than 60 years ago, Army psychiatrists reported, "That each moment of combat imposes a strain so great that . . . psychiatric casualties are as inevitable as gunshot and shrapnel wounds in warfare."

PTSD is a serious psychiatric disorder. While the Government has demonstrated over the past several years a higher level of attention to those military personnel who exhibit PTSD symptoms, more should be done to assist servicemembers found to be at risk.

Pre-deployment and post-deployment medicine is very important. Our legacy of the gulf war demonstrates the concept that we need to understand the health of our servicemembers as a continuum, from pre- to post-deployment.

The National Association for Uniformed Services applauds the extent of help provided by the Defense Department, however we encourage that more resources be made available to assist. Early recognition of the symptoms and proactive programs are essential to help many of those who must deal with the debilitating effects of mental injuries, as inevitable in combat as gunshot and shrapnel wounds.

We encourage the members of the subcommittee to provide for these funds and to closely monitor their expenditure and to see they are not redirected to other areas of defense spending.

ARMED FORCES RETIREMENT HOME

The National Association for Uniformed Services encourages the subcommittee's continued interest in providing funds for the Armed Forces Retirement Home (AFRH).

We urge the subcommittee to continue its help in providing adequate funding to alleviate the strains on the Washington home. Also, we remain concerned about the future of the Gulfport home, so we urge your continued close oversight on its reconstruction. And we thank the subcommittee for the provision of $240 million last

year to build a new Armed Forces Retirement Home at its present location of the tower, which began this past March.

The National Association for Uniformed Services also asks the subcommittee to closely review administration plans to sell great portions of the Washington AFRH to developers. The AFRH is a historic national treasure, and we thank Congress for its oversight of this gentle program and its work to provide for a world-class quality-of-life support system for these deserving veterans.

IMPROVED MEDICINE WITH LESS COST AT MILITARY TREATMENT FACILITIES

The National Association for Uniformed Services is also seriously concerned over the consistent push to have Military Health System beneficiaries age of 65 and over moved into the civilian sector from military care. That is a very serious problem for the Graduate Medical Education (GME) programs in the MHS; the patients over 65 are required for sound GME programs, which, in turn, ensure that the military can retain the appropriate number of physicians who are board certified in their specialties.

TRICARE/HA policies are pushing out those patients not on active duty into the private sector where the cost per patient is at least twice as expensive as that provided within Military Treatment Facilities (MTFs). We understand that there are many retirees and their families who must use the private sector due to the distance from the closest MTF; however, where possible, it is best for the patients themselves, GME, medical readiness, and the minimizing the cost of TRICARE premiums if as many non-active duty beneficiaries are taken care of within the MTFs. As more and more MHS beneficiaries are pushed into the private sector, the cost of the MHS rises. The MHS can provide better medicine, more appreciated service and do it at improved medical readiness and less cost to the taxpayers.

UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

As you know, the Uniformed Services University of the Health Sciences (USUHS) is the Nation's Federal school of medicine and graduate school of nursing. The medical students are all active-duty uniformed officers in the Army, Navy, Air Force, and U.S. Public Health Service who are being educated to deal with wartime casualties, national disasters, emerging diseases, and other public health emergencies.

The National Association for Uniformed Services supports the USUHS and requests adequate funding be provided to ensure continued accredited training, especially in the area of chemical, biological, radiological, and nuclear response. In this regard, it is our understanding that USUHS requires funding for training and educational focus on biological threats and incidents for military, civilian, uniformed first responders, and healthcare providers across the Nation.

JOINT POW/MIA ACCOUNTING COMMAND (JPAC)

We also want the fullest accounting of our missing service men and ask for your support in DOD dedicated efforts to find and identify remains. It is a duty we owe to the families of those still missing as well as to those who served or who currently serve. And as President Bush said, "It is a signal that those who wear our country's military uniform will never be abandoned."

In recent years, funding for the Joint POW/MIA Accounting Command (JPAC) has fallen short, forcing the agency to scale back and even cancel many of its investigative and recovery operations. NAUS supports the fullest possible accounting of our missing service men. It is a duty we owe the families, to ensure that those who wear our country's uniform are never abandoned. We request that appropriate funds be provided to support the JPAC mission for fiscal year 2009.

APPRECIATION FOR THE OPPORTUNITY TO TESTIFY

As a staunch advocate for our uniformed service men and women, The National Association for Uniformed Services recognizes that these brave men and women did not fail us in their service to country, and we, in turn, must not fail them in providing the benefits and services they earned through honorable military service.

Mr. Chairman, The National Association for Uniformed Services appreciates the subcommittee's hard work. We ask that you continue to work in good faith to put the dollars where they are most needed: in strengthening our national defense, ensuring troop protection, compensating those who serve, providing for DOD medical services including TRICARE, and building adequate housing for military troops and their families, and in the related defense matters discussed today. These are some of our Nation's highest priority needs and we ask that they be given the level of attention they deserve.

The National Association for Uniformed Services is confident you will take special care of our Nation's greatest assets: the men and women who serve and have served in uniform. We are proud of the service they give to America every day. They are vital to our defense and national security. The price we pay as a Nation for their earned benefits is a continuing cost of war, and it will never cost more nor equal the value of their service.

We thank you for your efforts, your hard work. And we look forward to working with you to ensure we continue to provide sufficient resources to protect the earned benefits for those giving military service to America every day.

Again, the National Association for Uniformed Services deeply appreciates the opportunity to present the Association's views on the issues before the Defense Appropriations Subcommittee.

Senator INOUYE. Thank you very much, sir.

Senator Stevens.

Senator STEVENS. Mr. Jones, I'm just back from a prolonged trip to Alaska and I found that, while doctors in Alaska are seeing TRICARE patients and veterans patients, they are not seeing Medicare patients. We have about 10 times as many of the military and veterans as we do the seniors because they're leaving the State.

I sense in your testimony that you think that TRICARE is too low. Is that right?

Mr. JONES. The testimony here is the total funding that the Pentagon has suggested—that individuals who have earned the healthcare benefit and were promised that are being asked to shift, to pay out of their own pockets for their own benefit. We're asking you to fill that gap, rejecting the——

Senator STEVENS. That's a family benefit, isn't it? The individual is receiving the care, but it's the family benefits that's creating the——

Mr. JONES. Well, there's TRICARE Standard, TRICARE Prime. These are the benefits that do provide for families and for retirees. As you know, individuals from the military can retire after 20 years, oftentimes at an early age. He's eligible for those retirement programs.

Senator STEVENS. I'm not opposed to increasing the TRICARE. I just wonder about a system that really is paying the Medicare patients, physicians who see Medicare patients, so low that they won't see them. In our State right now, the medical profession won't see senior citizens on Medicare, but they do see TRICARE.

Mr. JONES. That's interesting, because we're concerned with the TRICARE reimbursement package that's being discussed now in the Senate, and we've recognized that if reductions do go in place that our medical care benefit may become hollow. Individuals looking for medical procedures may not be able to access doctors who deliver those procedures.

Senator STEVENS. I don't think there should be a difference.

Mr. JONES. It's interesting that Alaska——

Senator STEVENS. There should not be a difference between the amount we pay to a doctor to see a senior citizen, and the patient costs ought to be the same. Today it's not. We'll chat about that later, but I do think there ought to be a single payment schedule for physicians to see those eligible for support from the Federal system for Medicare.

Mr. JONES. Couldn't agree more with you, sir. The hope is that that threshold level is adequate enough to maintain an adequate number of doctors who are willing to see those patients.

Senator INOUYE. I thank you very much, sir.

Now we'll have a new panel: Dr. George—Mr. George Dahlman, Mr. Martin Foil, Captain Walt Steiner, and Ms. Mary Hesdorffer.

Our first witness of this panel is the Senior Vice President for Public Policy, The Leukemia and Lymphoma Society, Mr. George Dahlman.

**STATEMENT OF GEORGE DAHLMAN, SENIOR VICE PRESIDENT FOR PUBLIC POLICY, THE LEUKEMIA AND LYMPHOMA SOCIETY**

Mr. DAHLMAN. Thank you, Mr. Chairman and Senator Stevens. As mentioned, I'm George Dahlman, Senior Vice President for The Leukemia and Lymphoma Society. I'm also the father of a leukemia survivor. Since 1949, the society has been dedicated to finding a cure for the blood cancers, and to that end in 2008 we'll provide approximately $70 million of our own money raised privately in research grants.

A number of our grant recipients receive additional funds from the NIH, private foundations, and the DOD through the congressionally directed medical research program.

For fiscal 2009, The Leukemia and Lymphoma Society, along with other blood cancer groups—the American Society of Hematology, the Aplastic Anemia and MDS International Foundation, the International Myeloma Foundation, Lymphoma Research Foundation, and the Multiple Myeloma Research Foundation—all support a $10 million dedicated stand-alone research program for blood cancers in the congressionally directed medical research program within DOD.

The reasons for having a blood cancer research program at DOD are the benefit such program would have for the warfighter and the fact that blood cancer research has led to breakthroughs in the treatment of other cancers. Several agencies in the Federal Government have recognized the importance of blood cancers to those that serve in our military. For example, the VA has determined that service members who have been exposed to ionizing radiation and contract multiple myeloma, non-Hodgkin's lymphoma, or leukemias other than chronic lymphocytic leukemia are presumed to have contracted those diseases as a result of their military service.

Second, in-country Vietnam veterans who contract Hodgkin's disease, chronic lymphocytic leukemia, multiple myeloma, or non-Hodgkin's lymphoma are presumed to have contracted those diseases as a result of their military service.

Because these diseases are presumed to have been service connected in certain instances, VA benefits are available to affected veterans.

Furthermore, the IOM has found that gulf war veterans are at risk for contracting a number of blood cancers due to exposure to benzene, solvents, and insecticides. One example is that the IOM has found sufficient evidence of a causal relationship between exposure to benzene and acute leukemias.

In addition, the C.W. Bill Young Department of Defense Marrow Donor Program works to develop and apply bone marrow trans-

plants to military casualties with marrow damage resulting from radiation or exposure to chemical warfare agents containing mustard. Bone marrow transplants are also a commonly used second line therapy for blood cancers, more so than other cancers.

Finally, research into blood cancers has produced results that can help patients with other cancers as well. The idea of combination chemotherapy was first developed to treat blood cancers in children, but is now common among cancer treatments. Bone marrow transplants were first used as curative treatments for blood cancer patients, but these successes led the way to stem cell transplants and related immune cell therapies for patients with other diseases.

In general, blood cancer cells are easier to access than cells from solid tumors, making it easier to study cancer-related molecules in blood cancers and to measure the effects of new therapies that target these molecules that are frequently also found in other cancers.

Several targeted agents designed to kill other cancer cells and leave healthy cells undamaged were first developed in blood cancer patients and are already helping or being developed to help other cancer patients as well.

So in conclusion, because blood cancer research is relevant to our Nation's military and because blood cancer research often leads to treatments in other cancers, we collectively would urge the subcommittee to include $10 million for a dedicated stand-alone blood cancer research program at the congressionally directed medical research program at DOD.

Thank you very much.

[The statement follows:]

## PREPARED STATEMENT OF GEORGE DAHLMAN

### INTRODUCTION

Mr. Chairman and members of the committee, my name is George Dahlman, Senior Vice President, Public Policy for The Leukemia and Lymphoma Society (Society). I am pleased to appear today and testify on behalf the Society and the almost 800,000 Americans currently living with blood cancers and the 130,000 who will be diagnosed with one this year—recently some of whom have been right here in the Senate. Furthermore, every 10 minutes, someone dies from one of these cancers—leukemia, lymphoma, Hodgkin's disease, and myeloma.

During its 59-year history, the Society has been dedicated to finding a cure for the blood cancers, and improving the quality of life of patients and their families. The Society has the distinction of being both the Nation's second largest private cancer organization and the largest private organization dedicated to biomedical research, education, patient services, and advocacy as they pertain to blood-related cancers.

Our central contribution to the search for cures for the blood cancers is providing a significant amount of the funding for basic, translational, and clinical research. In 2008, we will provide approximately $70 million in research grants. In addition to our research funding role, we help educate health care and school professionals as needed and provide a wide range of services to individuals with a blood cancer, their caregivers, families, and friends through our 64 chapters across the country. Finally, we advocate responsible public policies that will advance our mission of finding cures for the blood cancers and improving the quality of life of patients and their families.

We are pleased to report that impressive progress is being made in the effective treatment of many blood cancers, with 5-year survival rates doubling and even tripling over the last two decades. More than 90 percent of children with Hodgkin's disease now survive, and survival for children with acute lymphocytic leukemia and non-Hodgkin's lymphoma (NHL) has risen as high as 86 percent.

Just 7 years ago, in fact, a new therapy was approved for chronic myelogenous leukemia (CML), a form of leukemia for which there were previously limited treatment options, all with serious side effects—5-year survival rates were just over 50 percent. Let me say that more clearly, if 8 years ago your doctor told you that you had CML, you would have been informed that there were limited treatment options and that you should get your affairs in order. Today, those same patients have access to this new therapy, called Gleevec, which is a so-called targeted therapy that corrects the molecular defect that causes the disease, and does so with few side effects. Now, 5-year survival rates are as high as 96 percent for patients newly diagnosed with chronic phase CML.

The Society funded the early research that led to Gleevec approval, as it has contributed to research on a number of new therapies. We are pleased that we played a role in the development of this life-saving therapy, but we realize that our mission is far from realized. Many forms of leukemia, lymphoma, and myeloma still present daunting treatment challenges. There is much work still to be done, and we believe that the research partnership between the public and private sectors—as represented in the Department of Defense's (DOD) Congressionally Directed Medical Research Program—(CDMRP) is an integral part of that important effort and should be further strengthened.

THE GRANT PROGRAMS OF THE LEUKEMIA AND LYMPHOMA SOCIETY

The grant programs of the Society have traditionally been in three broad categories: Career Development Program grants, Translational Research Program grants, and Specialized Centers of Research Program grants. In our Career Development Program, we fund Scholars, Special Fellows, and Fellows who are pursuing careers in basic or clinical research. In our Translational Research Program, we focus on supporting investigators whose objective is to translate basic research discoveries into new therapies.

The work of Dr. Brian Druker, an oncologist at Oregon Health Sciences University and the chief investigator responsible for Gleevec's development, was supported by a Translational Research Program grant from the Society.

Our Specialized Centers of Research grant program is intended to bring investigators together to form new research teams focused on the discovery of innovative approaches to treating and/or preventing leukemia, lymphoma, and myeloma. The awards go to those groups that can demonstrate that their close interaction will create research synergy and accelerate our search for new and better treatments.

Dr. Druker is certainly a star among those supported by the Society, but our support in the biomedical field is broad and deep. Through the Society's research grant programs, we are currently supporting more than 380 investigators at 134 institutions in 34 States and 12 other countries.

Not content with these extensive efforts, the Society has launched a new Therapy Acceleration Program intended to proactively invest in promising blood cancer therapies that are in early stages of development by industry, but which may not have sufficient financial support or market potential to justify private sector investment. In addition, the Society will use this program to further facilitate the advancement of therapies in development by academic researchers who may not have the spectrum of resources or expertise to fulfill the potential of their discoveries. Directed early phase clinical trial support in this funding program will further advance new and better treatments for blood cancer treatments.

IMPACT OF HEMATOLOGICAL CANCERS

Despite enhancements in treating blood cancers, there are still significant research challenges and opportunities. Hematological, or blood-related, cancers pose a serious health risk to all Americans. These cancers are actually a large number of diseases of varied causes and molecular make-up, and with different treatments, that strike men and women of all ages. In 2008, more than 130,000 Americans will be diagnosed with a form of blood-related cancer and almost 65,000 will die from these cancers. For some, treatment may lead to long-term remission and cure; for others these are chronic diseases that will require treatments across a lifetime; and for others treatment options are still extremely limited. For many, recurring disease will be a continual threat to a productive and secure life.

A few focused points to put this in perspective:

—Taken together, the hematological cancers are fifth among cancers in incidence and fourth in mortality.

—Almost 800,000 Americans are living with a hematological malignancy in 2008.

—Almost 65,000 people will die from hematological cancers in 2008, compared to 160,000 from lung cancer, 41,000 from breast cancer, 27,000 from prostate cancer, and 52,000 from colorectal cancer.
—Blood-related cancers still represent serious treatment challenges. The improved survival for those diagnosed with all types of hematological cancers has been uneven. The 5-year survival rates are:
—Hodgkin's disease—87 percent;
—NHL—64 percent;
—Leukemias (total)—50 percent;
—Multiple Myeloma—33 percent; and
—Acute Myelogenous Leukemia—21 percent.
—Individuals who have been treated for leukemia, lymphoma, and myeloma may suffer serious adverse consequences of treatment, including second malignancies, organ dysfunction (cardiac, pulmonary, and endocrine), neuropsychological and psychosocial aspects, and poor quality of life.
—For the period from 1975 to 2003, the incidence rate for NHL increased by 76 percent.
—NHL and multiple myeloma rank second and fifth, respectively, in terms of increased cancer mortality since 1973.
—Lymphoma is the third most common childhood cancer and the fifth most common cancer among Hispanics of all races. Recent statistics indicate both increasing incidence and earlier age of onset for multiple myeloma.
—Multiple myeloma is one of the top ten leading causes of cancer death among African Americans.
—Hispanic children of all races under the age of 20 have the highest rates of childhood leukemias.
—Despite the significant decline in the leukemia and lymphoma death rates for children in the United States, leukemia is still the leading cause of death in the United States among children less than 20 years of age, in females between the ages of 20 and 39 and males between the ages of 60–79.
—Lymphoma is the fourth leading cause of death among males between the ages of 20 and 39 and the fifth leading cause of death for females older than 80. Overall, cancer is now the leading cause of death for U.S. citizens younger than 85 years of age, overtaking heart disease as the primary killer.

POSSIBLE ENVIRONMENTAL CAUSES OF HEMATOLOGICAL CANCERS

The causes of hematological cancers are varied, and our understanding of the etiology of leukemia, lymphoma, and myeloma is limited. Extreme radiation exposures are clearly associated with an increased incidence of leukemias. Benzene exposures are associated with increased incidence of a particular form of leukemia. Chemicals in pesticides and herbicides, as well as viruses such as HIV and EBV, apparently play a role in some hematological cancers, but for most cases, no environmental cause is identified. Researchers have recently published a study reporting that the viral footprint for simian virus 40 was found in the tumors of 43 percent of NHL patients. These research findings may open avenues for investigation of the detection, prevention, and treatment of NHL. There is a pressing need for more investigation of the role of infectious agents or environmental toxins in the initiation or progression of these diseases.

IMPORTANCE TO THE DEPARTMENT OF DEFENSE

The Leukemia and Lymphoma Society, along with its partners in the American Society of Hematology, Aplastic Anemia and MDS International Foundation, International Myeloma Foundation, Lymphoma Research Foundation, and Multiple Myeloma Research Foundation, believe biomedical research focused on the hematological cancers is particularly important to the DOD for a number of reasons.

Research on blood-related cancers has significant relevance to the armed forces, as the incidence of these cancers is substantially higher among individuals with chemical and nuclear exposure. Firstly, blood cancers are linked to members of the military who were exposed to ionizing radiation, such as those who occupied Japan after World War II and those who participated in atmospheric nuclear tests between 1945–1962. Service members who contract multiple myeloma, NHL, and leukemias other than chronic lymphocytic leukemia are presumed to have contracted these diseases as a result of their military service; hence, they are eligible to receive benefits from the Department of Veterans Affairs (VA).

Secondly, in-country Vietnam veterans who contract Hodgkin's disease, chronic lymphocytic leukemia, multiple myeloma, or NHL are presumed to have contracted

these diseases as a result of their military service and the veterans are eligible to receive benefits from the VA.

Thirdly, the Institute of Medicine (IOM) has found that Gulf War veterans are at risk for contracting a number of blood cancers. For instance, the IOM has found sufficient evidence of a causal relationship between exposure to benzene and acute leukemias. Additionally, the IOM has found there is sufficient evidence of an association between benzene and adult leukemias, and solvents and acute leukemias. Finally, the IOM has also found there is also limited or suggestive evidence of an association between exposure to organophosphorous insecticides to NHL and adult leukemias; carbamates and Benzene to NHL; and solvents to multiple myeloma, adult leukemias, and myelodysplastic syndromes—a precursor to leukemia.

In addition, research in the blood cancers has traditionally pioneered treatments in other malignancies. Cancer treatments that have been developed to treat a blood-related cancer are now used or being tested as treatments for other forms of cancer. Combination chemotherapy and bone marrow transplants are two striking examples of treatments first developed for treating blood cancer patients. More recently, specific targeted therapies have proven useful for treating patients with solid tumors as well as blood-related cancers.

From a medical research perspective, it is a particularly promising time to build a DOD research effort focused on blood-related cancers. That relevance and opportunity were recognized for a 6-year period when Congress appropriated $4.5 million annually—for a total of $28 million—to begin initial research into chronic myelogenous leukemia (CML) through the CDMRP. As members of the Subcommittee know, a noteworthy and admirable distinction of the CDMRP is its cooperative and collaborative process that incorporates the experience and expertise of a broad range of patients, researchers and physicians in the field. Since the Chronic Myelogenous Leukemia Research Program (CMLRP) was announced, members of the Society, individual patient advocates and leading researchers have enthusiastically welcomed the opportunity to become a part of this program and contribute to the promise of a successful, collaborative quest for a cure.

Many extremely productive grants have been funded through this program. For example, from fiscal year 2002-fiscal year 2006 the CMLRP-funded research with accomplishments that fall into three rather broad areas.

*Basic science*

A better understanding of disease processes will facilitate the development of the next generation of therapeutic agents. The CMLRP has funded basic science research that has increased our knowledge of the patho-biology of CML, the molecular and cellular processes involved in the initiation of CML and the progression of disease. This may be exemplified by the work of Dr. Danilo Perrotti of The Ohio State University. Dr. Perrotti described the loss of activity of a protein phosphatase 2A (PP2A), a tumor suppressor, in CML cells. His research then determined that activity of the protein BCR/ABL, expressed in most CML cells and associated with disease development, inhibits PP2A activity which would allow CML cells to continue to proliferate. Dr. Perrotti took this basic understanding of this aspect of CML cell biology and took it one step further. He showed that treating cells with a compound that increases the activity level of PP2A in cells decreased tumor growth by virtually overpowering the negative effects of BCR/ABL, indicating that this compound has potential to be developed as a new CML treatment option.

*Therapeutic development*

Genetic mutations that confer resistance to currently available CML treatment agents demonstrates the need for the development of new therapeutics that may be used in conjunction with these agents or as second line defense options when resistance develops. CMLRP-funded scientists have discovered and developed potential new therapeutic agents that may be used to combat or halt disease progression. For example, after screening a chemical library of small molecules, Dr. Joel Gottesfeld of The Scripps Research Institute identified a set of molecules that inhibits proliferation of CML cells in a BCR/ABL-independent manner. Secondly, Dr. Craig Jordan of the University of Rochester used an antiproliferative compound, which specifically inhibits a molecule involved in the transcription of many genes, to inhibit the proliferation of CML cells while not affecting normal cells. Thirdly, Dr. E. Premkumar Reddy of Temple University is developing an agent that will target CML cells that are Gleevec resistant. Finally, Dr. Kapil Bhalla of Medical College of Georgia Cancer Center has discovered a new agent that inhibits that activity of BCR/ABL.

*Model organism development*

Many model organisms are utilized by the scientific community for studying genetics, molecular mechanisms, cellular functions, or therapeutic efficacy including, but not limited to worms, flies, zebrafish, chickens, and mice. The model organism of choice may be dependent on a number of variables such as research strategy and feasibility, experimental design, statistical needs for data interpretation, and budget. In addition, using a variety of model organisms to study a disease may be advantageous.

Many CMLRP-funded researchers have been involved in developing and validating new mouse and zebrafish models of CML for understanding genetic, molecular and cellular changes that accompany the development and progression of CML; and for pre-clinical testing of potential new therapeutic agents. Mice are mammals, a potential advantage for relating research results to human disease. In addition, a large proportion of human genes have a mouse counterpart. However, zebrafish also share extensive genetic similarity with humans and have been shown to share many features of the innate immune system with those of humans. Also, zebrafish have a short generation interval (e.g., lifespan) making them very amenable to and useful for genetic analysis.

In spite of the utility and application to individuals who serve in the military, the CML program was not included in January's 2007 Continuing Resolution funding other fiscal year 2007 CDMRP programs. This omission, and the program's continued absence seriously jeopardizes established and promising research projects that have clear and compelling application to our armed forces as well as pioneering research for all cancers.

With all due respect to our colleagues fighting a broad range of malignancies that are represented in this program—and certainly not to diminish their significance—a cancer research program designed for application to military and national security needs would invariably include a strong blood cancer research foundation. DOD research on blood cancers addresses the importance of preparing for civilian and military exposure to the weapons being developed by several hostile nations and to aid in the march to more effective treatment for all who suffer from these diseases. This request clearly has merit for inclusion in the fiscal year 2009 legislation.

Recognizing that fact and the opportunity this research represents, a bipartisan group of 45 Members of Congress have requested that the program be reconstituted at a $10 million level and be expanded to include all the blood cancers—the leukemias, lymphomas, and myeloma. This would provide the research community with the flexibility to build on the pioneering tradition that has characterized this field.

The Society strongly endorses and enthusiastically supports this effort and respectfully urges the committee to include this funding in the fiscal year 2009 Defense Appropriations bill.

We believe that building on the foundation Congress initiated over 6-year period should not be abandoned and would both significantly strengthen the CDMRP and accelerate the development of all cancer treatments. As history has demonstrated, expanding its focus into areas that demonstrate great promise; namely the blood-related cancers of leukemia, lymphoma, and myeloma, would substantially aid the overall cancer research effort and yield great dividends.

Senator STEVENS. You know, we have a large sum that covers a whole series of research efforts.

Mr. DAHLMAN. Correct.

Senator STEVENS. Have you spoken to them, DOD, about the emphasis on blood research? I agree with you. I really think that this and the others ought to have more intensive application of this money. But we already have about $50 million in that pot.

Mr. DAHLMAN. Right.

Senator STEVENS. What do you get out of it now?

Mr. DAHLMAN. Senator Stevens, it was sporadically included in the peer reviewed program, which is about $50 million, and blood cancers was reinstituted this last time, and we are working with the Army right now to see if there is any grant availability for blood cancers.

Senator STEVENS. Well, I would urge it in the context, but I don't know whether we can raise that money. But you're right, that research ought to be increased.

Mr. DAHLMAN. Thank you.

Senator INOUYE. You just heard the man. We'll increase it.

Mr. DAHLMAN. Thanks.

Senator INOUYE. Now our next witness is the Director of the National Brain Injury Research, Treatment and Training Foundation, Mr. Martin Foil.

**STATEMENT OF MARTIN B. FOIL, JR., CHAIRMAN, BOARD OF DIRECTORS, NATIONAL BRAIN INJURY RESEARCH, TREATMENT AND TRAINING FOUNDATION**

Mr. FOIL. Good morning, Mr. Chairman, Senator Stevens. It's an honor and a pleasure to be here. I've been here for over 10 years.

Senator STEVENS. Would you turn on your mike?

Mr. FOIL. I'll turn it on, thank you. Is that better? Okay.

As you know, I'm the father of a young man with a severe brain injury, and I serve as the Chairman of the National Brain Injury Research, Treatment and Training Foundation (NBIRTT). So in behalf of NBIRTT, I respectfully request your support for the full funding of the Defense Veterans Brain Injury Center (DVBIC) as part of the new Department of Defense Center of Excellence in Psychological Health and Traumatic Brain Injury. We want to see DVBIC continue to be a key program at that center of excellence and to be funded at $28 million in 2009.

In addition, we would like to see $3.75 million go toward a pilot project for those suffering from severe traumatic brain injury (TBI). For many years, I have come before you and requested funding for TBI, but this year's different. You have appropriated literally hundreds of millions of dollars in the past year for the DOD and the VA to screen, evaluate, provide care, rehabilitation, education, and research for our wounded warriors with TBI. I commend you and your subcommittee for your leadership as it was desperately needed.

As you know, TBI is the signature injury of the war on terror and the impact that TBI continues to have on our troops is very enormous. We must be sure to address the needs of all our injured troops along the entire spectrum. There are those who are walking wounded, don't know that they have this problem, only to find trouble after they go home. On the other end, there are those folks who are so terribly injured that standard modern medicine has little to offer them and they are sent to live out their lives in nursing homes.

We must be sure to address the needs of all TBIs, to provide the best our Nation has to offer. For those with mild TBI who go undiagnosed, we urge the DOD through the DVBIC to coordinate with State agencies and TBI programs which have already begun to reach out to veterans groups to provide a safety net for our troops who are returning who are undiagnosed or underdiagnosed.

Particularly because returning National Guard and Reserves go back to their civilian doctors, we need to educate the civilian population on the less visible signs of TBI and help injured troops navigate available resources.

On the other end of the spectrum—those are the wounded warriors with severe TBI, who require a longer time to recover, who need long-term rehabilitation. If these severely injured warriors are sent to nursing homes, they'll never recover because neither the VA

nor the community nursing homes have the expertise or the technology needed.

We support a pilot program for severe TBI which would work through DVBIC at a facility in Johnstown, Pennsylvania. It's standing, it's ready to provide for 25 severely injured wounded warriors as well as respite care for their families. There are 187 wounded warriors already awaiting placement into a program similar to this.

We also hope you will urge the DOD to keep the TBI registry with the DVBIC instead of moving it over to healthcare.

We know that your subcommittee is committed to providing the resources that the DOD needs to care for our warriors. We hope you will be sure to provide the $3.75 million for those severely wounded who need to go to a place like Johnstown.

Thank you.

Senator INOUYE. I thank you very much.

[The statement follows:]

PREPARED STATEMENT OF MARTIN B. FOIL, JR.

Dear Chairman Inouye, Ranking Member Stevens and members of the Senate Appropriations Subcommittee on Defense: Thank you for this opportunity to submit testimony in support of funding the Defense and Veterans Brain Injury Center (DVBIC). The National Brain Injury Research, Treatment, and Training Foundation (NBIRTTF) urges your support for $28 million for the DVBIC in the fiscal year 2009 Defense Appropriations bill which would include $3,750,000 for the pilot project on the minimally conscious.

As you well know, my name is Martin Foil and I am the father of Philip Foil, a young man with a severe brain injury. I serve as Chairman of the Board of Directors of NBIRTT.[1] Professionally, I am the Chief Executive Officer and Chairman of Tuscarora Yarns in Mt. Pleasant, North Carolina.[2]

My testimony concerns the two extreme ends of the spectrum of traumatic brain injury (TBI) in the military—from those who go undiagnosed and return to the community and are only later found to have brain injuries after experiencing problems, and those who are the most severely injured and are left to live out their lives in minimally conscious or vegetative states in nursing homes without rigorous efforts to help them regain consciousness.

THE NATIONAL RESPONSE TO TBI IN THE MILITARY AND VETERAN POPULATIONS

For 16 years, since the DVBIC was created in 1992, my colleagues in the brain injury community and I have requested Congressional support to sustain its research, treatment, and training initiatives. What started as a small research program, the DVBIC has grown to a nine-site network[3] of state-of-the-art care in collaboration between the Department of Defense (DOD) and the Veterans Administration (VA) and is now a key component of the Department of Defense Center of Excellence in Psychological Health and Traumatic Brain Injury (DCoE).

We are extremely pleased that over the past year, Congress has appropriated hundreds of millions of dollars for screening, evaluation, treatment, and support for troops sustaining TBI. We applaud your leadership in assuring funding for TBI. Similarly, we were encouraged to see that the DVBIC was included in the new TBI initiatives of the fiscal year 2008 National Defense Authorization Act (NDAA).

We remain concerned, however, that the DOD may not fully implement all of the initiatives of the NDAA, or may delay their development. It is reports like that by

[1] NBIRTT is a non-profit national foundation dedicated to the support of clinical research, treatment, and training.

[2] I receive no compensation from this program; rather, I have raised and contributed millions of dollars to support brain injury research, treatment, training, and services.

[3] Walter Reed Army Medical Center, Washington, DC; James A. Haley Veterans Hospital, Tampa, Florida; Naval Medical Center San Diego, San Diego, California; Minneapolis Veterans Affairs Medical Center, Minneapolis, Minnesota Veterans Affairs Palo Alto Health Care System, Palo Alto, California; Virginia Neurocare, Inc., Charlottesville, Virginia; Hunter McGuire Veterans Affairs Medical Center, Richmond, Virginia; Wilford Hall Medical Center, Lackland Air Force Base, Texas; Laurel Highlands Neuro-Rehabilitation Center, Johnstown, Pennslyvania.

USA Today on March 18, 2008,[4] uncovering policies of the DOD to delay screening of troops in fear that the issue of TBI may become another "Gulf War Syndrome" that makes us ask for your support in overseeing DOD. The recent news report that a VA doctor suggested that diagnosis of Post Traumatic Stress Disorder (PTSD) be redesignated as "an adjustment disorder" as well as the "New England Journal of Medicine" article published in January, by Colonel Hoge who argues that TBI is really just PTSD, are also alarming.

The Rand Corporation issued a study in April,[5] which found that about 19 percent of troops report having a possible TBI. 1.64 million troops have served since October 2001, so that means there's a possibility of over 300,000 TBIs. Similarly, almost 20 percent of returning service personnel have symptoms of PTSD or major depression. Unfortunately, only half have sought treatment and they experienced delays and shortfalls in getting care.

There are disturbing reports about the 1,000 suicides per month among veterans of the conflicts in Iraq and Afghanistan, and the connection with PTSD and TBI cannot be overlooked. A May 11, 2008, New York Times editorial about the VA's downplaying of a suicide epidemic, argued that the solutions are clear: more funding for mental health services, more aggressive suicide prevention efforts and more efficiency at managing veterans' treatment and more help for their families. However, we know well that none of this is simple and funding and program proposals are only the beginning and need to be carefully monitored. Congressional leadership has been stellar, legislation now enacted, but once the DOD and VA have the resources and directives, Congressional oversight is still needed.

The issues of PTSD and TBI in the military are enormous and affect both the military and civilian health care systems. If only half of troops with symptoms of PTSD and TBI are seeking treatment, it is clear that injured service personnel will fall through the cracks and not get the neuro-rehabilitation or services they and their families need.

THE NEED FOR COORDINATION WITH STATE AGENCIES AND COMMUNITY SERVICES

On May 13, 2008, LTG Clyde Vaughn, Director of the Army National Guard testified before your committee that there needs to be a safety net for troops returning who have unidentified PTSD and/or TBI and urged a coordination, between the military, veterans agencies and State agencies. As to screening, Lieutenant General Vaughn acknowledged that the Army National Guard could at one time follow its troops, but now as regiments are divided, such an effort would require that all branches of the armed services participate.

The NDAA provided a directive for the military to collaborate with civilian entities to ensure community services are available. NBIRTT supports the proposal by the National Association of State Head Injury Administrators (NASHIA) submitted to the DCoE to collaborate with State agencies to provide a continuum of information and resources for those troops that we know will fall through the cracks.

As service personnel return home from Iraq and Afghanistan, an increasing number of them and their family members are contacting State governmental programs for assistance that states usually provide to the civilian population. While many who are seriously injured will be treated by military treatment facilities, others with mild or undiagnosed TBI—especially the National Guard and Reserves—will return to their homes, families, and communities after tour of duty. They will often seek medical care from civilian health care professionals who may not be aware of the person's exposure to blasts.

It is often the resulting actions or behaviors and poor judgment of these individuals that result in domestic violence, inappropriate public outbursts and encounters with law enforcement or unemployment. It is under these circumstances that many with TBI are "discovered" by State and local agencies. These agencies or professionals often do not know to ask the question as to whether the person served in Iraq or Afghanistan and was exposed to blasts, such as those from roadside bombs. It is key for proper assessment and diagnosis that these professionals learn the cause or reason for such behaviors or other cognitive issues.

Funding is needed to enlighten the civilian community about TBI and related disorders associated with blast injuries incurred in Iraq and Afghanistan. National Guardsmen and women and Reservists may exit their tour citing no medical difficulties. It is only after a period of time that these individuals may find it difficult to

[4] *Col.:DOD Delayed Brain Injury Scans*, by Gregg Zoroya, USA Today, March 18, 2008.

[5] *Invisible Wounds of War: Psychological and Cognitive Injuries, Their Consequences, and Services to Assist Recovery* (Tanielian and Jaycox [Eds.], Santa Monica, Calif.: RAND Corporation, MG–720–CCF, 2008).

manage their jobs, interact with their family members or co-workers, manage their emotions or engage in activities once considered routine. These individuals are at risk of being misdiagnosed and treated inappropriately by medical and healthcare professionals.

The NDAA authorized funding to improve the continuum of care from acute, post-acute, rehabilitation, transition, follow-up, community, and long-term care and case management/service coordination to coordinate resources and benefits for injured troops.

In general, States have extensive experience in helping civilians access services across private (e.g., insurance, workers comp), local (e.g., public education, county health and social service agencies), State (TBI, mental health and disability programs) and Federal (e.g., Medicaid, public assistance, substance abuse, and vocational rehabilitation) systems. Now, States need support in collaborating with DOD/VA in order to assist those returning servicemembers with "mild" or undiagnosed TBI to get the services and supports they need, whether these services are provided through the VA or through State public programs or by civilian healthcare providers. At the same time, States can provide information to DOD/VA on community resources for those severely or moderately injured service members who are returning to their communities and may need life-long care and family supports. This requires States and DOD/VA to have knowledge on how to navigate each of these complex systems, as well as to have formal relationships for transitioning returning service members with TBI and related conditions to their home and community and conducting outreach to identify those with mild or undiagnosed TBI.

The Centers for Disease Control and Prevention (CDC), in recognition that many civilians who sustain a mild TBI are not hospitalized or receive no medical care at all, has updated and revised the "Heads Up: Brain Injury in Your Practice" tool kit for physicians. This toolkit also directs physicians to note potential blast related TBIs. This toolkit has also been distributed to State agencies hoping that they will educate their medical communities regarding this emerging issue.

If it is true, as was mentioned earlier, the DOD and VA do not fully screen and correctly diagnose service personnel with TBIs, it is inevitable that troops will return home injured only to fend for themselves. We urge your support for a collaborative agreement between the DVBIC and DCoE and NASHIA to provide a safety net for troops returning home.

DCOE OFFICIALS SHOULD DETERMINE THE COURSE OF TBI INITIATIVES

Last year we testified that "the DVBIC is an important tool to assure a continuum of care, but it requires an increased level of POM funding and a solid commitment by the DOD to assist in improving the military and VA health care systems." Now that adequate funding is in place, we need to assure that Congressional mandated programs are actually implemented. We are pleased that DCoE is headed by BG Loree Sutton along with a cadre of professionals and experts in TBI. We hope that the DOD will defer to their expertise in deciding the best means to develop a true Center of Excellence for TBI.

DCoE staff recently submitted the proposed budget for fiscal year 2010, up the chain of command, but bureaucrats within the DOD have not supported such programs as the pilot project for the minimally conscious. The minimally conscious program was in the NDAA and endorsed by experts in TBI treatment and research, as well by officials at DCoE. All facets are ready to go and the program in its entirety could be stood up by this fall. The pilot project is a unique attempt to provide our most injured wounded warriors with cutting edge care to help them regain consciousness. There is no other effort like it being done by the VA or DOD. Severely injured wounded warriors deserve the most cutting edge treatment for a chance to return to their lives. They do not deserve misdiagnosis or a decree of futility, only to be sent to nursing homes.

*The Minimally Conscious Program: Improving Outcomes for Wounded Warriors with Disorders of Consciousness*

Disorders of consciousness (DOC) include coma, the vegetative state (VS) and the minimally conscious state (MCS). These disorders are among the most misunderstood conditions in medicine and are an important challenge for scientific inquiry. Published estimates of diagnostic error among patients with disorders of consciousness range from 15–43 percent. The highly publicized case of Terri Schiavo revealed the depth of confusion, misinformation, and unfounded speculation concerning these disorders that exists among the public, the media, Government officials, and healthcare professionals. To some extent, these problems should have been avoidable, because well-accepted definitions, diagnostic criteria, and prognostic parameters concerning coma, VS, and MCS are available in the scientific literature. Al-

though all of these disorders involve severe alteration of awareness of self and environment, there is clear and growing evidence that subtle but important clinical differences exist between these states of altered consciousness that impact access to treatment, management decisions, outcomes, family adjustment, and cost of care. Failure to recognize these differences may result in misdiagnosis, inaccurate prognosis, inappropriate treatment recommendations and improper management of fiscal and human resources.

*Incidence and prevalence of VS and MCS in the U.S.*

Accurate estimates of the incidence and prevalence of disorders of consciousness are challenging to obtain for several reasons. First, it is difficult to find persons with these disorders across the many different locations where they receive care, and to follow them over time to see if they improve. In addition, the lack of International Classification of Disease diagnostic codes for MCS makes it difficult to track the number of cases using currently available data. Finally, the prevalence of both the VS and MCS is influenced by survival, which is dependent upon access to care, quality of care and decisions to withdraw care.

As a result of these challenges, knowledge of the epidemiology of DOC is extremely limited. It is estimated that at least 4,200 new individuals with the VS are diagnosed each year in the United States. The incidence of new cases of MCS, including the number of persons who transition from VS to MCS, has not been determined. Regarding the prevalence, published estimates suggest that approximately 315,000 Americans are living with a disorder of consciousness, including 35,000 in VS and 280,000 in MCS. An estimated 40 percent of persons with DOC are children. These figures most likely under represent the frequency of occurrence of VS and MCS because of the lack of surveillance in subacute settings in which most of these individuals reside. Detailed information about persons with VS and MCS by age, sex, and cause of the disorder has not been reported.

*Incidence and prevalence of VS and MCS among wounded warriors*

The exact number of wounded warriors from Operation Iraqi Freedom and Operation Enduring Freedom in the vegetative and minimally conscious state is unknown. DVBIC reports that 4 percent, or approximately 223 individuals with severe TBI have been seen and or treated by the DVBIC. This is an underestimation because it does not include those seen or treated at other military hospitals and programs.

The DVBIC/DCoE program could be stood up by this fall if located at the Hiram G. Andrews Center in Johnstown, Pennsylvania. The program plans to fully assess and research patient conditions and responses, wean patients from ventilators, provide complete medical care, get patients to the point where they can communicate, involve family and consultants via teleconferencing and telerehabilitation, and develop assistive devices for the patients to improve quality of life and reduce the need for skilled nursing facilities which will decrease the burden to both the family and society.

The DVBIC/DCoE pilot project will utilize the latest technology and scientific evidence to treat wounded warriors with TBI. Nothing being done by the VA or the DOD comes close to the goals for this pilot project. There are numerous stories of young men and women who were considered hopeless, only to fully recover conscious and functioning. No one better deserves the most cutting edge research and care than our wounded warriors. The VA Polytrauma Centers provide excellent state-of-the-art care for a handful of severely injured. Our troops deserve a step above, and all severely injured should be given the opportunity to hope for recovery.

We urge your support for $3,750,000 in the DOD Appropriations bill for fiscal year 2009 for the pilot program for the minimally conscious.

In summary, we request a total of $28 million for the DVBIC, understanding that is only a component of the DCoE, we want to be sure that the same level of funding for TBI is given next year as was given this year.

As the DOD implements the initiatives of the NDAA and directives from appropriations, it cannot lose sight of those wounded warriors who may be forgotten because they are at the extremes of the spectrum of TBI. Many of the walking wounded do not even know they have TBI. Others are so severely injured they are misdiagnosed as hopeless. The DCoE can address both of these issues through collaborative efforts with communities and developing treatments to provide hope for the most injured.

As we have seen in years past, it is your leadership that has assured the care of troops with TBI. If we could rely on the layers of bureaucracy to take responsibility for identifying and treating troops with TBI, then we wouldn't have had to come before your committee for some 15 years asking for plus ups of $5, $10, or

$12 million to supplement a $7 million base budget. Now that the core commitment by the DOD is there, we cannot lose the opportunity to assure that funds are directed properly, efficiently and effectively. Time is, and has always been, of the essence when it comes to TBI.

Thank you for your wisdom, support, and leadership in providing critical resources to our troops.

Senator INOUYE. Now may I call upon Captain Walt Steiner, President of the Naval Reserve Association.

**STATEMENT OF CAPTAIN WALT STEINER, UNITED STATES NAVY (RETIRED), PRESIDENT, NAVAL RESERVE ASSOCIATION**

Captain STEINER. Chairman Inouye and Ranking Member Stevens: The Naval Reserve Association (NRA) is very grateful to have the opportunity to testify today. We want to thank this subcommittee for the ongoing stewardship on the important issues of national defense and especially the reconstitution and transformation of the Navy. Your unwavering support for our deployed marines and service members and sailors in Iraq and Afghanistan and for the worldwide fight against terrorism is of crucial importance and warriors a top priority.

In keeping with that priority, we urge this subcommittee to immediately appropriate 2008 supplemental funds to continue to support the ongoing war against terrorism.

NRA would like to highlight some other areas of concern. We support the utilization of Navy reservists in operational reserve support roles, but we also believe that Chairman Mullen's October 2007 call for a strategic reserve should be heeded by the Navy. We interpret "strategic reserve" to mean capability-based commissioned Reserve units with assigned missions and roles and organic equipment, which should be maintained in order to ensure that the United States is prepared to surge for military operations against near competitor states or other threats at any point in the near future, or in the future.

The NRA believes that the administration and Congress must make it a high priority to maintain the end strengths of already overworked military forces. This includes the Navy Reserve. At a minimum, the Navy Reserve should be stabilized at 68,000 members.

We continue to have concerns with how the Reserve components are being utilized by the Pentagon. Our Navy reservists are pleased to be making a significant contribution to the Nation's defense as operational Reserve forces. However, the reality of it all is that the added stress on the Reserve could pose long-term consequences for our country in recruiting, retention, family, and employer support. This issue deserves your attention.

Our Navy reservists are fighting the wars in Iraq and Afghanistan on the ground, in the air, and on the sea, and at sea. Many if not most of these excellent reservists are the product of the Naval Reserve that predated Operation Iraqi Freedom. As such, the more senior officers and enlisted were developed in organized, commissioned and organically equipped units where their leadership skills and operational experience were tested and hardened by the rigors of unit command and responsibility. That tremendous reservoir of operational capability must be maintained.

There is a risk that they will not be able to do so under a projection of the present model of utilization, and current Active-Reserve integration plans do not call for leadership roles for midgrade enlisted or officers.

Regarding equipment, the NRA does support the Chief of Naval Operations' unfunded programs list. We do not agree with the Pentagon's position recommending the repeal of separate budget requests for procuring reserve equipment and ask this subcommittee to continue to provide separate appropriations against unfunded NGRE requirements in the NGRE appropriation.

The Naval Reserve Association strongly believes that dedicated Naval Reserve units with their own equipment are a major factor in recruiting, retaining, and training the qualified personnel in the Navy Reserve. The Reserve should not be viewed solely as a labor pool to fill a gap in existing active duty manning.

Specific equipment and funding needs at the Navy Reserve that we support include:

Funding the C–40A aircraft to replace dangerously aged C–9s. Two aircraft are currently in the 2009 supplemental and four in the 2009 annual funding;

Replace the C–20;

Fund six C–130Js for the Naval Reserve;

Increase funding for the Naval Reserve equipment for the naval coast warfare mission; and

Establish a floor of 68,000 for Navy Reserve end strength.

We thank this subcommittee for consideration of these tools to assist the Guard and Reserve in an age of increased sacrifice and utilization of these forces. Additionally, we can never forget the families and employers of these unselfish volunteers who serve our country in uniform.

Thank you.

Senator INOUYE. Thank you very much, Captain Steiner.

[The statement follows:]

PREPARED STATEMENT OF CAPTAIN WALTER K. STEINER

The Naval Reserve Association traces its roots back to 1919, and is devoted solely to service to the Nation, Navy, the Navy Reserve, and Navy Reserve officers and enlisted. It is the premier national education and professional organization for Navy Reserve personnel, and the Association Voice of the Navy Reserve .

Full membership is offered to all members of the services and NRA members come from all ranks and components.

The Association has just under 23,000 members from all 50 States. Forty-five percent of the Association membership is drilling and active reservists and the remaining 55 percent are made up of reserve retirees, veterans, and involved civilians. The national headquarters is located at 1619 King Street, Alexandria, VA.

Mr. Chairman and distinguished members of the committee, the Association is very grateful to have the opportunity to testify today.

Our Association looks at equipment, force structure, and policy issues that are not normally addressed by the Office of Secretary of the Navy.

We would like to thank this committee for the on-going stewardship on the important issues of national defense and, especially, the reconstitution and transformation of the Navy. At a time of war, its pro-defense and non-partisan leadership sets the example.

Your unwavering support for our deployed service members in Iraq and Afghanistan and for the world-wide fight against terrorism is of crucial importance and warrants a top priority. NRA would like to highlight some areas of emphasis.

As a Nation, we need to supply our service members with the critical equipment and support needed for individual training, unit training, and combat. Additionally, we can never forget the families and employers of these unselfish volunteers.

NGREA EQUIPMENT

In recent years, the Pentagon has recommended the repeal of separate budget requests for procuring Reserve equipment. A combined equipment appropriation for each service does not guarantee needed equipment for the National Guard and Reserve Components. For the Navy Reserve, this is especially true. We do not agree with the Pentagon's position on this issue and ask this committee to continue to provide separate appropriations against unfunded NG and RE requirements.

People join the Reserve Components to serve their country and operate equipment. Recruiting and retention issues have moved to center stage for all services and their reserve components. In all likelihood, the Navy will not meet its target for new Navy Reservists and the Navy Reserve could be challenged to appreciably slow the departure of experienced personnel this fiscal year. We've heard that Reserve chiefs are in agreement, expressing concern that senior personnel could leave when equipment is not available for training.

Besides re-enlistment bonuses which are needed, the NRA strongly believes that dedicated Navy Reserve equipment and Navy Reserve units are a major factor in recruiting, retaining and training qualified personnel in the Navy Reserve.

END-STRENGTH

In addition to equipment to accomplish assigned missions, the NRA believes that the administration and Congress must make it a high priority to maintain, if not increase, the end strengths of already overworked and perhaps even overstretched, military forces. This includes the Navy Reserve. The Navy Reserve has always proven to be a highly cost-effective and superbly capable operational and surge force in times of both peace and war. At a minimum, the Navy Reserve should be stabilized at 68,000 personnel.

OPERATIONAL NAVY RESERVE FORCE

We continue to have concerns on how the Guard and Reserve are being utilized by the Pentagon, currently mobilizing over 615,000 Guard and Reserve. The move away from the traditional mission of the Guard and Reserves to an operational part-time fighting force is the only way our country could fulfill our immediate defense requirements after 9/11. However, for the foreseeable future, we must be realistic about what the unintended consequences are from this very high rate of usage. History shows that a Reserve force is needed for any country to adequately meet its defense requirements, and to enable success in offensive operations, when needed. Our current Guard and Reserve members are pleased to be making a significant contribution to the Nation's defense as operational reserve forces; however, the reality of it all is that the added stress on the Guard and Reserve could pose long term consequences for our country in recruiting, retention, family and employer support. This issue deserves your attention in a continuum of benefits that includes pay, compensation, retirement issues, Family Support Programs, Transition Assistance Programs and for the Employer Support for the Guard and Reserve programs.

The Navy Reserve has decreased from 86,000 to 66,000 in just 5 years. At the same time, the Navy Reserve continues to mobilize over 4,500 sailors in support for the on-going global war on terror. Your Navy Reserve personnel are fighting the wars in Iraq and Afghanistan. It should be noted that many, if not most, of these excellent Reservists are the product of the Naval Reserve policies and force structure that pre-date 9/11. As such, and in particular, the more senior officers and enlisted were developed in organized, commissioned and organically equipped units where their leadership skills and operational experience were tested and hardened by the rigors of unit command and responsibility. Care must be taken that tremendous reservoir of operational capability be maintained and not capriciously dissipated. Officers, Chief Petty Officers, and Petty Officers need to exercise leadership and professional competence to maintain their capabilities. There is a risk that they will not be able to do so in the present model of utilization, and current integration does not call for leadership roles of mid-grate enlisted or officers.

That said, we recognize there are many issues that need to be addressed by this committee and this Congress. The NRA supports the Navy Unfunded Programs list provided by the Chief of Naval Operations.

*Specific equipment and funding needs of the Navy Reserve include:*

C–40 funding to replace dangerously aged C–9s. These are war fighting logistic weapons systems. Two aircraft are currently programmed for fiscal year 2009 supplemental. We have to replace aging C–9s to maintain Navy and Marine Corps engagement in the global war on terrorism. Our country needs these warfigting systems because;

First:
—It is the entire Navy's only world-wide intra-theater organic airlift, operated by the U.S. Navy, and meet critical fleet needs on a daily basis around the clock.
—Navy currently operates nine C–40As, in three locations: Fort Worth, Jacksonville, and San Diego.
—A pending CNA study—substantiates the requirements for 31–35 C–40As to replace aging C–9s.
Second:
—CNO, SECNAV, and Department of Defense (DOD) support the requirement for C–40A's.
—Commander, Naval Air Force 2007 Top Priority List stated the requirement for at least 32 aircraft.
Third:
—Current average age of remaining C–9s that the C–40 replaces is 37 years!
—There will be no commercial operation of the C–9s or derivates by 2011.
—C–9s cannot meet the GWOT requirement, due to MC rates, and availability of only 171 days in 2006.
—Modifications required to make C–9s compliant with stage III Noise compliance, and worldwide Communications/Navigation/Surveillance/Air Traffic Management compliance—are cost prohibitive.
—There are growing indications that the availability and Mission Capability rates of the C–20Gs.
Fourth:
—737 commercial availability is slipping away, if we do not act now; loss of production line positions in fiscal year 2008–09—due to commercial demand would slip to 2013, increase in DOD, service unit costs, and endanger fleet readiness and current operations.

C–130J procurement funding for six C–130s for the Navy Reserve.

New Accession Training Bonus is for the Navy Reserve force non-prior service accession program. This program will pay to meet increased Reserve Component recruiting mission. This supports the global war on terrorism through accessing Reserve members into: Seabees, Master-at-Arms, Intelligence Specialists, and Hospital Corpsmen rates.

A full range of Navy Expeditionary Command equipment for Navy Reserve units.

Overwhelmingly, we have heard Reserve Chiefs and Senior Enlisted Advisors discuss the need and requirement for more and better equipment for Reserve Component training. The Navy Reserve is in dire need of equipment to keep personnel in the Navy Reserve and to keep them trained. Approximately 4,500 Navy Reserve personnel are on recall each and every month since 9/11. We must have equipment and unit cohesion to keep personnel trained. This means—Navy Reserve equipment and Navy Reserve specific units with equipment.

*Additional issues*

*The Reserve Component as a worker pool*

*Issue*.—The view of the Reserve Component that has been suggested within the Pentagon is to consider the Reserve as of a labor pool, where Reservists could be brought onto Active Duty at the needs of a service and returned, when the requirement is no longer needed. It has also been suggested that an Active Duty member should be able to rotate off active duty for a period, spending that tenure as a Reservist, returning to active duty when family, or education matters are corrected.

*Position*.—The Guard and Reserve should not be viewed as a temporary-hiring agency. Too often the Active Component views the recall of a Reservist as a means to fill a gap in existing active duty manning. If the active Navy is undermanned for its assigned global mission, it is the responsibility of the Pentagon and the Congress to address those shortfalls in end-strength. If the Navy wishes to have a surge capability in strategic reserve, then it needs to allocate those missions to the Navy Reserve, and increase the end-strength of the Navy Reserve to support those capabilities.

EQUIPMENT OWNERSHIP

*Issue*.—An internal study by the Navy has suggested that Naval Reserve equipment should be transferred to the Navy. At first glance, the recommendation of transferring Reserve Component hardware back to the Active component appears not to be a personnel issue. However, nothing could be more of a personnel readiness issue and is ill advised. Besides being attempted several times before, this issue needs to be addressed if the current National Security Strategy is to succeed.

*Position*.—The overwhelming majority of Reserve and Guard members join the RC to have hands-on experience on equipment. The training and personnel readiness of Guard and Reserve members depends on constant hands-on equipment exposure. History shows, this can only be accomplished through Reserve and Guard equipment, since the training cycles of Active Components are rarely if ever—synchronized with the training or exercise times of Guard and Reserve units. Additionally, historical records show that Guard and Reserve units with hardware maintain equipment at or higher than average material and often better training readiness. Current and future war fighting requirements will need these highly qualified units when the Combatant Commanders require fully ready units.

Reserve and Guard units have proven their readiness. The personnel readiness, retention, and training of Reserve and Guard members will depend on them having Reserve equipment that they can utilize, maintain, train on, and deploy with when called upon. Depending on hardware from the Active Component, has never been successful for many functional reasons. The NRA recommends the committee strengthen the Reserve and Guard equipment appropriation in order to maintain optimally qualified and trained Reserve and Guard personnel.

The Four "P's" can identify the issues that are important to Reservists: Pay, Promotion, Points, and Pride.

—Pay and compensation needs to be competitive. As Reservists have dual careers, they have had other sources of income. But, this is changing with continuous recalls, which they are glad to do. If pay and compensation are out of sync, or expenses too high, a Reservist knows that time may be better invested elsewhere.

—Promotions need to be fairly regular, and attainable. Promotions have to be accomplished through an established system and be cyclically predictable. We are learning that leadership roles are as important as ever, and that leaders take a long time to develop and if those leadership skills are not constantly exercised, they will atrophy.

—Points reflect a Reservist's ambitions to earn retirement. The recently passed reserve retirement benefit is a number one priority. Retirement points and the reserve retirement provision are as creditable a reinforcement as pay. Guard and Reserve members are serving their second and third times in OIF/OEF; this is an important issue to them and their families.

—Pride is a combination of professionalism, parity and awards: doing the job well with requisite equipment, and being recognized for one's efforts. While people may not remember exactly what you did, or what you said, they will always remember how you made them feel.

In summary, we believe the committee needs to address the following issues for Navy Reservists in the best interest of our national security:

—Fund C–40A for the Navy Reserve, per the fiscal year 2009 Supplemental; we must replace the C–9s and replace the C–20Gs in Hawaii and Maryland.

—Fund six C–130Js for the Navy Reserve, per the CNO unfunded list.

—Increase funding for Naval Reserve equipment in NGREA Naval Coastal Warfare Equipment

—Establish an End-strength cap of 68,000 as a floor for end strength to Navy Reserve manpower—providing for surge-ability and operational force.

We thank the committee for consideration of these tools to assist the Guard and Reserve in an age of increased sacrifice and utilization of these forces.

Thank you for your ongoing support of the Nation, the Armed Services, the United States Navy, the United States Navy Reserve, and the fine men and women who volunteer to defend our country.

Senator INOUYE. Now our next witness is the Medical Liaison, Mesothelioma Applied Research Foundation, Ms. Mary Hesdorffer.

**STATEMENT OF MARY HESDORFFER, MEDICAL LIAISON, MESOTHELIOMA APPLIED RESEARCH FOUNDATION**

Ms. HESDORFFER. Chairman Inouye, Ranking Member Stevens, and the distinguished members of the Defense Appropriations subcommittee: Thank you for allowing me to testify in front of you. I'm a nurse practitioner and I work as the Medical Liaison for the Mesothelioma Applied Research Foundation. We're dedicated to advancing medical research to improve treatments for mesothelioma.

Mesothelioma, as you may know, is one of the rarest and most aggressive cancers facing people today. It attacks the linings of the

lung, the pericardium, and the abdomen. It's caused by direct exposure to asbestos. Before we knew the properties of asbestos, it was used widely because it had wonderful properties. It was used in engines, nuclear reactors, decking materials, pipe coverings, hull insulation, pumps, gaskets, boilers, distillers, evaporators, rope packing, and brakes and clutches on winches. It was used all over the Navy ships, even in living spaces, where pipes overhead were lined with asbestos. It was used on planes, on military vehicles, insulating materials in quonset huts.

As a result, millions of defense people have been exposed to asbestos. In one study in Groton, Connecticut, 100,000 people who worked in the Navy shipyard were exposed there to asbestos.

I have specialized in treating this disease. There is only one approved regimen to treat the disease and the life expectancy with that regimen is only 14 months.

I want to just speak to you a little bit about some of the military people who have been exposed and what's happened to them. Chief Naval Officer Admiral Elmo Zumwalt, who led the Navy during Vietnam, was diagnosed with mesothelioma and died within 3 months.

Another fellow, Lewis Deets, at the age of 18 volunteered to serve in Vietnam. He was not drafted; he volunteered. He was serving on the U.S.S. *Kitty Hawk*. A fire broke out in the engine room. The engine was covered with asbestos because that's how we insulated the boilers. That happened in 1965. He developed the disease, he was dead within 4 months.

Bob Tregget is now alive. He's 57 years old. He served on a nuclear submarine. He developed mesothelioma. He's undergone surgery where they removed his lung, the lining of his lung, the lining of his heart, part of his diaphragm in an effort to save his life. The tumor has now since recurred on his other lung.

In addition to these heroes exposed 10 to 50 years ago, because we have a very long latency period with this disease, at 9/11 we had tons of asbestos that was exposed, that was released into the air. My son Alex Plitsas, who is currently serving now in Sadr City, was a volunteer fireman at the time and was exposed to asbestos during 9/11. So this is very dear to my heart, in addition to the known asbestos exposure in Iraq today.

I want to thank the subcommittee because this year in 2008 you appropriated money and you allowed us to be part of your reviewed medical research program. We're urging you again to include us in the year 2009. I need to provide hope to my patients that I'm in daily contact with, and right now it's so difficult to give them hope with a disease that has no cure and has only one approved treatment. We desperately need your research dollars for all the vets and for all the people who have served their country so valiantly in the past and in the future.

Thank you.

Senator INOUYE. I thank you very much, Ms. Hesdorffer. We'll do what we can.

Ms. HESDORFFER. Thank you.

[The statement follows:]

## PREPARED STATEMENT OF MARY HESODORFFER

Chairman Inouye, Ranking Member Stevens, and the distinguished members of the U.S. Senate Defense Appropriations subcommittee: Thank you for this opportunity, a week after Memorial Day, to address a tragic disease that disproportionately kills our veterans and heroes. My name is Mary Hesdorffer. I am a nurse practitioner and the Medical Liaison for the Mesothelioma Applied Research Foundation, the national nonprofit collaboration of researchers, physicians, advocates, patients, and families dedicated to advancing medical research to improve treatments for mesothelioma.

### MALIGNANT MESOTHELIOMA

Mesothelioma or meso is an aggressive cancer of the lining of the lungs, abdomen or heart, caused by asbestos exposure. The tumor is among the most painful and fatal of cancers, as it invades the chest wall, destroys vital organs, and crushes the lungs.

### THE "MAGIC MINERAL"—EXPOSURES WERE WIDESPREAD

As you may know, until its fatal toxicity became fully recognized, asbestos was regarded as the magic mineral. It has excellent fireproofing, insulating, filling, and bonding properties. By the late 1930's and through at least the late 70's the Navy was using it extensively. It was used in engines, nuclear reactors, decking materials, pipe covering, hull insulation, valves, pumps, gaskets, boilers, distillers, evaporators, soot blowers, air conditioners, rope packing, and brakes and clutches on winches. In fact it was used all over Navy ships, even in living spaces where pipes were overhead and in kitchens where asbestos was used in ovens and in the wiring of appliances. Aside from Navy ships, asbestos was also used on military planes extensively, on military vehicles, and as insulating material on quonset huts and living quarters.

As a result, millions of military defense personnel, servicemen, and shipyard workers, were heavily exposed. A study at the Groton, Connecticut, shipyard found that over 100,000 workers had been exposed to asbestos over the years at just this one shipyard. The disease takes 10 to 50 years to develop, so many of these heroes who served our country are just now becoming sick.

### MESOTHELIOMA TAKES OUR HEROES

For the past 12 years I have specialized in meso, working with researchers, caring for patients, developing clinical trials to attempt to treat them, and working to manage their pain. I know who they are and what they suffer. These are the people who served our country's defense and built its fleet. They are heroes like former Chief Naval Officer Admiral Elmo Zumwalt, Jr., who led the Navy during Vietnam and was renowned for his concern for enlisted men. Despite his rank, prestige, power, and leadership in protecting the health of Navy service men and veterans, Admiral Zumwalt died at Duke University in 2000, just 3 months after being diagnosed with mesothelioma.

Lewis Deets was another of these heroes. Four days after turning the legal age of 18, Lewis joined the Navy. He was not drafted. He volunteered, willingly putting his life on the line to serve his country in Vietnam. He served in the war for more than 4 years, from 1962 to 1967, as a ship boilerman. For his valiance in combat operations against the guerilla forces in Vietnam he received a Letter of Commendation and The Navy Unit Commendation Ribbon for Exceptional Service. In December 1965, while Lewis was serving aboard the U.S.S. *Kitty Hawk* in the Gulf of Tonkin, a fierce fire broke out. The boilers, filled with asbestos, were burning. Two sailors were killed and 29 were injured. Lewis was one of the 29 injured; he suffered smoke inhalation while fighting the fire. After the fire, he helped rebuild the boilers, replacing the burned asbestos blocks. In 1999, he developed mesothelioma and died 4 months later at age 55.

Bob Tregget is a 57-year-old retired sailor who was diagnosed with mesothelioma a few years ago. Bob was exposed to asbestos as a sailor in the U.S. Navy from 1965 to 1972, proud to serve his country aboard a nuclear submarine whose mission was to deter a nuclear attack upon the United States. To treat his disease, Bob had what today is the state-of-the-art for mesothelioma treatment. He had 3 months of systemic chemotherapy with a new, and quite toxic, drug combination. Then he had a grueling surgery, to open up his chest, remove his sixth rib, amputate his right lung, remove the diaphragm and parts of the linings around his lungs and his heart. After 2 weeks of postoperative hospitalization to recover and still with substantial postoperative pain, he had radiation, which left him with second degree burns on

his back, in his mouth, and in his airways. Recently, the tumor returned on his left side, but Bob is hanging on.

Admiral Zumwalt's, Boilerman Deets', and sailor Tregget's stories are not atypical. I have treated many more meso patients who were exposed in the Navy, or working in a shipyard. Almost 3,000 Americans die each year of meso, and one study found that one-third of patients were exposed on U.S. Navy ships or shipyards. That's 1,000 U.S. veterans and shipyard workers per year, lost through service to country, just as if they had been on a battlefield.

In addition to these heroes, exposed 10 to 50 years ago and developing the disease today, many more are being exposed now and will develop the disease in the next 10 to 50 years. There is grave concern now for the heroic first responders from 9/11. My son, Alex Plitsas, who is currently serving in Iraq, was one of those responders so this is very close to my heart. The EPA now acknowledges that hundreds of tons of asbestos were released into the atmosphere, and that firefighters, police officers, paramedics, construction workers, and volunteers who worked in the rubble at Ground Zero are at greatest risk. Residents in close proximity to the WTC towers and those who attended schools nearby are also at risk.

Asbestos exposures have been reported among the troops now in Iraq. The destruction wrought by Katrina has potentially exposed countless more. Asbestos is virtually omni-present in all the buildings constructed before the late 1970s. The utility tunnels in this very building have dangerous levels. While active asbestos usage is not as heavy today as in the past, even low-dose, incidental exposures can cause meso. Congressman Bruce Vento, the distinguished member from Minnesota, happened to work near an asbestos-insulated boiler in a brewery in Minneapolis for two summers while putting himself through college. As a result, he died of meso in 2000. His wife Sue Vento now champions efforts to raise awareness about this deadly disease and the need for a Federal investment in research toward a cure, and testified before you last year. For those who could develop mesothelioma as a result of all these current exposures, the only hope is effective treatment.

MESOTHELIOMA FUNDING HAS NOT KEPT PACE

Despite this deadly toll on our heroes and patriots, meso has been an orphan disease.

With the huge Federal investment in cancer research through the National Cancer Institute (NCI), and billions spent in biomedical research through the Department of Defense (DOD) Congressionally Directed Research Program, we are winning the war on cancer and many other diseases. But for meso, the NCI has provided virtually no funding, in the range of only $1.7 million to $4 million annually over the course of the last 5 years, and from 1992 until last year, the DOD did not invest in any meso research, despite the military-service connection. As a result, advancements in the treatment of mesothelioma have lagged far behind other cancers. With current treatment options, including aggressive surgical procedures, meso patients have an average survival of only 4–14 months, ranking it as one of the most aggressive, and deadly cancers that our veterans and others face today.

NEW OPPORTUNITIES

But there is good news. A small but passionate community of physicians and researchers is committed to finding a cure. The decades-long hopelessness that treatment was futile is no longer true. The FDA has now approved one drug shown to be effective against the tumor. Median survival on this drug averages 12.2 months. This is just the beginning as having one drug to treat this aggressive and fatal cancer is not enough. Most cancers have over a dozen drugs approved for treatment yet meso only has one! Biomarkers for meso are being identified and one of them received FDA approval just last year. Two of the most exciting areas in cancer research generally—gene therapy and anti-angiogenesis—look particularly promising in meso.

With its seed-money grant funding, the Foundation is supporting research in these and other areas. To date we have funded over $5 million to investigators working on novel, promising research projects. Researchers are learning which genes and proteins can give a signature for the disease, and which of these also control the pathways that will turn a normal cell into a mesothelioma. Now we need the Federal Government to partner with us in order to make sure that promising findings receive the funding necessary to be fully developed into effective treatments for patients. The scientific community believes that we can continue to advance the treatment of this disease and increase its survivability if the Federal Government makes a concerted investment.

Last year, there was another very hopeful step. At the direction of your committee, the DOD last year—for the first time ever—included meso as an area of emphasis in the DOD's Peer Reviewed Medical Research Program. In fiscal year 2008, this will enable mesothelioma researchers to compete for Federal funds based on the scientific merit of their work, and provide urgently needed resources to explore new treatments and build a better understanding this disease. The DOD just released its Program Announcement and the Foundation has heard from dozens of meso researchers who are interested in applying.

To keep the momentum of research interest going, for fiscal year 2009 we ask you to again include meso in the list of congressionally identified priority research areas. This will not expand the Federal budget. But it will crucially enable mesothelioma researchers to compete for existing Federal funds based on the scientific merit of their work. This will translate directly to saving lives and reducing suffering of patients and families battling meso. We look to the Senate Defense Appropriations subcommittee to continue to provide leadership and hope to the service men and women and veterans who develop this cancer after serving our Nation. Thank you for the opportunity to provide testimony before the subcommittee and we hope that we can work together to develop life-saving treatments for mesothelioma.

Senator INOUYE. Our next panel——

Senator STEVENS. Can I just ask one question?

Senator INOUYE. Please do.

Senator STEVENS. Mr. Foil, I'm very interested in your testimony because there's an increasing number of young people that are involved in automobile accidents that come out with brain injuries. You have this Defense and Veterans Brain Injury Center. Is that online? Can parents of children who've been injured in automobile accidents go online and get some idea what kind of treatment's available through your center?

Mr. FOIL. Yes, they can. We field calls like that all the time, Senator. That's the way my child was hurt. So I'll probably get several hundred calls each year about this, saying, where can we go, what can we do? But yes. And there are a number of agencies around the country who can do that for children. But it depends on the severity of the injury where they should go. There are lots of good level one trauma centers in the country today, but once you get out of that it's who knows.

Senator STEVENS. Well, we're seeing more and more brain injuries in young people in single car accidents where, you know, we have ice and what-not, they go off the road. But even worse in terms of when you hit——

Mr. FOIL. Are you talking about in Alaska, Senator?

Senator STEVENS. Yes.

Mr. FOIL. It's the number one cause of brain injury among young people in this country, car accidents. No question.

Senator STEVENS. I want to make sure that—I'm willing to help you, but I want to make sure that the information that's there is available to non-veterans as well as the veterans. I know you can't treat them, but at least some knowledge.

Mr. FOIL. There is information available. They can go to a number of web sites. But the Defense and Veterans Brain Injury Center really doesn't do that. But at NBIRTT we try and do what we can. We are small. We don't even have an office and we all do our stuff volunteer.

Senator STEVENS. Okay.

Mr. FOIL. By the way, Senator Inouye, congratulations on your new marriage, and much happiness.

Senator STEVENS. Well, I would hope there would be someplace that people could go for that, because, as you say, your son was involved——

Mr. FOIL. Yes.

Senator STEVENS. But I think these people, particularly in rural areas, have to know what to do.

Mr. FOIL. It's a serious problem, particularly when you are in rural areas, because those first few hours, that means everything.

Senator STEVENS. That's right.

Mr. FOIL. So thank you for your comments.

Senator STEVENS. Thank you very much.

Thank you, Senator.

Senator INOUYE. Thank you.

Our last panel: Mr. Ronald Whitten, Mr. Richard Dean, Commander John Class, Dr. Wanda Wilson, and Mr. Bob Wolz.

Our next witness is Mr. Ronald Whitten of the Lymphoma Research Foundation.

**STATEMENT OF RONALD B. WHITTEN, BOARD MEMBER, GEORGIA CHAPTER, LYMPHOMA RESEARCH FOUNDATION**

Mr. WHITTEN. Chairman Inouye, Ranking Member Stevens: Thank you for the opportunity to speak before you today regarding blood cancer research. My name is Ronald Whitten. I am a member of the Georgia chapter of the Lymphoma Research Foundation. I am also a lymphoma survivor. I was diagnosed in late 1997 with stage four non-Hodgkin's lymphoma, occurring above and below my diaphragm with bone marrow involvement. An aggressive course of treatment led to my complete clinical remission in August 1998.

The good news is that many of us with less aggressive or indolent forms of lymphoma are living longer. This would not be possible without the research being conducted by scientists within the cancer research community.

The disconcerting news is that there is no known cure for these and many other types of lymphoma. I consider myself very fortunate to have been blessed with continued years of marriage, family, and the special joy of grandparenting. But when I reflect on my survivorship, I am left with mixed feelings, knowing that so many people have lost their lives to this disease.

I am saddened by our failure to have done more to find a cure. Yet I remain optimistic that some day we will win this long war on cancer.

We'd like to express our appreciation to Congress and to this subcommittee specifically for its contributions to the battle against cancer. Today we are requesting that the subcommittee supplement existing cancer research efforts at the Department of Defense by establishing a $10 million dedicated stand-alone blood cancer research program. We're asking that the new research program encompass all forms of blood cancer, including lymphoma.

We are confident that a research program focused on the blood cancers will yield tremendous benefits for the approximately 150,000 Americans who will be diagnosed with blood cancer this year and the hundreds of thousands who are currently living with this disease.

Perhaps most importantly, the blood cancers are a compelling target for DOD investment because of the association between military service and the development of certain blood cancers. Military personnel may face a significant hazard from certain environmental exposures and therefore be at heightened risk for a blood cancer diagnosis. The linkage between exposure to one particular herbicide, Agent Orange, and blood cancer has been established by a special committee of the IOM. As a veteran of the Vietnam era and a health professional for more than 40 years, I have known and observed far too many veterans suffering from a range of psychological disorders and physiological diseases, including cancer.

For many years, we were left with speculation, not science. Now we have clear recognition of the increased risk which some of our veterans are facing for blood and other cancer forms. The progress made by existing research efforts is generating optimism that some day a cure will be found, but adequate investment must be made to reach our goal. That is why we urge the subcommittee to expand the existing cancer research programs at the DOD to include this crucial blood cancer research component. Such a commitment would be complementary to the ongoing efforts by the NIH and private groups like the Lymphoma Research Foundation.

Mr. Chairman, I thank you again for the opportunity to testify.

Senator INOUYE. Thank you very much, Mr. Whitten.

[The statement follows:]

PREPARED STATEMENT OF RONALD B. WHITTEN

Chairman Inouye, Ranking Member Stevens, and members of the subcommittee, thank you for the opportunity to speak before you today regarding research on lymphoma and other blood-related cancers. My name is Ronald Whitten. I am a board member of the Georgia Chapter of the Lymphoma Research Foundation (Foundation) and a member of the national organization's Public Policy Committee. The Lymphoma Research Foundation is the Nation's largest voluntary health organization devoted exclusively to funding lymphoma research and providing patients and healthcare professionals with critical information on the disease. The Foundation's mission is to eradicate lymphoma and serve those touched by this disease. To date, the Foundation has funded over $35 million in lymphoma research, ranging from basic laboratory science to translational research.

I am a lymphoma survivor; I was diagnosed in late 1997 with Stage IV non-Hodgkin lymphoma occurring above and below my diaphragm, with bone marrow involvement.

A course of aggressive chemotherapy was followed by the administration of a biological agent, leading to a complete clinical remission in August of 1998. The good news is that many of us with less aggressive, or indolent, forms of lymphoma are living longer. This would not be possible without the research being conducted by scientists and physicians within the cancer research community. The disconcerting news is that there is no known cure for these and many other types of lymphoma.

Lymphoma is a disease notorious for reoccurrence. Patients often repeat a cycle of remission, relapse, and re-treatment. The 5-year survival rate for non-Hodgkin lymphoma is 63 percent and the 10-year survival rate is only 51 percent. The incidence rate for the disease continues to grow. I consider myself very fortunate to have been blessed with continued years of marriage, family and the special joy of grand parenting. Likewise, to have been able to continue my life's work as a university professor, licensed clinical social worker and healthcare professional has been immensely rewarding.

When I reflect on my survivorship, I am left with mixed feelings, knowing that so many children and young men and women have lost their lives to this disease. I am saddened by our failure to have done more to find a cure. Yet I remain optimistic that someday, we will win this long war on cancer.

Today, we would like to express our appreciation to Congress and to this subcommittee specifically, for its contribution to the battle against cancer and leadership in supporting cancer research. The Department of Defense (DOD) has a distin-

guished history of conducting cutting edge research. Specifically, the Congressionally Directed Medical Research Program (CDMRP) has supported significant advancements in the study of several chronic diseases including breast, prostate, and ovarian cancers.

We believe that a similarly focused research effort could lead to new approaches in the study and treatment of lymphoma. That is why we are requesting that the subcommittee supplement existing research efforts at the DOD by establishing a $10 million dedicated, stand-alone blood cancer research program. While my personal experience and the mission of the Lymphoma Research Foundation extends only to lymphoma, we are asking that the new research program encompass all forms of blood cancer, including leukemia, non-Hodgkin lymphoma, Hodgkin lymphoma, multiple myeloma, and myelodysplastic syndromes. There are benefits to a cross-cutting research effort that includes all of these diseases, not the least of which is maximizing Federal research dollars in the face of diminishing resources.

It is important to note that many treatments initially developed for the blood cancers routinely lend themselves to the treatment of other types of cancer. Lymphoma is often called the "Rosetta Stone" of cancer research because it has helped unlock the mysteries of several other types of cancer. For example, a number of chemotherapy agents that are now used in the treatment of a wide range of solid tumors were originally used in the treatment of blood cancer. Therefore, an investment in blood cancer research will often contribute to the study and development of treatments for many other forms of cancer.

Blood cancer research has been funded in the past through the Peer Reviewed Medical Research Program, an omnibus research initiative within the CDMRP. Although quality research has been supported in this manner, the ad hoc funding system has been insufficient to support a dynamic blood cancer research program. A stable and consistent source of funding is critical if we are to encourage researchers and institutions to pursue projects that will identify the origins of these diseases and develop treatments for the hundreds of thousands of Americans currently suffering from blood cancer.

THE BURDEN OF BLOOD CANCER

Blood cancers are the fourth most commonly-diagnosed cancer in the United States; as many as 150,000 new cases of blood cancer and myelodysplastic syndrome will be diagnosed this year alone. Of these cases, over 74,000 will result in a lymphoma diagnosis.

Lymphoma is the most common blood cancer and the third most common cancer of childhood. In this decade, we have witnessed an over 19 percent increase in new lymphoma cases, at a pace greater than the number of new cancer diagnoses overall.

Taken together, the hematological or blood-related cancers rank second in cancer mortality. More than 53,000 Americans will die from a blood cancer in 2008, while 41,000 will die from breast cancer, 29,000 from prostate cancer and 16,000 from ovarian cancer. Survivors of blood cancer also bear a significant burden. Individuals who have been treated for a blood cancer may suffer a variety of adverse effects as a result of their treatment, including second malignancies, organ dysfunction, psycho-social disorders like depression, and other health-related problems.

BLOOD CANCER AND THE MILITARY

While we do not know the cause of most blood cancers, there is increasing information to suggest a link between some environmental carcinogens, pesticides, herbicides and bacteria, and the risk of developing blood cancer. Military personnel may face a significant hazard from such environmental exposures and therefore may be at heightened risk for a blood cancer diagnosis. The linkage between exposure to one particular herbicide—Agent Orange—and blood cancer has been established by the Committee to Review the Health Effects in Vietnam Veterans of Exposure to Herbicides, a special committee of the Institute of Medicine.

As a veteran of the Vietnam era and a healthcare professional of more than 40 years, I have known and observed far too many veterans suffering from a range of social and psychological disorders and physiological diseases, including cancer. For many years we were left with speculation, not science. Now we have clear recognition of the increased risk which some of our veterans are facing for blood and other cancer forms. We must do more to better serve this population and one important way to do this is to expand efforts to identify improved treatments through research.

THE PROMISE OF BLOOD CANCER RESEARCH

This is a particularly critical time to discuss investment in research: in the past decade, scientists have made significant breakthroughs, bringing blood cancer research fully into the translational era. Recent advances in the study of lymphoma have provided new insight into the etiology and treatment of the disease.

One such development has occurred in the study of mantle cell lymphoma, an aggressive and rare form of the disease that less than 15 years ago wasn't even recognized as a separate kind of lymphoma. As a result, survival with conventional treatment was so low that patients could only expect to live for 3 years. Fortunately, advances in research funded by the Foundation have provided a better understanding of this disease: since its inception in 2005, the Foundation's Mantle Cell Consortium has created a broad program including the work of nearly 100 researchers that focuses entirely on this single type of blood cancer. As a direct result of this targeted research, patient treatment response rates are improving and while we are still years away from discussing a cure, mantle cell patients are living longer and fuller lives.

Similarly, advances are being made in the study and treatment of follicular lymphoma, the second most common form of non-Hodgkin lymphoma. Standard care for follicular lymphoma has often included a "wait and watch" approach, in part because the treatments available to patients have numerous negative side effects. As a result, years of uncertainty for patients and their families can follow a diagnosis. But with the advent of new therapies like Rituxan, the drug that helped to bring me into remission, patients now have more options, and most importantly, they have more time. More time with their families, more time to fulfill promising careers, more time to live out their dreams.

As we consider the possibilities that new treatment options bring, we cannot overlook that for many patients, managing their disease is a full-time job. The chronic nature of blood cancer requires diligent monitoring accompanied by difficult and often painful treatment. And unfortunately, even after remission is achieved, patients and survivors are often left dealing with a host of side effects in addition to the fear of relapse or a secondary malignancy. A concerted effort to study new blood cancer treatments could result in fewer disease complications, improve the quality of life of blood cancer patients and assist them as they contend with the long-lasting symptoms of their disease.

Research has enabled great strides in the study and treatment of blood cancer, yet tens of thousands of patients are still left with limited options upon diagnosis. And despite the consistent progress being made, these diseases remain incurable. A strong, ongoing investment in basic and clinical research is vital if we are to work toward identifying more effective treatments and eventually a cure for every form of blood cancer.

CONCLUSION

Our Nation faces many challenges, but we believe that a compelling case can be made for increasing Federal investment in blood cancer research. Learning more about the basic biology of blood cancer will show us how to identify disease processes and intervene at the earliest possible stages, limiting suffering and the possibility of death.

The progress made by existing research efforts is generating optimism that someday, a cure will be found. But adequate investment must be made to reach our goal. That is why we urge the subcommittee to expand the existing cancer research programs at the DOD to include this crucial blood cancer research component. Such an effort would be complimentary to the ongoing efforts by the National Institutes of Health and private organizations like the Lymphoma Research Foundation. We believe that the results of such an initiative could yield substantial benefit not only for members of the military and for our Nation's veterans, but for every American facing a blood cancer diagnosis.

As a lymphoma survivor and a volunteer in these endeavors to find a cure for lymphoma, I thank you again for the opportunity to testify. I am ready to answer your questions about lymphoma, and the Foundation stands ready to provide additional information on existing lymphoma research and promising avenues for collaboration on lymphoma and other blood cancer-specific research initiatives.

Senator INOUYE. Now may I call upon the Chief Executive Officer, Air Force Sergeants Association, Mr. Richard Dean.

**STATEMENT OF CMSGT JONATHAN E. HAKE, USAF (RETIRED), DIRECTOR OF MILITARY AND GOVERNMENT RELATIONS, AIR FORCE SERGEANTS ASSOCIATION**

Mr. HAKE. Good morning, Chairman Inouye. Mr. Dean is at Hanscomb Air Force Base today. I'm John Hake, the Director of Military and Government Relations with the Air Force Sergeants Association (AFSA). Ranking Member Stevens, on behalf of the 125,000 members of the AFSA, I thank you for your continued support of airmen and their families.

The AFSA is deeply concerned about drawing down end strength to fund Air Force weapons systems and modernization. The most valuable weapon that America has in its arsenal is the men and women that serve. We believe that a course correction is needed to avert long-term consequences that have already begun to adversely affect morale, retention, and combat readiness, and we strongly support increasing and fully funding Air Force end strength by 14,000.

The AFSA is also particularly pleased by the tremendous strides that are made to implement and fund the wounded warrior programs that were spoken of earlier. Currently 15 percent of active duty and 25 percent of the Reserve forces are women. Many are serving or have served in Iraq and Afghanistan. We support increasing the VA budget to address the unique needs of these veterans now and into the future.

We are deeply concerned about the pending Medicare reimbursement rate cuts. When these go into effect there will be a profound adverse impact on those that depend on TRICARE. During recent field visits our members shared stories about how the anticipated cuts were already causing providers, even in military-friendly communities like San Antonio and Colorado Springs, from accepting TRICARE patients. We strongly urge you to provide the necessary funding to avert these projected rate cuts for the military members and for the Medicare beneficiaries.

In the area of veterans education benefits, the AFSA is extremely pleased so many in Congress are interested in reforming veterans education. We know this will have an associated cost and respectfully offer the return on investment is not just good for the military member and their family, it's good for America.

There are many proposals worthy of consideration and we believe two key elements should be included. First, make it transferable. Today's all-volunteer force shares the same profound love of country and patriotism as previous generations. Where they differ is in their education. In many cases these men and women have some college credit before volunteering and they earn more as they serve. We believe they should have the flexibility to use their earned benefit however best fits their situation.

We commend the Senate for making a technical adjustment addressing transferability in a recent supplemental bill. However, we believe if you truly want to see transferability implemented it must be fully funded and not left to the service's discretion.

AFSA understands that a line must be drawn to determine eligibility for the revised benefit, which brings me to my second point—vesting. We believe those with 36 months time-in-service on September 12, 2001, should be immediately eligible for the entire ben-

efit, and phased in for others as time and service requirements are met. This Nation's experienced troops, officers and enlisted alike, rapidly responded on 9/11, leading, training, and inspiring those that followed and joined after the attack. AFSA urges true bipartisan cooperation and collaboration in creating an updated education benefit reflecting the sacrifices of today's all-volunteer force.

Again, thank you, Mr. Chairman, for this opportunity to share our perspective.

Senator INOUYE. Thank you very much, sir.

[The statement follows:]

PREPARED STATEMENT OF JONATHAN E. HAKE

Mr. Chairman and distinguished committee members, on behalf of the 125,000 members of the Air Force Sergeants Association (AFSA), I thank you for your continued support of airmen and their families. I appreciate the opportunity to present our perspective on priorities for the fiscal year 2009 defense appropriations.

The AFSA represents Air Force Active Duty, Air National Guard, Air Force Reserve Command, including active, retired, and veteran enlisted airmen and their families. We are grateful for this subcommittee's efforts, and I can't overstate the importance your work is to those serving this Nation.

You have a daunting task before you and shoulder tremendous responsibility as you wisely appropriate limited resources based on many factors. The degree of difficulty deciding what can, and what cannot, be addressed isn't lost on us. It is significant.

AIR FORCE MANPOWER

The AFSA strongly believes the aging fleet of legacy Air Force systems needs to be modernized. However, we also know the truly most valuable weapon America has in its arsenal are those serving this great Nation, especially the men and women wearing chevrons of the enlisted grades.

We are deeply concerned about the approach taken to drawdown Air Force manpower to fund system modernization and recapitalization. Although well-intended, it does not appear to have yielded the results envisioned. Some efficiency was gained as airmen exercised innovation and continuous process improvement to accomplish missions, reflecting a remarkable "can-do" spirit.

Greater operational demands have expanded over this same time—fielding increased intelligence, reconnaissance, and surveillance (ISR) resources, supporting the newest combatant command in Africa, growing capabilities to ward off threats from the cyber domain and accomplishing the expanding workload associated with more inspections and maintenance to keep aging airframes ready. All this, and more, is being done with fewer people—it is straining the force and their families.

The AFSA believes a course correction is needed to avert severe adverse, long-term consequences that has already begun to effect morale, retention, and combat readiness. We strongly support increasing and fully funding Air Force end strength by 14,000.

QUALITY OF LIFE

If we expect to retain this precious resource we must provide them, and their families, with facilities that reflect their level of commitment and sacrifice. This impacts their desire to continue serving through multiple deployments and extended separations.

This Nation devotes significant resources training and equipping America's sons and daughters—a long-term investment—and that same level of commitment should be reflected in the facilities where they live, work, and play.

We caution deferring these costs, especially at installations impacted by base realignment and closure decisions and mission-related shifts.

We applaud congressional support for military housing privatization initiatives. This has provided housing at a much faster pace than would have been possible through military construction alone.

The AFSA urges Congress to fully fund appropriate accounts to ensure all remaining installations eliminate substandard housing as quickly as possible. Those devoted to serving this country deserve nothing less.

Tremendous strides have been made to improve access to quality child care and fitness centers on military installations, and we are grateful to the Department of

Defense and Congress for these collective efforts. There is still more work to be done. The demand for child care continues to grow as a larger percentage of military members have young children and a fit force is absolutely essential to enduring the rigors of service.

VETERANS AFFAIRS HEALTHCARE FUNDING

We believe the healthcare portion of Veterans Affairs (VA) funding should be moved to mandatory annual spending. One of this Nation's highest obligations is the willingness to fully fund VA health care, facilities, and other programs for those who have served in the past, are serving today and will serve in the future.

There are many challenges facing veterans and we are encouraged by the initiatives centered on improving access, continuity of care and addressing the scars of war, some obvious and others not so, such as traumatic brain injuries and post traumatic stress disorders. We are particularly pleased by the tremendous strides made to implement and fund Wounded Warrior programs.

WOMEN VETERANS HEALTHCARE ISSUES

We applaud the actions of various committees and subcommittees to directly address the issue of the unique health challenges faced by women veterans. Between 1990 and 2000, the women veteran population increased by 33.3 percent from 1.2 million to 1.6 million, and women now represent approximately 7 percent of the total veteran population. By the year 2010, the VA estimates women veterans will comprise well over 10 percent of the veteran population. Currently women make up more than 15 percent of the active duty force and approximately 25 percent of the reserve force with thousands serving, or having already returned from serving, in Iraq and Afghanistan. The AFSA urges an increase to the VA budget so they can appropriately care for these veterans now and in the future.

IMPACT AID

Military leaders often use the phrase, "we recruit the member, but we retain the family" when talking about quality of life and retention. Impact Aid is a program at the very core of this premise, because it directly affects the quality of educational programs provided to the children of military service members.

These children lead unique lives, fraught with challenges associated with frequent changes in schools, repeatedly being uprooted and having to readjust to new communities and friends. Worrying about what resources might or might not be available to school administrators should not be yet another concern heaped upon them and their parents.

The Impact Aid program provides Federal funding to public school districts with significant enrollment of students with a parent who is a member of the Armed Forces, living on and/or assigned to a military installation (federally owned land).

The budget proposed by the administration calls for a freeze in funding for this important program. We find this to be very disappointing. The implicit statement in this action is military children are a lower priority than others in our Nation. We ask this committee to take the steps necessary to show our military men and women that the education of their children is as important as the next child.

The AFSA is grateful Congress increased Impact Aid funding by $100 million in fiscal year 2008 and urge similar action in fiscal year 2009.

BASIC MILITARY PAY

Tremendous progress has been made over the last 15+ years to close the gap between civilian sector and military compensation. The AFSA appreciates these steady efforts and encourage further steps. We believe linking pay raises to the employment cost index (ECI) is essential to recruiting and retaining the best and brightest volunteers. AFSA urges support for efforts to adjust the annual pay raise formula to ECI+0.5 percent until the gap is completely eliminated. America's sons and daughters understand monetary compensation is important, but not the only factor that drives them to serve.

TRANSITION ASSISTANCE PROGRAMS

The all-volunteer military force repeatedly answers this Nation's call to duty and at the end of their tours of duty, whether a few years or after decades of service, all transition to civilian life.

Section 502 of the National Defense Authorization Act of Fiscal Year 1991, Public Law 101–510, codified in sections 1141–1143 and 1144–1150 of title 10, United

States Code, authorized comprehensive transition assistance benefits and services for separating service members and their spouses.

From that legislation grew a valuable partnership between the Department of Labor and the Departments of Defense, Veterans Affairs, and Homeland Security to provide Transition Assistance Program employment workshops, VA Benefits Briefings and the Disabled Transition Assistance Program. These programs and briefings provide service members valuable job placement assistance, training opportunities, and education on veteran benefits so they make informed choices about post-service opportunities.

We urge this committee to continue fully funding transition assistance programs.

In addition, we ask you to support the administration's initiative to pass legislation and fund a program that would create hiring preferences across Federal Government for military spouses. Under current law, veterans of America's Armed Forces are entitled to preferences over others in competitive hiring positions in the Federal Government. We believe the sacrifice of family members warrant this consideration as well.

VETERANS EDUCATION BENEFITS—MONTGOMERY G.I. BILL REFORM

The AFSA is extremely pleased by the interest by so many in Congress to reform Montgomery G.I. bill (MGIB) educational benefits for those that have stepped up to defend America's interests at home and abroad.

No doubt, making the MGIB a more viable benefit will have an associated cost and we unequivocally and respectfully offer the return on investment is not just good for the military member and his family, it is good for America.

We would like to see the MGIB transformed into something like the post-WW II G.I. bill. This would go a long way toward recruiting this Nation's best and brightest to serve.

There are many proposals worthy of consideration and there are at least six key elements we believe essential to the final product.

First, we ask this committee to fund a program that pays for all books, tuition, and fees, indexed annually to reflect the actual cost of education.

Second, eliminate the $1,200 user fee for the MGIB. Military members earn this benefit by virtue of their service.

Third, make the the MGIB transferable to immediate family members. Today's all-volunteer force shares the same profound love of country and patriotism as previous generations. Where they differ is their education—in many cases these men and women have some college credit before volunteering to serve and often earn more credits during accession and technical training, setting them on a course of education and training that continues throughout their term of service. We believe they should have the flexibility to use their earned benefit however best fits their situation including transferring it to their immediate family—they sacrifice much and endure hardship too.

Fourth, provide enlisted members who declined enrollment in the Veterans Educational Assistance Program (VEAP) during the late 70s and early 80s the opportunity to enroll in the new program. There is currently about 10,050 airmen remaining on active duty today in this situation. About 5,600 are enlisted members.

They passed on the VEAP program because of bad advice, lack of foresight or with the hope of a better program to come later during their careers. Whatever the case, wouldn't it be a travesty to leave those who have devoted so many years of their lives to service be left without an educational benefit? Time is running out to make this right.

Fifth, implement a Total Force MGIB. Members of the Guard and Reserve contribute to missions in Afghanistan, Iraq, and here at home—more than 500,000 of these brave men and women have been called up since September 11, 2001, and more than 70,000 have pulled two or more tours of duty and yet they are denied educational benefits commensurate with their service.

This would rely on two broad concepts—first, consolidate active duty and reserve MGIB programs under title 38 and second, restructure the MGIB benefit levels according to the level of military service performed.

Sixth, we understand a line must be drawn to determine eligibility and a timeline established to earn 100 percent of the revised benefit. We simply offer those with 36 months or more time in service on September 12, 2001 should be immediately eligible for the entire benefit and phased in for others as time in service requirements are met. Our Nation's experienced troops—enlisted and officer alike—rapidly responded on 9/11 leading, training, and inspiring those that joined post attack.

Again, Mr. Chairman, we appreciate your efforts and thank you for this opportunity to share our perspective. We realize the many difficult decisions this com-

mittee must make and hope the information we presented proves helpful. As always, we remain ready to support you in matters of mutual concern.

Senator INOUYE. Our next witness is Commander John Class, Military Officers Association of America. Commander Class.

**STATEMENT OF COMMANDER JOHN S. CLASS, USN (RETIRED), DEPUTY DIRECTOR, GOVERNMENT RELATIONS FOR HEALTH AFFAIRS, MILITARY OFFICERS ASSOCIATION OF AMERICA**

Commander CLASS. Good morning, Mr. Chairman, Ranking Member Stevens. The Military Officers Association of America (MOAA) thanks you for the opportunity to appear before you today. MOAA is grateful for your past support in providing funds to offset DOD's planned TRICARE fee increases and ensuring pay raises that continue to bring military pay closer to that of their private sector counterparts.

For the third year in a row, DOD has reduced the defense health program, assuming Congress would approve the proposed TRICARE fee hikes. Once again, Congress has rejected these proposals. MOAA urges the subcommittee to restore the $1.2 billion shortfall that this has created and fully fund the defense health program.

Every year since 1999, Congress has narrowed the gap between military and private sector pay. However, a 3.4 percent gap still exists. MOAA urges the subcommittee to fully fund a 3.9 percent pay raise and avoid making the services absorb the extra 0.5 percent above what was requested in the President's budget.

Over the past few years Congress, DOD, and the VA have made great strides with regard to care of our wounded warriors and their families. MOAA hopes the subcommittee will ensure full funding of joint DOD–VA initiatives, to include a top-down planning and execution of all seamless transition functions.

Congress has recently moved to include legislation for a new GI bill. MOAA believes that a new GI bill will enhance the service's ability to recruit and retain quality service members. MOAA strongly recommends the subcommittee provide the necessary funding for the GI bill changes.

Robust family support programs continue to be crucial to overall military readiness, especially with the demands of frequent and extended deployments. MOAA urges the subcommittee to support an increase in family support funding to meet the growing needs associate with the increased OPTEMPO.

MOAA is also greatly concerned about the level of support services and quality of life programs for members and their families in areas affected by BRAC and global repositioning initiatives. MOAA urges the subcommittee to ensure sustainment of these programs at closing installations until all families have left and institution of these programs at gaining installations as servicemembers and their families arrive.

A recent Government Accountability Office (GAO) report confirmed that DOD has overcharged those Guard and Reserve members who purchased TRICARE Reserve Select healthcare coverage. Both Armed Services Committees have included language that would require DOD to set future premiums based on cost. MOAA realizes that this will cause a budget shortfall and hopes that the

subcommittee will fully fund the TRS program under the new premium schedule.

Once again, I thank you for this opportunity to represent MOAA before the subcommittee and would be happy to answer any of your questions.

Senator INOUYE. Commander Class, I thank you very much for your participation and contribution.

[The statement follows:]

PREPARED STATEMENT OF COMMANDER JOHN S. CLASS

Mr. Chairman and distinguished members of the subcommittee. On behalf of the Military Officers Association of America (MOAA) we are grateful to the committee for this opportunity to express our views concerning issues affecting the uniformed services community. This statement provides the views of MOAA which represents approximately 370,000 current and former officers of the seven uniformed services, plus their survivors.

MOAA does not receive any grants or contracts from the Federal Government.

Mr. Chairman MOAA thanks you and the entire subcommittee for your continued, unwavering support of our active duty, Guard, Reserve, retired members, and veterans of the uniformed services, to include their families and survivors.

OVERVIEW

Over the past several years, the Pentagon has repeatedly sought to curb spending on military personnel and facilities to fund operational requirements. In the process, the Defense Department has imposed dramatic force reductions in the Air Force and the Navy, tried to deter military retirees from using their earned health coverage by proposing large TRICARE fee increases, and cut back on installation quality of life programs.

MOAA believes these efforts to rob personnel to fund operations will only make the uniformed services more vulnerable to future readiness problems. We agree with the Chairman of the Joint Chiefs of Staff, who has stated that 4 percent of GDP should be the "absolute floor" for the overall military budget. If we want a strong national defense, we have to pay for a strong military force as well as replace and upgrade aging, war-worn weapons and equipment.

In testimony today MOAA offers its recommendations on what needs to be done to address these important issues and sustain long-term personnel readiness.

WOUNDED WARRIOR ISSUES

*Caregiver Initiatives*.—Several wounded warrior provisions in the recently enacted NDAA provide additional support for the caregiver of the wounded warrior, typically a family member. However, we believe more needs to be done to strengthen support for families, to include the authorization of compensation for family member caregivers of severely injured who must leave their employment to care for the service member.

*Joint Research*.—Combined Research Initiatives would further enhance the partnership between VA and DOD. Since many of the concerns and issues of care are shared, joint collaboration of effort in the area of research should enable dollars to go much further and provide a more standardized system of health care in the military and veteran communities. Furthermore, research must also be performed jointly and across all Military Departments and with other practicing healthcare agencies to ensure timely integration of these findings in the diagnosis and treatment of wounded and disabled patients.

MOAA urges the subcommittee to ensure full funding of joint DOD–VA initiatives to include top-down planning and execution of all "seamless transition" functions, including the joint electronic health record; joint DOD/VA physical; implementation of best practices for TBI, PTSD, and special needs care; care access/coordination issues; and joint research.

ACTIVE FORCE ISSUES

The subcommittee's key challenges will be to fend off those who wish to cut needed personnel and quality of life programs while working with DOD and the administration to reduce the stress on the force and their families already subjected to repeated, long-term deployments. Rising day-to-day workloads for non-deployed members and repeated extensions of combat tours creates a breeding ground for reten-

tion problems. Meeting these challenges will require a commitment of personnel and resources on several fronts.

*End Strength and Associated Funding*.—MOAA was encouraged when the subcommittee ensured that the Army and Marine Corps authorized end strengths continued to grow in fiscal year 2008, and we are further encouraged that the DOD has asked for additional manpower increases for the Army and Marine Corps over the next 4 years.

Congress must ensure these increases are sufficient to ease force rotation burdens and the services are fully funded in order to achieve the new end strength. Increasing end strength is not a quick fix that will ease the stressors on currently serving service members and their families.

Some already speculate that the planned increases may not be needed if we can reduce the number of troops deployed to Iraq. MOAA believes strongly that the increases are essential to future readiness, regardless of force levels in Iraq. We know we didn't have enough troops to fight the current war without imposing terrible penalties on military members and families, and we must build our force management plans to avoid having to do so when the Nation is faced with another major unexpected contingency requirement.

For too long, we have planned only for the best-case scenario, which ignores our responsibility to the Nation to be prepared for unexpected and less-favorable scenarios, which could well arise anywhere around the globe, including the Far East.

A full range of funding is required to support this necessary end strength, including housing, health care, family programs, and child care. Having the services absorb these costs out of pocket is self-defeating.

MOAA strongly urges the subcommittee to sustain projected increases in ground forces and provide additional recruiting, retention, and support resources as necessary to attain/sustain them.

*Compensation and Special Incentive Pays*.—MOAA is committed to ensuring that pay and allowance programs are equitably applied to the seven uniformed services. In that regard, MOAA urges the subcommittee to be mindful that personnel and compensation program adjustments for Department of Defense forces should also apply to uniformed members of the Coast Guard, NOAA Corps, and Public Health Service.

Since the turn of the century, Congress and DOD have made significant progress to improve the lives of men and women in uniform and their families. Since 1999, when military pay raises had lagged a cumulative 13.5 percent behind the private sector pay comparability standard, Congress has narrowed that gap to 3.4 percent. Each year during that span, Congress has ensured at least some progress in shrinking that disparity further. MOAA is grateful for that progress, and believes strongly that it should continue until full pay comparability is restored.

MOAA urges the subcommittee to fully fund the 3.9 percent pay raise included in the Defense Authorization Bill, and to avoid making the services absorb the extra 0.5 percent above what was requested in the President's Budget.

*GI Bill*.—The Senate and House have voted favorably to include legislation for a New GI Bill in the pending Emergency Spending Supplemental on the Iraq and Afghanistan Conflicts. However, it will be necessary to resolve differences in funding the measure. The Senate bill does not fund the New GI Bill, whereas the House proposes to raise taxes on high income individuals to support the bill.

MOAA has been a forceful leader for creating a GI Bill for today's warriors and future veterans. Less than 1 percent of the population is defending the other 99 percent of the Nation in the war on terror, yet our service women and men do not receive educational benefits commensurate with their enormous sacrifices. A New GI Bill will support quality recruitment, retention and readjustment outcomes and has broad bi-partisan support in both chambers.

MOAA strongly recommends that the committee approve necessary funding for a New GI Bill as a priority this year.

*Family Readiness and Support*.—A fully funded, robust family readiness program continues to be crucial to overall readiness of our military, especially with the demands of frequent and extended deployments.

Resource issues continue to plague basic installation support programs. At a time when families are dealing with increased deployments, they are being asked to do without. Often family centers are not staffed for outreach. Library and sports facilities hours are being abbreviated or cut altogether. Manpower for installation security is being reduced. These are additional sacrifices that we are imposing on our families left behind while their service members are deployed.

In a similar vein, MOAA believes additional authority and funding is needed to offer respite and extended child care for military families. These initiatives should be accompanied by a more aggressive outreach and education effort to improve

members' and families' financial literacy. We should ensure members are aware of and encouraged to use child care, mental health support, spousal employment, and other quality-of-life programs that have seen recent growth. However, this education effort should also include expanded financial education initiatives to inform and counsel members and families on life insurance options, Thrift Savings Plan, IRAs, flexible spending accounts, savings options for children's education, and other quality of life needs.

In particular service members must be educated on the long-term financial consequences of electing to accept the much lower-value $30,000 REDUX retention bonus after 15 years of service vice sustaining their full High-3 retirement benefit.

MOAA urges the subcommittee to support increased family support funding and expanded education and other programs to meet growing needs associated with increased ops tempo, extended deployments and the more complex insurance, retirement, and savings choices faced by over-extended military families.

*Permanent Change of Station (PCS) Allowances*.—PCS allowances have continually failed to keep pace with the significant out-of-pocket expenses service members and their families incur in complying with Government-directed moves.

One way to improve allowances is to recognize that military spouses increasingly have their own professional careers that suffer disruption when the service member is relocated. The Armed Services Committee has recommended a 500-pound additional weight allowance to assist military spouses in moving their professional books and equipment.

MOAA urges the subcommittee to fully fund the 500-pound professional goods weight allowance for military spouses.

*BRAC/Rebasing/Military Construction/Commissaries*.—MOAA remains concerned about inadequacy of service implementation plans for DOD transformation, global repositioning, Army modularity, and BRAC initiatives. Given the current wartime fiscal environment, MOAA is greatly worried about sustaining support services and quality of life programs for members and families. These programs are clearly at risk—not a week goes by that MOAA doesn't hear reports of cutbacks in base operation accounts and base services because of funding shortfalls.

Feedback from the installation level is that local military and community officials often are not brought "into the loop" or provided sufficient details on changing program timetables to plan, seek, and fund support programs (housing, schools, child care, roads, and other infrastructure) for the numbers of personnel and families expected to relocate to the installation area by a specific date.

MOAA urges the subcommittee to ensure sustainment of adequate family support/quality of life programs at closing and gaining installations—to include housing, education, child care, exchanges and commissaries, health care, family centers, unit family readiness, and other support services.

*Morale, Welfare, and Recreation Programs*.—The availability of appropriated funds to support MWR activities is an area of continuing concern. MOAA strongly opposes any DOD initiative that withholds or reduces MWR-appropriated support for Category A and Category B programs or that reduces the MWR dividend derived from military base exchange programs.

Service members and their families are reaching the breaking point as a result of the war and the constant changes going on in the force. It is unacceptable to have troops and families continue to take on more responsibilities and sacrifices and not give them the support and resources to do the job and to take care of the needs of their families.

MOAA urges the subcommittee to ensure that DOD funds MWR programs at least to the 85 percent level for Category A programs and 65 percent for Category B requirements.

NATIONAL GUARD AND RESERVE FORCE ISSUES

Every day somewhere in the world, our National Guard and Reserves are answering the call to service. Although there is no end in sight to their participation in homeland security, overseas deployment and future contingency operations, Guard and Reserve members have volunteered for these duties and accept them as a way of life in the 21st century.

All Guard and Reserve components are facing increasing challenges involving major equipment shortages, end-strength requirements, wounded-warrior health care, assistance and counseling for Guard and Reserve members for pre-deployment and post-deployment contingency operations.

Congress and the Department of Defense must provide adequate benefits and personnel policy changes to support our troops who go in harm's way.

*Family Support Programs and Benefits*.—MOAA supports providing adequate funding for a core set of family support programs and benefits that meet the unique needs of Guard and Reserve families with uniform access for all service members and families. These programs would promote better communication with service members, specialized support for geographically separated Guard and Reserve families and training and back up for family readiness volunteers. This access would include:

—Web-based programs and employee assistance programs such as Military One Source and GuardFamily.org.

—Enforcement of command responsibility for ensuring that programs are in place to meet the special needs of families of individual augmentees or the geographically dispersed.

—Expanded programs between military and community religious leaders to support service members and families during all phases of deployments.

—Availability of robust preventive counseling services for service members and families and training so they know when to seek professional help related to their circumstances.

—Enhanced education for Guard and Reserve family members about their rights and benefits.

—Innovative and effective ways to meet the Guard and Reserve community's needs for occasional child care, particularly for preventive respite care, volunteering, and family readiness group meetings and drill time.

—A joint family readiness program to facilitate understanding and sharing of information between all family members, no matter what the service.

MOAA urges Congress to continue and expand its emphasis on providing consistent funding and increased outreach to connect Guard and Reserve families with relevant support programs.

*Tangible Support for Employers*.—Employers of Guard and Reserve service members shoulder an extra burden in support of the national defense. The new "Operational Reserve" policy places even greater strain on employers. For their sacrifice, they get plaques to hang on the wall.

For Guard and Reserve members, employer "pushback" is listed as one of the top reasons for Reservists to discontinue Guard and Reserve service. If we are to sustain a viable Guard and Reserve force for the long term, the Nation must do more to tangibly support employers of the Guard and Reserve and address their substantive concerns, including initiatives such as:

—Tax credits for employers who make up any pay differential for activated employees.

—Tax credits to help small business owners hire temporary workers to fill in for activated employees.

—Tax credits for small manufacturers to hire temporary workers.

MOAA urges the subcommittee to work with the Finance Committee to support needed tax relief for employers of Selected Reserve personnel and reinforce the Employer Support for Guard and Reserve Program.

*Seamless Transition for Guard and Reserve Members*.—Over 615,000 members of the Guard and Reserve have been activated since 9/11. Congressional hearings and media reports have documented the fact that at separation, many of these service members do not receive the transition services they and their families need to make a successful readjustment to civilian status.

MOAA urges the subcommittee to continue and expand its efforts to ensure Guard and Reserve members and their families receive funded transition services to make a successful readjustment to civilian status.

HEALTH CARE ISSUES

MOAA very much appreciates the subcommittee's strong and continuing interest in keeping health care commitments to military beneficiaries.

The unique package of military retirement benefits—of which a key component is a top-of-the-line health benefit—is the primary offset afforded uniformed service members for enduring a career of unique and extraordinary sacrifices that few Americans are willing to accept for 1 year, let alone 20 or 30. It is an unusual—and essential—compensation package that a grateful Nation provides for the relatively few who agree to subordinate their personal and family lives to protecting our national interests for so many years.

*Full Funding for the Defense Health Program*.—MOAA very much appreciates the subcommittee's support for maintaining—and expanding where needed—the healthcare benefit for all military beneficiaries, consistent with the demands imposed upon them.

The Defense Department, Congress, and MOAA all have reason to be concerned about the rising cost of military health care. But it is important to recognize that the bulk of the problem is a national one, not a military-specific one. To a large extent, military health cost growth is a direct reflection of health care trends in the private sector.

It is true that many private sector employers are choosing to shift an ever-greater share of health costs to their employees and retirees. In the bottom-line-oriented corporate world, many firms see their employees as another form of capital, from which maximum utility is to be extracted at minimum cost, and those who quit are replaceable by similarly experienced new hires. But that can't be the culture in the military's closed personnel, all-volunteer model, whose long-term effectiveness is utterly dependent on establishing a sense of mutual, long-term commitment between the service member and his/her country.

Some assert active duty personnel costs have increased 60 percent since 2001, of which a significant element is for compensation and health costs. But much of that cost increase is due to conscious decisions by Congress to correct previous shortfalls—including easing the double-digit military "pay gap" of that era and correcting the unconscionable situation before 2001 when military beneficiaries were summarily dropped from TRICARE coverage at age 65. Additionally, much of the increase is due to the cost of war and increased optempo.

Meanwhile, the cost of basic equipment soldiers carry into battle (helmets, rifles, body armor) has increased 257 percent (more than tripled) from $7,000 to $25,000 since 1999. The cost of a Humvee has increased seven-fold (600 percent) since 2001 (from $32,000 to $225,000).

While we have an obligation to do our best to intelligently allocate these funds, the bottom line is that maintaining the most powerful military force in the world is expensive—and doubly so in wartime.

MOAA objects strongly to the administration's arbitrary reduction of the TRICARE budget submission. DOD has typically overestimated its healthcare costs as evidenced by a recent GAO report on the TRICARE Reserve Select premiums. MOAA deplores this inappropriate budget "brinksmanship", which risks leaving TRICARE significantly underfunded, especially in view of statements made for the last 2 years by leaders of both Armed Services Committees that the Department's proposed fee increases were excessive.

MOAA understands only too well the very significant challenge such a large and arbitrary budget reduction would pose for this subcommittee if allowed to stand. If the reduction is not made up, the Department almost certainly will experience a substantial budget shortfall before the end of the year. This would then generate supplemental funding needs, further program cutbacks, and likely efforts to shift even more costs to beneficiaries in future years—all to the detriment of retention and readiness.

MOAA strongly urges the subcommittee to take all possible steps to restore the reduction in TRICARE-related budget authority and ensure continued full funding for Defense Health Program needs.

*Alternative Options to Make TRICARE More Cost-Efficient*.—MOAA continues to believe strongly that the Defense Department has not sufficiently investigated other options to make TRICARE more cost-efficient without shifting costs to beneficiaries. MOAA has offered a long list of alternative cost-saving possibilities, including:

—Promote retaining other health insurance by making TRICARE a true second-payer to other insurance (far cheaper to pay another insurance's copay than have the beneficiary migrate to TRICARE).

—Reduce or eliminate all mail-order co-payments to boost use of this lowest-cost venue.

—Change electronic claim system to kick back errors in real time to help providers submit "clean" claims, reduce delays/multiple submissions.

—Size and staff military treatment facilities (least costly care option) in order to reduce reliance on non-MTF civilian providers.

—Promote programs to offer special care management services and zero copays or deductibles to incentivize beneficiaries to take medications and seek preventive care for chronic or unusually expensive conditions.

—Promote improved health by offering preventive and immunization services (e.g., shingles vaccine, flu shots) with no copay or deductible.

—Authorize TRICARE coverage for smoking cessation products and services (it is the height of irony that TRICARE currently doesn't cover these programs that have been long and widely acknowledged as highly effective in reducing long-term health costs).

—Reduce long-term TRICARE Reserve Select costs by allowing members the option of a Government subsidy (at a cost capped below TRS cost) of civilian employer premiums during periods of mobilization.
—Promote use of mail-order pharmacy system via mailings to users of maintenance medications, highlighting the convenience and individual expected cost savings
—Encourage retirees to use lowest-cost-venue military pharmacies at no charge, rather than discouraging such use by limiting formularies, curtailing courier initiatives, etc.

MOAA is pleased that the Defense Department has begun to implement at least some of our past suggestions, and stands ready to partner with DOD to investigate and jointly pursue these or other options that offer potential for reducing costs.

MOAA urges Congress to allocate funds enabling DOD to pursue greater efforts to improve TRICARE and find more effective and appropriate ways to make TRICARE more cost-efficient without seeking to "tax" beneficiaries and make unrealistic budget assumptions.

*TRICARE Reimbursement Rates*.—Physicians consistently report that TRICARE is virtually the lowest-paying insurance plan in America. Other national plans typically pay providers 25–33 percent more. In some cases the difference is even higher.

While TRICARE rates are tied to Medicare rates, TRICARE Managed Care Support Contractors make concerted efforts to persuade providers to participate in TRICARE Prime networks at a further discounted rate. Since this is the only information providers receive about TRICARE, they see TRICARE as even lower-paying than Medicare.

This is exacerbated by annual threats of further reductions in TRICARE rates due to the statutory Medicare rate-setting formula. Doctors are unhappy enough about reductions in Medicare rates, and many already are reducing the number of Medicare patients they see.

But the problem is even more severe with TRICARE, because TRICARE patients typically comprise a small minority of their beneficiary caseload. Physicians may not be able to afford turning away large numbers of Medicare patients, but they're more than willing to turn away a small number of patients who have low-paying, high-administrative-hassle TRICARE coverage.

Congress has acted to avoid Medicare physician reimbursement cuts for the last 4 years, but the failure to provide a payment increase for 2006 and 2007 was another step in the wrong direction, according to physicians. Further, Congress still has a long way to go in order to fix the underlying reimbursement determination formula.

Correcting the statutory formula for Medicare and TRICARE physician payments to more closely link adjustments to changes in actual practice costs and resist payment reductions is a primary and essential step. We fully understand that is not within the purview of this subcommittee, but we urge your assistance in pressing the Finance Committee for action.

In the meantime, the rate freeze for 2006 and 2007 along with a small increase for the first part of 2008 makes it even more urgent to consider some locality-based relief in TRICARE payment rates, given that doctors see TRICARE as even less attractive than Medicare. Additionally, the Medicare pay package that was enacted in Public Law 109–432 included a provision for doctors to receive a 1.5 percent bonus next year if they report a basic set of quality-of-care measures. The TRICARE for Life beneficiaries should not be affected as their claims are submitted directly to Medicare and should be included in the physicians' quality data. But there's been no indication that TRICARE will implement the extra increases for treating beneficiaries under 65, and this could present a major problem. If no such bonus payment is made for TRICARE Standard patients, then TRICARE will definitely be the lowest payer in the country and access could be severely decreased.

The TRICARE Management Activity has the authority to increase the reimbursement rates when there is a provider shortage or extremely low reimbursement rate for a specialty in a certain area and providers are not willing to accept the low rates. In some cases a state Medicaid reimbursement for a similar service is higher than that of TRICARE. As mentioned previously, the Department has been reluctant to establish a standard for adequacy of participation and should use survey data to apply adjustments nationally.

MOAA urges the subcommittee to exert what influence it can to persuade the Finance Committee to reform Medicare/TRICARE statutory payment formula. To the extent the Medicare rate freeze continues, we urge the subcommittee to encourage the Defense Department to use its reimbursement rate adjustment authority as needed to sustain provider acceptance.

*National Guard and Reserve Healthcare*

MOAA is grateful to the subcommittee for its leadership in extending lower-cost TRICARE eligibility to all drilling National Guard and Reserve members. This was a major step in acknowledging that the vastly increased demands being placed on Selected Reserve members and families needs to be addressed with adjustments to their military compensation package.

While the subcommittee has worked hard to address the primary health care hurdle, there are still some areas that warrant attention.

*TRICARE Reserve Select (TRS) Premium*.—MOAA believes the premium-setting process for this important benefit needs to be improved and was incorrectly based upon the basic Blue Cross Blue Shield option of the FEHBP. This adjustment mechanism has no relationship either to the Department's military health care costs or to increases in eligible members' compensation.

When the program was first implemented, MOAA urged DOD to base premiums (which were meant to cover 28 percent of program costs) on past TRICARE Standard claims data to more accurately reflect costs. Now a GAO study has confirmed that DOD's use of Blue Cross Blue Shield data and erroneous projections of participation resulted in substantially overcharging beneficiaries.

GAO found that DOD projected costs of $70 million for fiscal year 2005 and $442 million for fiscal year 2006, whereas actual costs proved to be $5 million in fiscal year 2005 and about $40 million in fiscal year 2006. GAO found that DOD estimates were 72 percent higher than the average single member cost and 45 percent higher than average family cost. If DOD were to have used actual fiscal year 2006 costs, the annual individual premium would have been $48/month instead of $81/month. The corresponding family premium would have been $175/month instead of $253/month.

GAO recommended that DOD stop basing TRS premiums on Blue Cross Blue Shield adjustments and use the actual costs of providing the benefit. DOD concurred with the recommendations and says, "it remains committed to improving the accuracy of TRS premium projections." However, GAO observed that DOD has made no commitment to any timetable for change.

Both Armed Services Committees have included language in the fiscal year 2009 Defense Authorization Act that would require the Defense Department to base TRS premiums on actual program costs—which is expected to reduce premiums to the cost-share relationship originally envisioned by Congress.

This means that, since service members will no longer be overcharged, the Defense Department will have to start funding its proper share of the TRS program.

MOAA urges the subcommittee to fully fund the TRS program under the new premium schedule.

*Reserve Dental Coverage*.—MOAA remains concerned about the dental readiness of the Reserve forces. Once these members leave active duty, the challenge increases substantially, so MOAA believes the services should at least facilitate correction of dental readiness issues identified while on active duty. DOD should be fiscally responsible for dental care to Reservists to ensure service members meet dental readiness standards when DOD facilities are not available within a 50-mile radius of the members' home for at least 90 days prior and 180 days post mobilization.

MOAA supports funding dental coverage for Reservists for 90 days pre- and 180 days post-mobilization (during TAMP), unless the individual's dental readiness is restored to T–2 condition before demobilization.

*Health-Related Tax Law Changes*

MOAA understands fully that tax law changes are not within the subcommittee's jurisdiction. However, there are numerous military-specific tax-related problems that are unlikely to be addressed without the subcommittee's active advocacy and intervention with members and leaders of the Finance Committee.

*Deductibility of Health and Dental Premiums*.—Many uniformed services beneficiaries pay annual enrollment fees for TRICARE Prime, TRICARE Reserve Select, and premiums for supplemental health insurance, such as a TRICARE supplement, the TRICARE Dental and Retiree Dental Plans, or for long-term care insurance. For most military beneficiaries, these premiums are not tax-deductible because their annual out-of-pocket costs for healthcare expenses do not exceed 7.5 percent of their adjusted gross taxable income.

In 2000, a Presidential directive allowed Federal employees who participate in FEHBP to have premiums for that program deducted from their pay on a pre-tax basis. A 2007 court case extended similar pre-tax premium payment eligibility to certain retired public safety officers. Similar legislation for all active, reserve, and retired military and Federal civilian beneficiaries would restore equity with private sector employees and retired public safety officers.

MOAA urges all committee members to seek the support of the Finance Committee to approve legislation to allow all military beneficiaries to pay TRICARE-related insurance premiums in pre-tax dollars, to include TRICARE dental premiums, TRICARE Reserve Select premiums, TRICARE Prime enrollment fees, premiums for TRICARE Standard supplements, and long-term care insurance premiums.

CONCLUSION

MOAA reiterates its profound gratitude for the extraordinary progress this subcommittee has made in advancing a wide range of personnel and health care initiatives for all uniformed services personnel and their families and survivors. MOAA is eager to work with the subcommittee in pursuit of the goals outlined in our testimony. Thank you very much for the opportunity to present MOAA's views on these critically important topics.

Senator INOUYE. May I now call upon the President of the American Association of Nurse Anesthetists, Dr. Wanda Wilson.

**STATEMENT OF WANDA WILSON, Ph.D., PRESIDENT, AMERICAN ASSOCIATION OF NURSE ANESTHETISTS**

Dr. WILSON. Chairman Inouye, Ranking Member Stevens, and members of the subcommittee: Good morning. My name is Wanda Wilson and I serve as president of 37,000 members of the American Association of Nurse Anesthetists.

The quality of healthcare America provides our service men and women and their dependents has long been this subcommittee's high priority. Today I report to you the contributions that certified registered nurse anesthetists, or CRNAs, make toward our services' mission. I will also provide you our recommendations to further improve military healthcare for these challenging times. I also ask unanimous consent that my written statement be entered into the record.

Senator INOUYE. Without objection.

Dr. WILSON. Thank you.

America's CRNAs provide some 30 million anesthetics annually, in every healthcare setting requiring anesthesia care, and we provide that care safely. The IOM reported in 2000 that anesthesia is 50 times safer than it was in the early 1980s.

For the U.S. armed forces, CRNAs are particularly critical. In 2005, 493 active duty and 790 reservist CRNAs provided anesthesia care indispensable to our armed forces' current mission. One CRNA, Major General Gale Pollock, served as Acting Surgeon General of the Army for a time last year. Today CRNAs serve in major military hospitals and educational institutions, aboard ships, in isolated bases abroad and at home, and as members of forward surgical teams as close to the tip of the spear as can be. In most of these environments, CRNAs provide anesthesia services alone, without anesthesiologists, enabling surgeons and other clinicians to safely deliver life-saving care.

But in recent years the number of CRNAs in the armed forces has fallen below the number needed. The private market for CRNA services is very strong and the military has struggled to compete. The services, this subcommittee and the authorizing committees have responded with increased benefits to CRNAs, incentive special pay, ISP, and the health professionals loan repayment program, focusing on incentives for multi-year agreements.

The profession of nurse anesthesia has likewise responded. In 2007, accredited nurse anesthesia educational programs produced

over 2,000 graduates, an 88 percent increase in just 5 years, to meet the growing demand.

These combined actions have helped strengthen the services' readiness and the quality of healthcare available to our service men and women. So our first recommendation to you is to extend and strengthen this successful ISP program for CRNAs. The authorizing committee has extended the ISP program. We encourage this subcommittee to continue funding ISP levels sufficient for the services to recruit and retain the CRNAs needed for the mission.

The second is to support the Troops-to-Nurse Teachers, or TNT initiative. Today a pilot program sponsored by the Army Surgeon General's Office has placed uniformed military nurses as instructors in a civilian school of nursing. Under this project nurses in the service advance their teaching and mentoring skills and the nursing students in an expanded program witness military service in the best possible light. In addition to our support of the military's highly regarded CRNA educational program at Fort Sam Houston, the Uniformed Services University, and at Bethesda, we join the chairman of this subcommittee to support the TNT program.

Our third and final recommendation is for the subcommittee to encourage all services to adopt the joint scope of practice. Standard practice across all services enhances patient safety and the quality of healthcare for our service men and women. The Navy in particular has made a great deal of progress toward adopting the joint scope for independent practitioners. We encourage you to adopt this in all services.

Thank you very much.

Senator INOUYE. I thank you very much, Dr. Wilson.

[The statement follows:]

PREPARED STATEMENT OF WANDA WILSON

Chairman Inouye, Ranking Member Stevens, and members of the subcommittee: The American Association of Nurse Anesthetists (AANA) is the professional association that represents more than 37,000 Certified Registered Nurse Anesthetists (CRNAs) across the United States, including 483 active duty and 790 reservists in the military reported in May 2005. The AANA appreciates the opportunity to provide testimony regarding CRNAs in the military. We would also like to thank this committee for the help it has given us in assisting the Department of Defense (DOD) and each of the services to recruit and retain CRNAs.

CRNAS AND THE ARMED FORCES: A TRADITION OF SERVICE

Let us begin by describing the profession of nurse anesthesia, and its history and role with the Armed Forces of the United States.

In the administration of anesthesia, CRNAs perform the same functions as anesthesiologists and work in every setting in which anesthesia is delivered including hospital surgical suites and obstetrical delivery rooms, ambulatory surgical centers, health maintenance organizations, and the offices of dentists, podiatrists, ophthalmologists, and plastic surgeons. Today, CRNAs administer some 30 million anesthetics given to patients each year in the United States. Nurse anesthetists are also the sole anesthesia providers in the vast majority of rural hospitals, assuring access to surgical, obstetrical, and other healthcare services for millions of rural Americans.

Our tradition of service to the military and our veterans is buttressed by our personal, professional commitment to patient safety, made evident through research into our practice. In our professional association, we state emphatically "our members' only business is patient safety." Safety is assured through education, high standards of professional practice, and commitment to continuing education. Having first practiced as registered nurses, CRNAs are educated to the master's degree level, and some to the doctoral level, and meet the most stringent continuing edu-

cation and recertification standards in the field. Thanks to this tradition of advanced education and clinical practice excellence, we are humbled and honored to note that anesthesia is 50 times safer now than in the early 1980s (National Academy of Sciences, 2000). Research further demonstrates that the care delivered by CRNAs, physician anesthesiologists, or by both working together yields similar patient safety outcomes. In addition to studies performed by the National Academy of Sciences in 1977, Forrest in 1980, Bechtoldt in 1981, the Minnesota Department of Health in 1994, and others. Dr. Michael Pine, MD, MBA, recently concluded once again that among CRNAs and physician anesthesiologists, "the type of anesthesia provider does not affect inpatient surgical mortality" (Pine, 2003). Thus, the practice of anesthesia is a recognized specialty in nursing and medicine. Most recently, a study published in "Nursing Research" confirmed obstetrical anesthesia services are extremely safe, and that there is no difference in safety between hospitals that use only CRNAs compared with those that use only anesthesiologists (Simonson et al., 2007). Both CRNAs and anesthesiologists administer anesthesia for all types of surgical procedures from the simplest to the most complex, either as single providers or together.

NURSE ANESTHETISTS IN THE MILITARY

Since the mid-19th century, our profession of nurse anesthesia has been proud and honored to provide anesthesia care for our past and present military personnel and their families. From the Civil War to the present day, nurse anesthetists have been the principal anesthesia providers in combat areas of every war in which the United States has been engaged.

Military nurse anesthetists have been honored and decorated by the United States and foreign governments for outstanding achievements, resulting from their dedication and commitment to duty and competence in managing seriously wounded casualties. In World War II, there were 17 nurse anesthetists to every 1 anesthesiologist. In Vietnam, the ratio of CRNAs to physician anesthetists was approximately 3:1. Two nurse anesthetists were killed in Vietnam and their names have been engraved on the Vietnam Memorial Wall. During the Panama strike, only CRNAs were sent with the fighting forces. Nurse anesthetists served with honor during Desert Shield and Desert Storm.

Military CRNAs also provide critical anesthesia support to humanitarian missions around the globe in such places as Bosnia and Somalia. In May 2003, approximately 364 nurse anesthetists had been deployed to the Middle East for the military mission for Operation Iraqi Freedom and Operation Enduring Freedom. When President George W. Bush initiated Operation Enduring Freedom, CRNAs were immediately deployed. With the new special operations environment new training was needed to prepare our CRNAs to ensure military medical mobilization and readiness. BG Barbara C. Brannon, Assistant Surgeon General, Air Force Nursing Services, testified before this Senate Committee on May 8, 2002, to provide an account of CRNAs on the job overseas. She stated, "Lt. Col Beisser, a certified registered nurse anesthetist leading a Mobile Forward Surgical Team, recently commended the seamless interoperability he witnessed during treatment of trauma victims in Special Forces mass casualty incident."

Data gathered from the U.S. Armed Forces anesthesia communities reveal that CRNAs have often been the sole anesthesia providers at certain facilities, both at home and while forward deployed. For decades CRNAs have staffed ships, isolated U.S. bases, and forward surgical teams without physician anesthesia support. The U.S. Army Joint Special Operations Command Medical Team and all Army Forward Surgical Teams are staffed solely by CRNAs. Military CRNAs have a long, proud history of providing independent support and quality anesthesia care to military men and women, their families and to people from many nations who have found themselves in harms way.

In the current mission, CRNAs are deployed all over the world, on land and at sea. This committee must ensure that we retain and recruit CRNAs for now and in the future to serve in these military deployments overseas. This committee must ensure that we retain and recruit CRNAs now and in the future to serve in these military overseas deployments and humanitarian efforts, and to ensure the maximum readiness of America's armed services.

NURSE ANESTHESIA PROVIDER SUPPLY AND DEMAND: SOLUTIONS FOR RECRUITMENT AND RETENTION

In all of the services, maintaining adequate numbers of active duty CRNAs is of utmost concern. For several years, the number of CRNAs serving in active duty fell

short of the number authorized by the DOD. This is further complicated by strong demand for CRNAs in both the public and private sectors.

It is essential to understand that while there is strong demand for CRNA services in the public and private healthcare sectors, the profession of nurse anesthesia is working effectively to meet this workforce challenge. The AANA anticipates growing demand for CRNAs. Our evidence suggests that while vacancies exist, the demand for anesthesia professionals can be met if appropriate actions are taken. As of January 2008, there are 108 accredited CRNA schools to support the profession of nurse anesthesia. The number of qualified registered nurses applying to CRNA schools continues to climb. The growth in the number of schools, the number of applicants, and in production capacity, has yielded significant growth in the number of nurse anesthetists graduating and being certified into the profession, while absolutely maintaining and strengthening the quality and competence of these clinicians. The Council on Certification of Nurse Anesthetists reports that in 2007, our schools produced 2,021 graduates, an 88 percent increase since 2002, and 1,869 nurse anesthetists were certified. The growth is expected to continue. The Council on Accreditation of Nurse Anesthesia Educational Programs projects the 108 CRNA schools to produce over 2,310 graduates in 2008.

This committee can greatly assist in the effort to attract and maintain essential numbers of nurse anesthetists in the military by their support to increase special pays.

INCENTIVE SPECIAL PAY FOR NURSES

According to a March 1994 study requested by the Health Policy Directorate of Health Affairs and conducted by DOD, a large pay gap existed between annual civilian and military pay in 1992. This study concluded, "this earnings gap is a major reason why the military has difficulty retaining CRNAs." In order to address this pay gap, in the fiscal year 1995 Defense Authorization bill Congress authorized the implementation of an increase in the annual Incentive Special Pay (ISP) for nurse anesthetists from $6,000 to $15,000 for those CRNAs no longer under service obligation to pay back their anesthesia education. Those CRNAs who remained obligated receive the $6,000 ISP.

Both the House and Senate passed the fiscal year 2003 Defense Authorization Act Conference report, H. Rept. 107-772, which included an ISP increase to $50,000. The report included an increase in ISP for nurse anesthetists from $15,000 to $50,000. The AANA is requesting that this committee fund the ISP at $50,000 for all the branches of the armed services to retain and recruit CRNAs now and into the future. Per the testimony provided in 2006 from the three services' Nurse Corps leaders, the AANA is aware that there is an active effort with the Surgeons General to closely evaluate and adjust ISP rates and policies needed to support the recruitment and retention of CRNAs. In 2006, MG Gale Pollock, MBA, MHA, MS, CRNA, FACHE, Deputy Surgeon General, Army Nurse Corps of the U.S. Army stated in testimony before this subcommittee, "I am particularly concerned about the retention of our certified registered nurse anesthetists. Our inventory of CRNAs is currently at 73 percent. The restructuring of the incentive special pay program for CRNAs last year, as well as the 180 (day)-deployment rotation policy were good first steps in stemming the loss of these highly trained providers. We are working closely with the Surgeon General's staff to closely evaluate and adjust rates and policies where needed."

There have been positive results from the Nurse Corps and Surgeons General initiatives to increase incentive special pays for CRNAs. In testimony before the House Armed Services Committee in 2007, Major General Pollock stated, "We have . . . increased the Incentive Special Pay Certified Registered Nurse Anesthetist, and expanded use of the Health Professions Loan Repayment Program (HPLRP). The . . . Nurse Anesthetist bonuses have been very successful in retaining these providers who are critically important to our mission on the battlefield." She also stated in that same statement, "In 2004, we increased the multi-year bonuses we offer to Certified Registered Nurse Anesthetists with emphasis on incentives for multi-year agreements. A year's worth of experience indicates that this increased bonus, 180-day deployments, and a revamped Professional Filler system to improve deployment equity is helping to retain CRNAs."

There still continues to be high demand for CRNAs in the healthcare community leading to higher incomes widening the gap in pay for CRNAs in the civilian sector compared to the military. However, the ISP and other incentives the services are providing CRNAs has helped close that gap the past 2 years, according to the most recent AANA membership survey data. In civilian practice, all additional skills, experience, duties and responsibilities, and hours of work are compensated for mone-

tarily. Additionally, training (tuition and continuing education), healthcare, retirement, recruitment and retention bonuses, and other benefits often equal or exceed those offered in the military. Therefore, it is vitally important that the ISP be supported to ensure retention of CRNAs in the military.

AANA thanks this committee for its support of the annual ISP for nurse anesthetists. AANA strongly recommends the continuation in the annual funding for ISP at $50,000 or more for fiscal year 2009, which recognizes the special skills and advanced education that CRNAs bring to the DOD healthcare system, and supports the mission of our U.S. Armed Forces.

BOARD CERTIFICATION PAY FOR NURSES

Included in the fiscal year 1996 Defense Authorization bill was language authorizing the implementation of a board certification pay for certain clinicians who are not physicians, including advanced practice nurses. AANA is highly supportive of board certification pay for all advanced practice nurses. The establishment of this type of pay for nurses recognizes that there are levels of excellence in the profession of nursing that should be recognized, just as in the medical profession. In addition, this pay may assist in closing the earnings gap, which may help with retention of CRNAs.

While many CRNAs have received board certification pay, some remain ineligible. Since certification to practice as a CRNA does not require a specific master's degree, many nurse anesthetists have chosen to diversify their education by pursuing an advanced degree in other related fields. But CRNAs with master's degrees in education, administration, or management are not eligible for board certification pay since their graduate degree is not in a clinical specialty. Many CRNAs who have non-clinical master's degrees either chose or were guided by their respective services to pursue a degree other than in a clinical specialty. The AANA encourages DOD and the respective services to re-examine the issue of restricting board certification pay only to CRNAs who have specific clinical master's degrees.

DOD/VA RESOURCE SHARING: U.S. ARMY-VA JOINT PROGRAM IN NURSE ANESTHESIA—FORT SAM HOUSTON, SAN ANTONIO, TX.

The establishment of the joint U.S. Army-VA program in nurse anesthesia education at the U.S. Army Graduate Program in Anesthesia Nursing, Fort Sam Houston, in San Antonio, Texas holds the promise of making significant improvements in the VA CRNA workforce, as well as improving retention of DOD registered nurses in a cost effective manner. The current program utilizes existing resources from both the Department of Veterans Affairs (VA) Employee Incentive Scholarship Program (EISP) and VA hospitals to fund tuition, books, and salary reimbursement for student registered nurse anesthetists (SRNAs). This joint program also serves the interests of the Army.

This VA nurse anesthesia program started in June 2004 with three openings for VA registered nurses to apply to and earn a Master of Science in Nursing (MSN) in anesthesia granted through the University of Texas Houston Health Science Center. In the future, the program is granting degrees through the Northeastern University Bouve College of Health Sciences nurse anesthesia educational program in Boston, Massachussetts. At a time of increased deployments in medical military personnel, this type of VA–DOD partnership is a cost-effective model to fill these gaps in the military healthcare system. At Fort Sam Houston, the VA faculty director has covered her Army colleagues' didactic classes when they are deployed at a moments notice. This benefits both the VA and the DOD to ensure the nurse anesthesia students are trained and certified in a timely manner to meet their workforce obligation to the Federal Government as anesthesia providers. We are pleased to note that the VA Acting Deputy Under Secretary for Health and the U.S. Army Surgeon General approved funding to start this VA nurse anesthesia school in 2004. In addition, the VA director has been pleased to work under the direction of the Army program director LTC Thomas Ceremuga, Ph.D., CRNA, to further the continued success of this U.S. Army-VA partnership. With modest levels of additional funding in the VA EISP, this joint U.S. Army-VA nurse anesthesia education initiative can grow and thrive, and serve as a model for meeting other VA workforce needs, particularly in nursing.

TROOPS-TO-NURSE TEACHERS (TNT) INITIATIVE

I also want to express to the subcommittee our profession's support for the Troops-to-Nurse Teachers (TNT) initiative. Modeled after the successful DOD program established in 1994 to encourage retiring military personnel to teach in high-need areas and to teach high-need subjects such as math and science, the TNT pro-

gram as expressed in legislation pending in the Senate (S. 2705, Durbin (D-IL) and several cosponsors) would help alleviate the nursing shortage by increasing faculty in schools of nursing, thereby allowing schools to expand their applicant pools.

One aspect of the TNT intiative would provide opportunities for Nurse Corps Officers in the Armed Forces the ability to transition to faculty positions at accredited nursing schools after retirement. The bill offers a number of incentives. It provides career placement assistance, transitional stipends, and educational assistance if needed to those who have served a minimum of 20 years in the Armed Forces and who are qualified to teach. It creates an educational scholarship program to give financial assistance to those members of the Armed Forces who have served at least 20 years on active duty are eligible to retire and who want to become nurse faculty. And it gives nurse officers in the Armed Forces who have a graduate degree in nursing the opportunity to serve a 2-year tour of duty as an educator. The school of nursing where the faculty teaches then commits to provide scholarships to those students who sign-on to become a nurse officer in the military after graduation.

The TNT initiative is also a pilot project now under way within the Army Nurse Corps, which has six Army nurses in camouflage uniforms serving as faculty to the school of nursing at the University of Maryland. The military gets strong, positive visibility in a highly regarded educational program, showing nursing students directly what kind of future that service in the Army Nurse Corps can provide them. According to the chief of the Army Nurse Corps, the University of Maryland was able to admit another 151 students to its nursing program, helping to meet the tremendous community and national need for registered nurses. Last, Army nurse teachers have additional, valuable opportunities to develop and strengthen their skills in teaching, to help continue improving the quality of healthcare education available within the U.S. Army.

The TNT initiative holds great promise to support both national healthcare needs and the mission of the U.S. Armed Forces, and we encourage the subcommittee to support it. Current cosponsors of S. 2705 include Senators Bayh (D-IN), Biden (D-DE), Brown (D-OH), Clinton (D-NY), Collins (R-ME), Dole (R-NC), Inhofe (R-OK), Inouye (D-HI), Lieberman (I-CT), Menendez (D-NJ), Mikulski (D-MD), Obama (D-IL), and Reed (D-RI).

CONCLUSION

In conclusion, the AANA believes that the recruitment and retention of CRNAs in the armed services is of critical concern. By Congress supporting these efforts to recruit and retain CRNAS, the military is able to meet the mission to provide benefit care and deployment care—a mission that is unique to the military. The AANA would also like to thank the Surgeons General and Nurse Corp leadership for their support in meeting the needs of the profession within the military workforce. Last, we commend and thank this committee for their continued support for CRNAs in the military.

Thank you. If you have further questions, please contact the AANA Federal Government Affairs Office.

Senator INOUYE. Our next witness represents the National Multiple Sclerosis Society, Mr. Bob Wolz.

**STATEMENT OF BOB WOLZ, ON BEHALF OF THE NATIONAL MULTIPLE SCLEROSIS SOCIETY**

Mr. WOLZ. Thank you, Chairman Inouye, Ranking Member Stevens, and members of the subcommittee, for allowing me to provide testimony at this hearing today. My name is Bob Wolz and I'm a veteran living with relapsing remitted multiple sclerosis, or MS. I'm here today on behalf of the estimated 400,000 Americans and more than 28,000 veterans who live with MS. Together we ask you to help advance MS research by providing funding under the congressionally directed medical research programs.

MS is a chronic, unpredictable, often disabling, disease of the central nervous system and there is no cure. Every hour someone is newly diagnosed with MS. It is the most common neurological disease leading to disability in young adults.

I'm a retired sergeant first class from the United States Army. I served more than 20 proud years as a chemical, biological, radio-

logical, and nuclear specialist, with two tours in Korea, two tours in Germany, Desert Shield/Desert Storm, and Operation Iraq Freedom, and various stateside units. I believe my MS is a lingering wound from my tour of duty in the gulf war. My resulting disease and disabilities have been deemed service connected by the VA.

I first served with the First Armored Division during Operation Desert Shield/Desert Storm. In March 1991, we were in Kuwait living and working within the dark clouds of the burning Kuwaiti oil wells. Additionally, I was located within the downwind hazard plume from the Khamisiyah Pit demolition that contained sarin and cyclosarin.

My symptoms started between 1995 and 1996. The first signs were muscle weakness on my left side, problems with bowel movements, and unusual fatigue. These symptoms continued to worsen and more developed. I started walking with a limp and noticed muscle atrophy on my left side. These symptoms continued even into my deployment to Operation Iraq Freedom with the Fourth Infantry Division in 2003, the division that caught Saddam.

One day after a mission, I showered and attempted to trim my fingernails, a simple task. I was a soldier, but my left hand could not squeeze the clippers to accomplish such a simple thing. I left Iraq and returned to Fort Hood, Texas. There I had several tests run by an Army neurologist, who said I had a reaction to anti-malaria pills. I retired in March 2004.

Thousands of veterans could share similar stories. Recent studies confirm that combat veterans have an increased risk of developing MS. Dr. Match Wallin, a neurologist with the VA MS Center of Excellence in Baltimore and a professor at Georgetown University, treats warfighters like me who live with MS. Dr. Wallin has published a professional hypothesis explaining that deployed gulf war veterans are at an increased risk of developing MS because of their exposure to neurotoxins such as sarin gas and burning oil fields.

A recent study found a twofold increase in MS among Kuwaiti residents who lived in the gulf area before, during, and after the first gulf conflict. The rapid increase suggests an environmental trigger for MS.

Finally, the congressionally mandated Research Advisory Committee on Gulf War Veterans Illnesses found evidence of probable links between exposures to neurotoxins and the development of neurological disorders.

I believe that the DOD has a responsibility to identify and research all diseases that could be related to military service, including MS. Recently Senator Brown and Senator Bunning from my home State sent the subcommittee a bipartisan letter with the signatures of 27 of your colleagues who support a $15 million appropriation for MS research under the CDMRP. This effort is also supported by the Paralyzed Veterans of America, American Academy of Neurology, the United Spinal Association, and the Vietnam Veterans of America.

We appreciate your consideration. With your commitment to more research, we can move closer to a world free of MS. Thank you.

Senator INOUYE. I thank you very much, Mr. Wolz.

[The statement follows:]

## PREPARED STATEMENT OF BOB WOLZ

### INTRODUCTION

Thank you Chairman Inouye, Ranking Member Stevens and distinguished members of the committee, for allowing me to provide testimony at this hearing.

My name is Bob Wolz, and I am a veteran living with multiple sclerosis (MS). I am here today on behalf of the estimated 400,000 Americans and more than 28,000 veterans who live with MS. Together, we ask you to help us advance MS research by providing funding under the Congressionally Directed Medical Research Programs (CDMRP).

### NO CURE FOR MULTIPLE SCLEROSIS

Multiple sclerosis is a chronic, unpredictable, often-disabling disease of the central nervous system. It interrupts the flow of information from the brain to the body and stops people from moving. Every hour someone is newly diagnosed. MS is the most common neurological disease leading to disability in young adults. But despite several decades of research, the cause remains unclear, and there is no cure. The research must continue.

The symptoms of MS range from numbness and tingling to blindness and paralysis. MS causes loss of coordination and memory, extreme fatigue, emotional changes, and other physical symptoms. The progress, severity, and specific symptoms of MS in any one person cannot yet be predicted. These problems can be permanent, or they can come and go.

The National Multiple Sclerosis Society recommends treatment with one of the FDA-approved "disease-modifying" drugs to lessen the frequency and severity of attacks, and to help slow the progression of disability. But unfortunately, the cost is often financially devastating. The FDA approved drugs for MS range from $16,500 to more than $30,000 a year, and treatments continue over a lifetime.

### MS AND VETERANS

Testimony from individual veterans like me, along with evidence from recent studies, suggests that combat veterans have an increased risk of developing multiple sclerosis.

Dr. Mitch Wallin, a neurologist with the Department of Veterans' (VA) Affairs MS Center of Excellence in Baltimore and a professor at Georgetown University, currently treats warfighters with MS. Dr. Wallin recently published a formal professional hypothesis explaining that deployed gulf war veterans are at an increased risk for developing MS because of their exposure to neurotoxins while in the gulf war theater. These neurotoxins include sarin gas, burning oil fields, and more. Some of which were purposely used on our soldiers and others a by-product of the theatre of war. These same obstacles could be found in our most recent conflicts in the Middle East.

Dr. Wallin hopes to explore this hypothesis through research at the VA. He previously authored a letter to the Chairman and Ranking Member of this subcommittee urging them to support funding for MS research in the CDMRP. In addition to Dr. Wallin's professional hypothesis, I offer the following supporting rationale:

—A recent epidemiological study found an unexpected, two-fold increase in MS among Kuwaiti residents between 1993–2000. This study focused on individuals who lived in the gulf area before, during and after the first gulf conflict. The rapid increase in MS is startling and suggests an environmental trigger for MS. Possible triggers include exposure to air particulates from oil well fires, sarin or infectious agents. By exploring this finding we could learn more about how MS is triggered, how the disease manifests and how to better fight it.

—More than 28,000 veterans with the diagnosis of MS are receiving care through the VA. However, the VA only treats about one-third of the country's veteran population. Therefore, the number of U.S. veteran's with MS could be three times higher. The "Annals of Neurology" recently identified 5,345 of these cases to be deemed "service-connected" by the VA. That is a very important statistic because I can tell you that running the gauntlet to be deemed service connected is not an easy exercise.

and finally,

—The Congressionally-mandated Research Advisory Committee on Gulf War Veterans' Illnesses (RAC) found evidence that supports a probable link between exposures to neurotoxins and the development of neurological disorders. Furthermore, RAC recommended more Federal funding to study the negative effect of neurotoxins on the immune system.

As news and preliminary evidence circulates of a potential link between MS and military service, more and more veterans are coming forward with their stories and symptoms. Their stories illustrate a unique health concern among our veterans and tell us that there is a strong possibility that an environmental trigger could contribute to the causes and development of this disease. Learning more about this could unlock the mystery of MS.

BOB WOLZ'S STORY

I am a retired Sergeant First Class in the U.S. Army. I served more than 20 years as a chemical, biological, radiological, and nuclear specialist. I served two tours in Korea and Germany, the gulf war, Operation Iraqi Freedom, and various stateside units. I was diagnosed with relapsing-remitting multiple sclerosis in the spring of 2006. The MS is a lingering wound from my tour of duty in the gulf war, and my resulting disease and disabilities have been deemed service connected by the VA.

I served with the First Armored Division, 69th Chemical Company during Operation Desert Shield and Operation Desert Storm. There, like all veterans. I was given many inoculations, pills, and utilized a number of insect repellents. In March of 1991, we were in Kuwait living and working within the dark clouds of the burning Kuwaiti oil wells. Additionally, I was located within the downwind hazard plume from the Khamisiyah Pit demolition that contained sarin and cyclosarin. I believe my symptoms started between 1995 and 1996.

The first signs were muscle weakness on my left side, problems with bowel movements (constant diarrhea), and unusual fatigue. To account for the weakness, Army doctors felt that I was not doing enough physical training and told me to work out more. My diet was allegedly the culprit to my problems with bowel movements and it was adjusted accordingly. The unusual fatigue was chalked up to insufficient physical training and lack of sleep.

These symptoms continued to worsen and more developed. I started walking with a limp and noticed muscle atrophy on my left side. On a subsequent visit to the doctor, I was told I probably had a small stroke. Blood tests and an EEG were done and everything was reported to be normal. The symptoms continued even into my deployment to Operation Iraqi Freedom with the 4th Infantry Division in 2003. (This is the division that caught Saddam).

I started experiencing strange blackout conditions. I could hear people but their voices were muffled. Constant diarrhea added to my fatigue. I consumed a lot of Imodium in an effort to curb the diarrhea, so that I could do my job. A couple visits to sick call provided me with Cipro and an order to drink more water. One day after getting back from a mission, I showered and attempted to trim my fingernails. My left hand could not squeeze the clippers to accomplish this simple task. I left Iraq and returned to Fort Hood, Texas. Upon my return, I had several tests run by a Army neurologist. His diagnosis was that I had a reaction to the anti-malaria pills I was taking while deployed. I completed my retirement physical for the Army and the VA without anything significant being noted except IBS, bad knees, and a bum ankle. I retired in March of 2004.

In 2006, my symptoms continued to worsen and my family doctor ran more tests and an ultra sound for a stroke. She was also concerned with the size difference in the muscles on my left side as opposed to my right. Upon a clean bill of health, I signed up for the VA gulf war registry. My appointments started with a visit to the physical therapist who told me that I did not have a stroke and there was something else going on. After numerous other tests, my MRI revealed a 19 millimeter lesion on my C4 vertebrae; 1 millimeter on my C1 vertebrae; and numerous lesions scattered on both sides of my brain. I received my diagnosis and started treatment with self-injections three times a week in the spring of 2006.

My current symptoms include partial paralysis on my entire left side of my body; muscle weakness on my left side; muscle spasticity, stiffness, tremors, and atrophy; foot drop; IBS; ED; MS fatigue; intolerance to heat; and cognitive changes that include verbal fluency, memory, attention and concentration. Tripping and falling are a usual occurrence that has become part of my life.

The disease has also taken a toll on my family physically and mentally. They worry more, watch me at times like a baby, and are afraid to let me be alone.

I have all the reasons in the world to be depressed and invite people to swim with me in my pool of pity. I chose not to do that. My battle with MS does not compare to the pain I experienced in burying my little brother, SGT James Wolz (age 27) in 2000, and my son Jason (age 20) in 2002. I have the will and ability to fight, not only for myself but also for those out there with MS who cannot move, for those that will not or cannot speak, and for those who are completely devastated by this disease. I walk for them, I speak for them, and I fight for them.

THE NEED FOR MORE MS RESEARCH

My story is just one of many. Given this and all the evidence, we strongly believe that the DOD has a responsibility to identify and research all diseases that could be related to military service, including MS.

Last year Public Law 110–116 made MS eligible for research funding under the Peer Reviewed Medical Research Program. This was an important step, and we thank you for the opportunity to compete for this funding. But given the rationale, the needs of people living with MS—a specific program for MS research should be designated under the CDMRP.

On April 11, Senators Brown and Bunning sent the subcommittee a strong bi-partisan letter with 27 of your colleague's signatures urging you to support a $15 million appropriation for MS research under the CDMRP. This effort is also supported by the Paralyzed Veterans of America, the American Academy of Neurology, the United Spinal Association and the Vietnam Veterans of America.

The cause, progress, or severity of symptoms in any one person living with MS cannot yet be predicted or cured. But advances in research and treatments can help. We appreciate your consideration of this request. With your commitment to more research, we can move closer to a world free of MS. Thank you.

Senator INOUYE. Now may I recognize the vice chairman.

Senator STEVENS. Thank you very much. I enjoyed the hearing very much, Mr. Chairman. I appreciate the witnesses. It was a good hearing. Thank you.

ADDITIONAL SUBMITTED STATEMENTS

Senator INOUYE. We have received testimony from Dr. Raymond Bye, Jr., Director of Federal Relations, Florida State University; Ms. Kathleen Yosko, Chairman of the Board of ARA Research Institute. These statements will be made part of the record along with any additional statements that the subcommittee receives.

[The statements follow:]

PREPARED STATEMENT OF FLORIDA STATE UNIVERSITY

Mr. Chairman, I would like to thank you and the members of the subcommittee for this opportunity to present testimony before this Committee. I would like to take a moment to briefly acquaint you with Florida State University.

Located in Tallahassee, Florida's capital, FSU is a comprehensive Research I university with a rapidly growing research base. The University serves as a center for advanced graduate and professional studies, exemplary research, and top-quality undergraduate programs. Faculty members at FSU maintain a strong commitment to quality in teaching, to performance of research and creative activities, and have a strong commitment to public service. Among the current or former faculty are numerous recipients of national and international honors including Nobel laureates, Pulitzer Prize winners, and several members of the National Academy of Sciences. Our scientists and engineers do excellent research, have strong interdisciplinary interests, and often work closely with industrial partners in the commercialization of the results of their research. FSU had over $190 million this past year in research awards.

The University attracts students from every State in the Nation and more than 100 foreign countries. The University is committed to high admission standards that ensure quality in its student body, which currently includes National Merit and National Achievement Scholars, as well as students with superior creative talent. Since 2005, FSU students have won more than 30 nationally competitive scholarships and fellowships including 2 Rhodes Scholarships, 2 Truman Scholarships, 1 Goldwater, 1 Jack Kent Cooke, and 18 Fulbright Fellowships.

At FSU, we are proud of our successes as well as our emerging reputation as one of the Nation's top public research universities.

Mr. Chairman, let me summarize three projects of great interest. The first project involves improving our Nation's fighting capabilities and is called the "Nanotubes Optimized for Lightweight Exceptional Strength (NOLES)/Composite Materials" Project.

The U.S. Army's objective of developing effective personnel protection and a lighter, stronger fleet of fighting vehicles may be achieved through the diminutive nanotubes that (1) are the strongest fiber known, (2) have a thermal conductivity

two times higher than pure diamond, and (3) have unique electrical conductivity properties and an ultra-high current carrying capacity [1996 Nobel Laureate Richard Smalley]. For producing lightweight multifunctional composites, resins impregnated with nanotubes hold the promise of creating structures, which, pound for pound, will be the strongest ever known, and hence offer maximum personnel and vehicle protection. Benefits are apparent not only to defense, but also throughout the commercial world.

Partnered with the Army Research Laboratory and the top five U.S. defense companies—Boeing, General Dynamics, Lockheed Martin, Northrop Grumman, and Raytheon—as well as Armor Holdings, one of the Nation's largest armor manufacturers, FSU's team of multi-disciplinary faculty and students has developed unique design, characterization and rapid prototyping capabilities in the field of nano-composite research, leading to vital defense applications. For instance, in a partnership with Lockheed Martin Missiles and Fire Control—Orlando, FSU researchers delivered more than 150 square feet of nanotube/polycarbonate composites for armor evaluation. The NOLES research team is working with the technical staff of General Dynamics in developing high performance thermal management materials utilizing nanotubes. The NOLES team is collaborating with Boeing and Northrop Grumman to use nanotube composites for shielding against electromagnetic interference (EMI). In addition, FSU's nanotube composites are being tested for missile wings, UAVs and missile guidance systems by several defense contractors.

Two core programs are envisioned for fiscal year 2009: (1) developing nanotubes as a material platform for a new generation of devices, structures and systems, giving special attention to the design and demonstration for defense applications; and (2) utilizing nanotube buckypapers and vertically grown nanotube arrays initially for liquid crystal display backlighting and eventually for flexible displays. We are requesting $4,000,000 for this important program.

Our second project is also important to our Nation's defense and involves our capabilities at sea and is called the "Integration of Electro-kinetic Weapons into the Next Generation Navy Ships" program.

The U.S. Navy is developing the next-generation integrated power system (NGIPS) for the future war ships that will have an all-electric platform of propulsion and weapon loads and an electric power systems with rapid reconfigurable distribution systems for integrated fight-through power.

On-demand delivery of the large amounts of energy needed to operate these types of weapons raises challenging technical issues that must be addressed before implementing a combat ready system. These include the appropriate topology for the ship electric distribution system for rapid reconfiguration to battle readiness and the energy supply technology for the weapon systems.

The goal of this initiative is to investigate the energy delivery technologies for electro-kinetic weapons systems and investigate the integration and interface issues of these weapons as loads on the ship NGIPS through system simulations and prototype tests. The results will provide the Navy's ship-builders with vital information to design and de-risk deployable ship NGIPS and weapon power supplies.

With significant support from the Office of Naval Research, FSU has established the Center for Advanced Power Systems (CAPS). CAPS has integrated a real time digital power system simulation and modeling capability and hardware test-bed, capable of testing IPS power system components at ratings up to 5MW, offering unique hardware-in-the-loop simulation capabilities unavailable anywhere in the world. To support this initiative, FSU will partner with the University of Texas—Austin and General Atomics. This team combines the best talents for modeling and simulation of ship power systems, hardware-in-the-loop testing, power supplies for present and future electro-kinetic systems, and interfacing the weapon to a power system. University of Texas—Austin will work with FSU to provided validated models of system performance and in subscale testing to provide more complete model validation where needed. General Atomics will provide the power requirements on each side of the weapons interface to the shipboard power distribution system to better define the interface effort.

The National High Magnetic Field Laboratory (NHMFL) will utilize its research expertise and infrastructure for the proposed development. FSU's partnership with University of Florida and Los Alamos National Laboratory is a key part of the NHMFL.

General Atomics is currently involved in the design and development of the pulse forming network for the Electromagnetic Rail Gun program for the U.S. Navy and the design and development of power distribution architectures (i.e., NGIPS and IFTP) for future U.S. Navy all-electric combatants. We are seeking $4,500,000 for this important work.

Finally, the objective of our final project, "Integrated Cryo-Cooled High Power Density Systems", is to approach the goal of achieving cryo-cooled high power densities through systems integration, management of heat generation, and removal in the electrical system. The systems approach begins with identifying type of power system and the enabling technologies needed and then pursuing research programs to advance the enabling technologies.

The research activities will be directed in several areas:

—*Systems Analysis*.—Extensive system modeling and simulation of the integrated electrical and thermal systems to understand dynamic performance under normal and adverse conditions is necessary to achieve a useful system. Develop prototypes of key technologies and test in hardware-in-the-loop simulations at levels of several megawatts (MW) to demonstrate the technologies.

—*Materials: Conductors, Semi-conductors and Insulation*.—Characterization of conductor materials (both normal and superconducting), semi-conductors (for use in power electronic components) and insulating materials (both thermal and electrical) at cryogenic temperatures to obtain the data needed to predict system performance and design components. Full understanding of the materials and their characteristics is important.

—*Cryo-thermal Systems*.—Optimize thermal system options such as conductive heat transfer systems, fluid heat transfer systems, insulation, packaging and cooling equipment for performance, reliability, and failure modes. Because heat leaks from the ambient to the low temperature environment are critical to successful performance and quite sensitive to quality of construction, the issue of constructability at reasonable cost is a major issue for investigation.

—*System Components*.—Consider new concepts for design of system components and interfaces to achieve optimum system integration, such as conductors, motors, transformers, actuators, fault current limiters, and power electronics operating at cryogenic temperatures. High power density cryo-cooled systems require the use of new families of materials.

The NHMFL will be involved in the proposed development. Also FSU and the University of Central Florida will provide research on integration, efficiency, and capability of pulse tube cryo-coolers. We are seeking $4,000,000 for this project.

Mr. Chairman, we believe this research is vitally important to our country and would appreciate your support.

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## PREPARED STATEMENT OF THE ARA RESEARCH INSTITUTE

Chairman Inouye, Ranking Member Stevens, and other distinguished members of the committee, on behalf of the ARA Research Institute I thank you for this opportunity to comment on actions this committee can take to address the needs of soldiers who are gravely injured during their service. Mr. Chairman, you have been a leader in ensuring that the brave men and women of our military have the resources and care they need to effectively protect our country. The ARA Research Institute applauds your efforts.

ARA Research Institute, a 501(c)(3) organization based in Springfield, Illinois, was founded in 1986 to carry on fundamental scientific research and education relating to furnishing, administering, and financing medical rehabilitation and physical therapy services, and to publish and distribute the findings to the Government and the public. Since 2006, the ARA Research Institute has funded numerous research projects addressing significant medical rehabilitation policy and practice issues. The work of the Institute has received strong support by the hospital medical rehabilitation field—at a February 2007 "State of the Science" symposium, ARA and other national organizations brought together the best minds in the Nation to review the Institute's research findings from the initial projects funded and chart a course defining future projects.

Policymakers at all levels, and in all political parties, have recognized the importance of providing quality medical and rehabilitative care to our wounded troops. President Bush's proposed fiscal year 2009 budget supports the Veterans Administration (VA) in implementing the recommendations of the President's Commission on Care for America's Returning Wounded Warriors. Specifically, the President's Budget devotes $252 million to research projects focused on veterans returning from Iraq and Afghanistan. Indeed, the need is great—the injuries sustained in these conflicts are severe and pervasive.

America now faces a national opportunity to give back to the members of the Armed Forces who are selflessly serving our country, sometimes at great physical and lifetime peril. In addition to efforts by the Government, the plight of returning service men and women facing enormous physical and mental disabilities demands

a national private sector response. Recent media attention has focused national public awareness on the catastrophic injuries many of these individuals face and certain inadequacies in the current Veterans' health system. We are all painfully aware of the large number of veterans who return with wounds of massive proportion, as well as potentially undiagnosed traumatic brain injuries, many of which are causing both the VA and private providers of rehabilitation care challenges heretofore never encountered at this magnitude.

We applaud the VA's leadership on behalf of our Nation's heroes who have returned with life-shattering injuries. Unfortunately, public providers are not always able to adequately deal with patients with missing limbs or multiple serious disabling conditions in geographic areas preferable to patients and families. Cases have been brought to our attention where injuries presented overwhelming challenges to veterans, their families, and their VA providers. In some instances, private inpatient medical rehabilitation hospitals and units perhaps present the best opportunity of reintegrating persons with such injuries into their own communities and our society, yet private inpatient rehabilitation hospitals are limited in their ability to serve combat veterans returning from the current war. Our country has some of the highest quality inpatient medical rehabilitation hospitals in the world, and these private sector resources should be equally accessible to our returning veterans. It makes no sense to spend taxpayer dollars to duplicate capacity and expertise already available in the private sector, when the fundamental issue is accessibility.

Another important component of caring for our wounded soldiers is funding research to determine the most appropriate and most effective ways to care for them, research to capture best practices, and clinical research to improve the care and outcomes of medical rehabilitation. To ensure an optimal Federal research investment, private sector inpatient rehabilitation hospital research should be funded along with any public sector research funding. The ARA Research Institute is a non-profit organization dedicated to stimulating research in the medical rehabilitation field. The Institute is calling for a Federal-private sector partnership to forge an exciting and critically necessary research demonstration project designed to provide alternative inpatient medical rehabilitation services to returning war veterans.

The Veteran Rehabilitation Research and Demonstration Project will build a bridge between public and private sector resources that can be dedicated to bringing these soldiers back to their full human potential. Specifically, if Federal funding is made available and with additional private sector contributions, the Institute will issue a competitive RFP and distribute a number of demonstration grants to rehabilitation hospitals and units in various areas of the country to provide medical rehabilitation services to injured veterans. These hospitals will be required to collaborate with VA resources and their peer group of participating hospitals to identify the best practices and delineate the most effective ways to treat the needs of these soldiers. The Institute has submitted appropriations requests to help build this project, and respectfully asks that the committee direct funding of this project.

The national conscience demands that all potential medical resources, including research funding, be available to bring our soldiers back to their full human potential. We ask the committee to include full funding this year for the Veteran Rehabilitation Research and Demonstration Project, to ensure private sector participation in ensuring that our wounded warriors receive the highest quality of care they need and deserve.

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## PREPARED STATEMENT OF THE U.S. NAVAL SEA CADET CORPS

### REQUEST

It is respectfully requested that $300,000 be appropriated for the Naval Sea Cadet Corps (NSCC) in fiscal year 2009, so that when added to the Navy budgeted $1,700,000 will restore full funding at the $2,000,000 requirement level. Further, in order to ensure future funding at the full $2,000,000 requirement, consideration of including the following conference language is requested:

"Congress is pleased to learn that Navy has funded the U.S. Naval Sea Cadet Corps in the fiscal year 2009 budget as urged by the Senate and House in the 2008 Defense Budget Conference Report. Conferees include an additional $300,000 for the U.S. Naval Sea Cadet Corps, that when added to the $1,700,000 in the fiscal year 2009 budget request will fund the program at the full $2,000,000 requested. Conferees urge the Navy to continue to fund this program and increase the POM level to $2,000,000 for the U.S. Naval Sea Cadet Corps."

*Background*

At the request of the Department of the Navy, the Navy League of the United States established the NSCC in 1958 to "create a favorable image of the Navy on the part of American youth." On September 10, 1962, the U.S. Congress federally chartered the NSCC under Public Law 87–655 as a non-profit civilian youth training organization for young people, ages 13–17. A National Board of Directors, whose Chairman serves as the National Vice President of the Navy League for Youth Programs, establishes NSCC policy and management guidance for operation and administration. A full-time Executive Director and small staff in Arlington, Virginia, administer NSCC's day-to-day operations. These professionals work with volunteer regional directors, unit commanding officers, and local sponsors. They also collaborate with Navy League councils and other civic, or patriotic organizations, and with local school systems.

In close cooperation with, and the support of the U.S. Navy and U.S. Coast Guard, the Sea Cadet Corps allows youth to sample military life without obligation to join the Armed Forces. Cadets and adult leaders are authorized to wear the Navy uniform, appropriately modified with a distinctive Sea Cadet insignia.

There are currently more than 362 Sea Cadet units in all 50 States, Puerto Rico, and Guam. Registered enrollment is 9,064.

*NSCC objectives*

—Develop an interest and skill in seamanship and seagoing subjects.
—Develop an appreciation for our Navy's history, customs, traditions, and its significant role in national defense.
—Develop positive qualities of patriotism, courage, self-reliance, confidence, pride in our Nation, and other attributes, which contribute to development of strong moral character, good citizenship traits, and a drug-free, gang-free lifestyle.
—Present the advantages and prestige of a military career.

Under the Cadet Corps' umbrella is the Navy League Cadet Corps (NLCC), a youth program for children ages 11–13. While it is not part of the Federal charter provided by Congress, the Navy League of the United States sponsors NLCC. NLCC was established ". . . to give young people mental, moral, and physical training through the medium of naval and other instruction, with the objective of developing principles of patriotism and good citizenship, instilling in them a sense of duty, discipline, self-respect, self-confidence, and a respect for others."

*Benefits*

Naval Sea Cadets experience a unique opportunity for personal growth, development of self-esteem, and self-confidence. Their participation in a variety of activities within a safe, alcohol-free, drug-free, and gang-free environment provides a positive alternative to other less favorable temptations. The Cadet Corps introduces young people to nautical skills, to maritime services and to a military life style. The program provides the young Cadet the opportunity to experience self-reliance early on, while introducing this Cadet to military life without any obligation to join a branch of the armed forces. The young Cadet realizes the commitment required and routinely excels within the Navy and Coast Guard environments.

Naval Sea Cadets receive first-hand knowledge of what life in the Navy or Coast Guard is like. This realization ensures the likelihood of success should they opt for a career in military service. For example, limited travel abroad and in Canada may be available, as well as the opportunity to train onboard Navy and Coast Guard ships, craft and aircraft. These young people may also participate in shore activities ranging from training as a student at a Navy hospital to learning the fundamentals of aviation maintenance at a Naval Air Station.

The opportunity to compete for college scholarships is particularly significant. Since 1975, 197 Cadets have received financial assistance in continuing their education in a chosen career field at college.

*Activities*

Naval Sea Cadets pursue a variety of activities including classroom, practical, and hands-on training as well as field trips, orientation visits to military installations, and cruises on Navy and Coast Guard ships and small craft. They also participate in a variety of community and civic events.

The majority of Sea Cadet training and activities occurs year round at a local training or "drill" site. Often, this may be a military installation or base, a reserve center, a local school, civic hall, or sponsor-provided building. During the summer, activities move from the local training site and involve recruit training (boot camp), "advanced" training of choice, and a variety of other training opportunities (depending on the Cadet's previous experience and desires).

*Senior leadership*

Volunteer NSCC officers and instructors furnish senior leadership for the program. They willingly contribute their time and effort to serve America's youth. The Cadet Corps programs succeed because of their dedicated, active participation and commitment to the principles upon which the Corps was founded. Cadet Corps officers are appointed from the civilian sector or from active, reserve, or retired military status. All are required to take orientation, intermediate, and advanced Officer Professional Development courses to increase their management and youth leadership skills. Appointment as an officer in the Sea Cadet Corps does not, in itself, confer any official military rank. However, a Navy-style uniform, bearing an NSCC insignia, is authorized and worn. Cadet Corps officers receive no pay or allowances. Yet, they do derive some benefits, such as limited use of military facilities and space-available air travel in conjunction with carrying out training duty orders.

*Drug-free and gang-free environment*

One of the most important benefits of the Sea Cadet program is that it provides participating youth a peer structure and environment that places maximum emphasis on a drug- and gang-free environment. Supporting this effort is a close liaison with the U.S. Department of Justice Drug Enforcement Administration (DEA). The DEA offers the services of all DEA Demand Reduction Coordinators to provide individual unit training, as well as their being an integral part of our boot camp training program.

Among a variety of awards and ribbons that Cadets can work toward is the Drug Reduction Service Ribbon, awarded to those who display outstanding skills in he areas of leadership, perseverance and courage. Requirements include intensive anti-drug program training and giving anti-drug presentations to interested community groups.

*Training*

*Local training*

Local training, held at the unit's drill site, includes a variety of activities supervised by qualified Sea Cadet Corps officers and instructors, as well as Navy and Coast Guard instructors.

Cadets receive classroom and hands-on practical instruction in basic military requirements, military drill, water and small boat safety, core personal values, social amenities, drug/alcohol abuse, cultural relations, Navy history, naval customs and traditions, and other nautical skills. Training may be held aboard ships, small boats or aircraft, depending upon platform availability. In their training Cadets also learn about and are exposed to a wide variety of civilian and military career opportunities through field trips and educational tours.

Special presentations by military and civilian officials augment the local training, as does attendance at special briefings and events throughout the local area. Cadets are also encouraged and scheduled to participate in civic activities and events to include parades, social work and community projects, all part of the "whole person" training concept.

For all Naval Sea Cadets the training during the first several months is at their local training site and focuses on general orientation to and familiarization with, the entire program. It also prepares them for their first major away from home training event, the 2 weeks recruit training which all Sea Cadets must successfully complete.

The Navy League Cadet Corps training program teaches younger Cadets the virtues of personal neatness, loyalty, obedience, courtesy, dependability, and a sense of responsibility for shipmates. In accordance with a Navy-oriented syllabus, this education prepares them for the higher level of training they will receive as Naval Sea Cadets.

*Summer training*

After enrolling, all Sea Cadets must first attend a 2-week recruit training taught at the Navy's Recruit Training Command, at other Naval Bases or stations, and at regional recruit training sites using other military host resources. Instructed by Navy or NSCC Recruit Division Commanders, Cadets train to a condensed version of the basic training that Navy enlistees receive. The curriculum is provided by the Navy and taught at all training sites. In 2007, there were 23 recruit training classes at 21 locations, including 2 classes conducted over the winter holiday break and another held over spring break. About 18 nationwide to 22 regional sites are required to accommodate the steady demand for quotas and also to keep cadet and adult travel costs to a minimum. Just over 2,000 cadets attended recruit training in 2007 supported by 350 adult volunteers.

A Cadet who successfully completes recruit training is eligible for advanced training in various fields of choice. Cadets can experience the excitement of "hands-on" practical training aboard Navy and Coast Guard vessels, ranging from tugboats and cutters to the largest nuclear-powered aircraft carriers. Female Cadets may also train aboard any ship that has females assigned as part of the ship's company. Qualified Cadets choose from such Sea Cadet advanced training as basic/advanced airman, ceremonial guard, seamanship, sailing, SEAL training, amphibious operations, leadership, firefighting and emergency services, Homeland security, mine warfare operations, Navy diving submarine orientation and training in occupational specialties, including health care, legal, music, master-at-arms, and police science and construction.

The Cadet Corp programs excel in quality and diversity of training offered, with more than 7,000 training orders carried out for the 2007 summer training program. Cadets faced a myriad of challenging training opportunities designed to instill leadership and develop self-reliance, enabling them to become familiar with the full spectrum of Navy and Coast Guard career fields.

This steady and continuing participation once again reflects the popularity of the NSCC and the positive results of Federal funding for 2001 through 2007. The NSCC still continues to experience an average increased recruit and advanced training attendance of well over 2000 cadets per year over those years in which Federal funding was not available.

While recruit training acquaints cadets with Navy life and Navy style discipline, advanced training focuses on military and general career fields and opportunities, and also affords the cadets many entertaining, drug free, disciplined yet fun activities over the summer. The popularity of the training continues to grow not with just overall numbers but also as evidenced with numerous cadets performing multiple 2-week training sessions during the summer of 2007.

*Training Highlights for 2007*.—The 2007 training focus was once again on providing every cadet the opportunity to perform either recruit or advanced training during the year. To that end emphasis was placed on maintaining all traditional and new training opportunities developed since Federal funding was approved for the NSCC. These include more classes in sailing and legal (JAG) training, expanded SEAL training opportunity, more SCUBA and diving training classes, more seamanship training onboard the NSCC training vessels on the Great Lakes, more aviation-related training, and additional honor guard training opportunities. Other highlights included:

—Maintained national recruit training opportunity for every cadet wanting to participate with 23 recruit training evolutions in 2007.

—Maintained cadet training opportunities beyond the traditional summer evolutions to include advanced and recruit training classes over the Thanksgiving high school recess, the Christmas recess and the spring recess. During 2007, 13 additional classes over these school breaks were conducted with 566 cadets participating. They were supported by another 89 adult volunteers.

—Continued NSCC's aggressive NSCC Officer Professional Development Program, with three different weekend courses tailored to improving volunteer knowledge and leadership skills. More than 500 volunteers attended 2007 training at 37 different training evolutions.

—Continued placing cadets onboard USCG *Barque Eagle* for a summer underway orientation training cruise.

—Expanded seamanship training on the Great Lakes with four underway cruises onboard two NSCC YP's and the NSCC torpedo retriever "Grayfox".

—Continued NSCC cadet opportunity for advanced training in the medical field through the expanded medical "first responder" training at Naval Hospital Great Lakes, Illinois, and continuing the very advanced, unique "surgical tech" training at the Naval Medical Center in San Diego, California.

—Continued NSCC's maritime focus through its expanded sail training with basic, intermediate, and advanced sailing classes offered in San Diego, California, and two additional classes on board "tall ships" in Newport, Rhode Island.

—Continued to place cadets aboard USCG stations, cutters, and tenders for what proves to be among the best of the individual training opportunities offered in the NSCC.

—Placed cadets onboard USN ships under local orders as operating schedules and opportunity permitted.

—Promoted cadets' orientation of the U.S. Naval Academy and the U.S. Coast Guard Academy by offering tuition offsets to cadets accepted into either academies summer orientation program for high school juniors (NASS or AIM). Twenty-three cadets participated in 2007.

—Again, as in prior years, enjoyed particularly outstanding support from members of the United States Naval Reserve, the Army, and National Guard, whose help and leadership remains essential for summer training.

*International Exchange Program (IEP)*

For 2007, the NSCC again continued its' highly competitive, merit based, and very low cost to the cadet, IEP. Cadets were placed in Australia, United Kingdom, Sweden, Netherlands, Hong Kong, Scotland, Russia, and Bermuda to train with fellow cadets in these host nations. The NSCC and Canada maintained their traditional exchanges in Nova Scotia and British Columbia, and the NSCC hosted visiting international cadets in Newport, Rhode Island, and at ANG Fort Lewis in Washington State for 2 weeks of NSCC-sponsored training.

*Navy League Cadet training*

In 2007, approximately 950 Navy League cadets and escorts attended Navy League Orientation and Advanced Training nationwide. Participation in 2007 showed an increase over 2006, surmised to be attributable to training opportunities. Approximately 244 Navy League cadets and their escorts attended advanced Navy League training where cadets learn about small boats and small boat safety using the U.S. Coast Guard's safe boating curriculum. Other advanced Navy League training sites emphasize leadership training. Both serve the program well in preparing League cadets for further training in the NSCC, and particularly for their first recruit training.

*Scholarships*

The NSCC scholarship program was established to provide financial assistance to deserving Cadets who wished to further their education at the college level. Established in 1975, the scholarship program consists of a family of funds: the NSCC Scholarship Fund; the Navy League Stockholm Scholarship; and the NSCC "named scholarship" program, designed to recognize an individual, corporation, organization, or foundation since the inception of the scholarship program, 223 scholarships have been awarded to 209 Cadets (includes some renewals) totaling over $291,500.

*Service accessions*

The NSCC was formed at the request of the Department of the Navy as a means to "enhance the Navy image in the minds of American youth." To accomplish this, ongoing presentations illustrate to Naval Sea Cadets the advantages and benefits of careers in the armed services, and in particular, the sea services.

While there is no service obligation associated with the NSCC program, many Sea Cadets choose to enlist or enroll in officer training programs in all the services.

The NSCC was formed at the request of the Department of the Navy as a means to "enhance the Navy image in the minds of American youth." To accomplish this, ongoing training illustrates to Naval Sea Cadets the advantages and benefits of careers in the armed services, and in particular, the sea services.

Annually, the NSCC conducts a survey to determine the approximate number of Cadets making this career decision. This survey is conducted during the annual inspections of the units which occurs during the period January through March. The reported accessions to the services are only those known to the unit. There are many accessions that go unreported, that occur 2–5 years after Cadets leave their units. With about 78 percent of the units reporting, the survey indicates that 519 known Cadets entered the Armed Forces during the reporting year ending December 31, 2005. This is an increase over the previous years' accessions. Each Cadet entering the Armed Forces is a disciplined, well-trained individual and progresses much better than those with no experience. Attrition of former cadets prior to their completion of obligated service is very low compared to other entrees.

| Unit | Cadets |
|---|---|
| U.S. Naval Academy (2006) | 159 |
| U.S. Military Academy | 7 |
| U.S. Coast Guard Academy | 7 |
| U.S. Air Force Academy | 5 |
| U.S. Merchant Marine Academy | 12 |
| NROTC | 32 |
| OCS Navy | 4 |
| OCS Army | 9 |
| OCS Air Force | |
| OCS Marine Corps | 1 |
| USNA Prep School | 5 |

| Unit | Cadets |
|---|---|
| Navy—Enlisted | [1] 38 |
| U.S. Coast Guard—Enlisted | 12 |
| Marine Corps—Enlisted | 67 |
| Army—Enlisted | 41 |
| Air Force—Enlisted | 9 |
| National Guard—Enlisted | 11 |
| Total | 519 |

[1] The U.S. Navy Recruiting Command has advised that out of 20,000 ex-Naval Sea Cadets eligible each year, approximately 2,000 join the services (Eligible numbers are all ex-Naval Sea Cadets within the recruiting eligible age range).

*Program finances*

Sea Cadets pay for all expenses, including travel to/from training, uniforms, insurance, and training costs. Out-of-pocket costs can reach $500 each year—not including the costs for summer training. Assistance is made available so that no young person is denied access to the program, regardless of social or economic background.

Federally funded at the $1,000,000 level in fiscal years 2001, 2002, and 2003, and at $1,500,000 in fiscal year 2004 and $1,700,000 in 2005 (of the $2,000,000 requested), and $2,000,000 in fiscal year 2006 and fiscal year 2007 all of these fund were used to offset individual Cadet's individual costs for summer training, conduct of background checks for adult volunteers and for reducing future enrollment costs for Cadets. In addition to the Federal fund received, NSCC receives under $700,000 per year from other sources, which includes around $226,000 in enrollment fees from Cadets and adult volunteers. For a variety of reasons, at a minimum, this current level of funding is necessary to sustain this program and the full $2,000,000 would allow for program expansion:

—All time high in number of enrolled Sea Cadets.
—General inflation of all costs.
—Some bases denying planned access to Sea Cadets for training due to increased terrorism threat level alerts and the associated tightening of security measures—requiring Cadets to utilize alternative, and often more costly training alternatives.
—Reduced availability of afloat training opportunities due to the Navy's high level of operations related to the Iraq war.
—Reduced training site opportunities due to base closures.
—Non-availability of open bay berthing opportunities for Cadets due to their elimination as a result of enlisted habitability upgrades to individual/double berthing spaces.
—Lack of available "Space Available" transportation for group movements.
—Lack of on-base transportation, as the navy no longer "owns" buses now controlled by the GSA.
—Navy outsourcing of messing facilities to civilian contractors increases the individual Cadet's meal costs.

Because of these factors, Cadet out-of-pocket costs have skyrocketed to the point where the requested $2,000,000 alone would be barely sufficient to handle cost increases.

It is therefore considered a matter of urgency that the full amount of the requested $2,000,000 be authorized and appropriated for fiscal year 2009.

## CONCLUSION OF HEARINGS

Senator INOUYE. I would like to thank all the witnesses who have testified this morning and participated and contributed much. We will take all your issues and your suggestions very seriously. As I said in the opening, believe it or not, we read them.

This will conclude our scheduled hearings for this fiscal year and we will begin working on it. We hope to come out before the others do. So with that, I thank you and the subcommittee stands in recess subject to the call of the Chair.

[Whereupon, at 11:51 a.m., Wednesday, June 4, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

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