

MEMBERS' DAY

HEARING

BEFORE THE

COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

HEARING HELD IN WASHINGTON, DC, MARCH 2, 2017

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CONTENTS

| | Page |
|--|------|
| Hearing held in Washington, D.C., March 2, 2017 | 1 |
| Hon. Diane Black, Chairman, Committee on the Budget | 1 |
| Prepared statement of | 2 |
| Hon. John A. Yarmuth, Ranking Member, Committee on the Budget | 3 |
| Prepared statement of | 4 |
| Hon. Joyce Beatty, a Representative in Congress from the State of Ohio | 5 |
| Prepared statement of | 7 |
| Hon. Peter J. Visclosky, a Representative in Congress from the State of Indiana | 11 |
| Prepared statement of | 12 |
| Hon. Vicky Hartzler, a Representative in Congress from the State of Mis- souri | 15 |
| Prepared statement of | 17 |
| Hon. Bill Posey, a Representative in Congress from the State of Florida | 20 |
| Prepared statement of | 22 |
| Hon. Jim McGovern, a Representative in Congress from the State of Massa- chusetts | 26 |
| Prepared statement of | 28 |
| Hon. David N. Cicilline, a Representative in Congress from the State of Rhode Island | 31 |
| Prepared statement of | 34 |
| Hon. Mark Walker, a Representative in Congress from the State of North Carolina | 39 |
| Prepared statement of | 41 |
| Hon. Joe Wilson, a Representative in Congress from the State of South Carolina | 44 |
| Prepared statement of | 46 |
| Hon. Trent Franks, a Representative in Congress from the State of Arizona ... | 49 |
| Prepared statement of | 51 |
| Statements submitted for the record | 55 |
| Hon. Daniel T. Kildee, a Representative in Congress from the State of Michi- gan, prepared statement of | 55 |
| Hon. Gerald E. Connolly, a Representative in Congress from the State of Virginia, prepared statement of | 56 |
| Hon. Ken Calvert, a Representative in Congress from the State of California, prepared statement of | 57 |
| Hon. Michael K. Simpson, a Representative in Congress from the State of Idaho, prepared statement of | 58 |
| Hon. Michael R. Turner, a Representative in Congress from the State of Ohio, prepared statement of | 59 |

MEMBERS' DAY

THURSDAY, MARCH 2, 2017

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC.

The committee met, pursuant to call, at 10:05 a.m. in Room 1334, Longworth House Office Building, Hon. Diane Black [chairman of the committee] presiding.

Present: Representatives Black, Arrington, Yarmuth, Jayapal, DelBene, and Jackson Lee.

Chairman BLACK. This hearing will come to order. And good morning and welcome to the Budget Committee Members' Day hearing.

Before we begin, it looks like we are going to be scheduled to have votes before 10:30, maybe within the next 10 minutes or so. So I ask for unanimous consent that, consistent with clause 4 of House rule XVI, the chair will be authorized to declare a recess at any time.

Without objection, the request is agreed to.

We hold these Member Day hearings to hear firsthand from our colleagues about their ideas for the Federal budget, and we welcome those who come to the committee. This hearing is required by section 301(e)(1) of the Congressional Budget Act, and its intent is to provide a forum in which Members can relay their priorities for their district, their State, and, indeed, for our country. Nevertheless, recommendations on how to place the government on a sustainable fiscal path will especially be useful.

This hearing is an important part of building the budget that actually addresses our Nation's tremendous challenges. Moving forward, a balanced budget will require a strong commitment to spending restraint, and promoting more robust economic growth will be critical. Because budgeting is governing, it is important that every Member has the opportunity to participate in the conversation and be part of the process. We welcome the unique, diverse perspectives from Members on both sides of the aisle, and we look forward to receiving their testimony.

Before we begin, I am pleased to yield to the ranking member of Kentucky, Mr. Yarmuth, for his opening statements.

[The prepared statement of Diane Black follows:]

BLACK OPENING STATEMENT:

MEMBER'S DAY HEARING

Washington, D.C., Thursday, March 2, 2017

As prepared for delivery – House Budget Committee Chairman Diane Black

Good morning and welcome to the Budget Committee Members' Day hearing.

Before we begin, it looks like we are going to be scheduled to have votes before 10:30, maybe within the next 10 minutes or so. So I ask for unanimous consent that, consistent with clause 4 of House rule XVI, the chair will be authorized to declare a recess at any time.

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Before we begin, I am pleased to yield to the ranking member of Kentucky, Mr. Yarmuth, for his opening statements.

Mr. YARMUTH. Thank you, Chairman Black.

I am pleased to join you in welcoming our witnesses for Members' Day.

As we all know, budgets are much more than numbers on a page. They reflect our values as a Nation. So this is a great opportunity for Members to talk about their priorities for the country and their constituents. As we move into budget season, I am deeply concerned about Republican plans for the budget.

Just this week, we learned that the President will propose increasing defense spending by \$54 billion and cutting nondefense investments by the same amount to pay for it. Nondefense investments are already near their lowest levels relative to the economy than at any time since at least the Eisenhower administration. We can't meet our responsibilities to the people we are elected to serve or grow our economy with massive cut after massive cut to investment after investment.

We are talking about potentially devastating cuts to education, infrastructure, job training, community safety, clean water, clean air, safe food, safe medicines, a safe workplace, medical research on everything from Alzheimer's to Zika and much more.

The American people need more from us. They deserve more from us. They deserve a government that builds on the economic progress made over the past 8 years of the Obama administration, that makes investments to create new opportunities for their families and for our Nation.

We all know the Republican leadership can pass a budget without bipartisan support, but bipartisanship will be required to fund discretionary programs during the appropriations process. So we, as a committee, can help craft that compromise with a budget that reflects this reality, or we can abdicate our responsibilities and pass a budget that does not.

I urge my colleagues on both sides of the aisle to keep this in mind as we begin debating the budget over the next few weeks. I look forward to hearing what our colleagues have to add to this conversation with their testimony today.

So thank you, and I yield back.

[The prepared statement of John Yarmuth follows:]

YARMUTH OPENING STATEMENT:

MEMBER'S DAY HEARING

Washington, D.C., Thursday, March 2, 2017

As prepared for delivery – House Budget Committee Ranking Member John Yarmuth

I am pleased to join you in welcoming our witnesses for Members' Day.

As we all know, budgets are much more than numbers on a page. They reflect our values as a Nation. So this is a great opportunity for Members to talk about their priorities for the country and their constituents. As we move into budget season, I am deeply concerned about Republican plans for the budget.

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I urge my colleagues on both sides of the aisle to keep this in mind as we begin debating the budget over the next few weeks. I look forward to hearing what our colleagues have to add to this conversation with their testimony today.

So thank you, and I yield back.

Chairman BLACK. Thank you, Mr. Yarmuth.

And as a reminder, Members will have 5 minutes to give their oral testimony, and their written statements will be submitted for the record.

Additionally, members of the committee, which would be you and I at this point in time, will be permitted to question the witness following their statements. And I ask that you please keep your comments brief to expedite today's proceedings.

I would now like to recognize our first witness, the gentlelady from Ohio, Ms. Joyce Beatty.

Thank you for taking your time to share your views with the Budget Committee. The committee has received your written statement, and it will be part of the formal hearing record. You have 5 minutes to deliver your remarks, and you may now begin.

**STATEMENT OF THE HON. JOYCE BEATTY, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO**

Mrs. BEATTY. First of all, let me say thank you, Chairman Black and to Ranking Member Yarmuth. I appreciate the opportunity to appear before the Budget Committee today.

Certainly, as you know, the Federal budget is a blueprint for our Nation, and it is a statement of our national priorities.

Unfortunately, President Trump's proposal to increase defense spending by \$54 billion while decreasing nondefense programs by the same level I believe will hamper our Nation's ability to meet the needs of the American people. I implore this committee to view such drastic cuts to nondefense discretionary spending with extreme caution and urge investment in maintaining and increasing healthy living, affordable education, and a strong infrastructure so that all Americans, not just a select few, have the opportunity to achieve the American Dream.

Let's talk about education. Our budget should reflect a serious sustained investment in our Nation's ability to compete in the 21st century. If we want to position ourselves to propel our Nation forward, we must recognize the importance of education in our workforce's ability to compete in an ever-growing, ever-changing economy.

Providing children with access to high-quality early childhood development is a cornerstone of human development and puts them on an early path to success and at the same time dismantles the too-often-traveled school-to-prison pipeline in communities of color.

Moreover, the door to higher education should not be slammed simply because of skyrocketing tuition costs. We must make greater progress toward improving costs for higher education. We must robustly invest in education in order to create an economy that works for everyone, not just those at the top. We must maintain and continue Pell grants, the TRIO programs, to make higher education affordable and accessible to students.

Affordable housing. Serving on the Financial Services Committee's Subcommittee of Housing and Insurance and as a lifelong leader in developing affordable housing solutions in Ohio, I believe it is critically important for our budget resolution to include allocations that sustain current rental assistance for low-income families and fully restore the number of housing choice vouchers that have

been arbitrarily cut under sequestration. This would help curb homelessness, the homelessness epidemic in our country, especially in our veterans communities, and to assist more than the 11 million people who pay more than 50 percent of their income on rent. Safe, affordable housing, Section 8 voucher programs, opportunities for home ownership, support for community development are priorities that I believe our Nation would be proud to see in the fiscal year 2018 budget resolution.

Lastly, infrastructure. According to the American Society of Civil Engineers, the United States has a significant backlog of overdue maintenance across our infrastructure systems and pressing need for modernization. However, we also have an opportunity in this budget resolution to improve the current conditions of our Nation's infrastructure in a smart way.

As we look to rebuild our crumbling bridges, roads, dams, we should consider implementing policies that allow technology to help our constituents move safely and easily to provide access to jobs. In my Ohio Third Congressional District in the city of Columbus, we were able to do just that, with implementation of the Department of Transportation's Smart City Grant. The Central Ohio Transportation Partnership is one of the Nation's epicenters for intelligent transportation systems to improve safety, enhance mobility, create ladders of opportunities for those who have been left behind, and to address climate change by reducing greenhouse gas emissions.

As Members of Congress, let's create a budget resolution that creates jobs, economic growth, fosters innovation, creativity, and increases the quality of life for working families while solving the Nation's most pressing challenges.

Thank you, Madam Chairwoman, and I yield back.
[The prepared statement of Joyce Beatty follows:]

Congresswoman Joyce Beatty (OH-03)
Fiscal Year 2018 Budget Resolution Testimony
Thursday, March 2, 2017 @ 10:00 AM

Thank you Chairwoman Black and Ranking Member Yarmuth. I appreciate the opportunity to appear before the Budget Committee today.

The Federal budget is a blueprint for our nation and is a statement of our national priorities. Unfortunately, President Trump's proposal to increase defense spending by \$54 billion while decreasing non-defense programs by the same level will hamper our nation's ability to meet the needs of the American people. I implore this Committee to view such drastic cuts to non-defense discretionary spending with extreme caution, and urge investment in maintaining and increasing healthy living, affordable education, and a strong infrastructure – so that all Americans – not just a select few – have the opportunity to achieve the American Dream.

Education:

Our budget should reflect a serious, sustained investment in our nation's ability to compete well into the 21st century. If we want to position ourselves to propel our nation forward, we must recognize the importance of education in our workforce's ability to compete in an ever growing, ever changing economy. Providing children with access to high-quality, early childhood development is a cornerstone of human development and puts them on an early path to success, and

at the same time, dismantles the too-often-traveled school-to-prison pipeline in communities of color. Moreover, the door to higher education should not be slammed shut simply because of skyrocketing tuition costs. We must make greater progress toward improving cost for higher education; we must robustly invest in education in order to create an economy that works for everyone, not just those at the top. We must maintain and continue Pell Grants and TRIO programs to help make higher education affordable and accessible to students.

Affordable Housing:

Serving on the Financial Services Committee's Subcommittee on Housing and Insurance and as a life-long leader in developing affordable housing solutions in Ohio, I believe it is critically important for our budget resolution to include allocations that sustain current rental assistance for low income families, and fully restore the number of Housing Choice Vouchers that have been arbitrarily cut under sequestration. This would help curb the homelessness epidemic in our country, especially in our veteran communities, and assist the more than 11 million people who pay more than 50% of their incomes on rent. Safe, affordable housing, Section 8 voucher programs, opportunities for homeownership, support for community development are priorities that I believe our nation would be proud to see included in the FY18 budget resolution.

Infrastructure:

According to the American Society of Civil Engineers, the United States has a significant backlog of overdue maintenance across our infrastructure systems and a pressing need for modernization. However, we also have an opportunity in this budget resolution to improve the current condition of our nation's infrastructure in a smart way. As we look to rebuild our crumbling bridges, roads, and dams, we should also consider implementing policies that allow technology to help our constituents move safely and easily and provide access to jobs. In my Ohio Third Congressional District, in the City of Columbus, we are able to do just that – with its implementation of the Department of Transportation's Smart City Challenge grant. The Central Ohio transportation partnership is one of the nation's epicenters for intelligent transportation systems to improve safety, enhance mobility, create ladders of opportunity for those who have been left behind, and address climate change by reducing greenhouse gas emissions. As Members of Congress, let's create a budget resolution that creates jobs and economic growth, fosters innovation and creativity, and increases the quality of life for working families while solving our nation's most pressing challenges.

Thank you, Chairwoman Black. I yield back.

Chairman BLACK. Perfect. Oh my goodness. We ought to give you a big round of applause.

Thank you, Representative Beatty, for your comments.

Does any member wish to request time to question Ms. Beatty?

Mr. YARMUTH. Yes, I would.

Chairman BLACK. You are recognized.

Mr. YARMUTH. I appreciate it, Chairman Black.

It seems to me that when we are talking about the kinds of investment you talked about, we are talking about, of course, the nondefense discretionary portion of the budget, which the administration has proposed cutting by \$54 billion. Ultimately, that puts more and more pressure on State and local governments to pick up the slack if we cut this vital funding.

How would you describe Ohio's capability of making up the difference if we had these kind of draconian cuts in the budget here? Would we see Ohio be able to pick up the slack in education and housing and some of these other vital programs?

Mrs. BEATTY. Thank you so much, Ranking Member Yarmuth. You would see great difficulties for the State of Ohio to do that. Ohio is the seventh largest State in this Nation. And just this week, we had county commissioners from across the Nation doing a fly-in. And in meeting with the county commissioners, who provide and oversee many of these services, they came in asking us to make sure that we testified so we could educate and make members of this committee and members of the administration more aware that you can do both.

I am certainly not against providing funds and equipment for those who go fight for us and our country, but I think it is equally a disservice to not provide for those who are the least of us, to not provide for us to provide safety on the roads that we travel. I think that it would be a mistake for us to make the drastic cuts to those services. And those are the individuals that we represent.

So part of my being here today was to talk about those things that shelter. You know, think about if someone took away the shelter over your head where you live in Washington and where you live in your districts. Think about those people that are waiting in line for their Section 8 voucher that for the first time that they are on their road to self-sufficiency, that we take that away.

And, certainly, education is the economic engine of economic growth. And on both sides of the aisle, when we are in our district, we talk about the same thing. We talk about economic development. We talk about having a strong educational system and infrastructure. So I am hoping that maybe you give me one out of the three, at least, so we can help our constituents.

Thank you for the question. And a short answer to that: no, we could not survive.

Mr. YARMUTH. Thank you very much for your response.

And I yield back.

Chairman BLACK. Thank you, Mr. Yarmuth.

And thank you again, Mrs. Beatty, for coming to testify.

Mrs. BEATTY. Thank you.

Chairman BLACK. Even though votes have been called, we are going to try to get you in, Mr. Visclosky. And you are now—if you are prepared, you may begin your testimony.

STATEMENT OF THE HON. PETER VISCLOSKY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. VISCLOSKY. Chairwoman, Mr. Yarmuth, members of the committee, I appreciate the opportunity—

Chairman BLACK. I don't think your microphone is on. Is your microphone on?

Mr. VISCLOSKY. Yes.

Chairman BLACK. There you go. Maybe pull it a little closer. Thank you.

Mr. VISCLOSKY. As a member of the House Appropriations Committee, I am very aware of the challenges involved in developing a budget that balances fiscal responsibility with the need to make investments to support a strong economy and strengthen our national security. This task was made no less difficult by the announcement this week that the President will be submitting a budget request that proposes a \$54 billion cut to domestic programs.

I am here today on behalf of my constituents of northwest Indiana and our Nation to advocate for a fiscal year 2018 budget that does not allow for significant reductions in Federal funding for investments in infrastructure and particularly public transit projects. Any such reductions would ultimately be counterproductive. According to the American Public Transportation Association, in 2014, Americans took 10.8 billion trips on public transportation, representing a 58-year high.

The perceived value of the benefits is reflected in the increased property values near transit stations. A study prepared in coordination with the National Realtor Association concluded that home values performed 42 percent better on average if they were located near public transportation. The APTA also estimates that, for every \$1 invested in public transportation, \$4 of economic returns are also generated.

Recognizing these benefits, my district has adamantly supported the expansion and recapitalization of commuter rail service from Chicago to northwest Indiana. Investing in what is called the South Shore Rail Line will connect my constituents to Chicago's \$500 billion economy and nearly 4 million jobs. It will allow us to begin to draw Chicago's economy to our region. Understanding these opportunities, 16 communities in my district have come together to dedicate a portion of their local economic development tax revenue for an improved rail commuter service.

I would point out that Vice President Pence, in his role as Governor of Indiana, signed legislation into law in 2015 providing State funding to support this endeavor. These non-Federal dollars will match every Federal dollar provided, multiplying the positive effects of the Federal investment before we even begin to enumerate the economic development benefits. But the successful extension and recapitalization and associated economic benefits, along with other projects, not only in northwest Indiana but throughout our country, depend upon the availability of strong Federal funding to support transit projects. I would encourage you to keep this in mind as you develop your document.

[The prepared statement of Peter Visclosky follows:]

**Congressman Visclosky Testimony before the House Committee on the
Budget
FY 2018 priorities**

Thank you Chairwoman Black and Ranking Member Yarmuth. And I thank the committee for providing this opportunity to outline some of the budgetary priorities of Indiana's First Congressional District.

As a Member of the House Committee on Appropriations, I am very aware of the challenges involved in developing a budget blueprint that balances responsible fiscal policies with the need to make investments to support a strong economy and strengthen our national security. This task is made no less difficult by the announcement this week that the President will be submitting a budget request that proposes a \$54 billion cut to domestic programs.

In making your considerations, I am here today on behalf of my constituents in Northwest Indiana to advocate for a Fiscal Year 2018 budget that does not allow for significant reductions in federal funding for investments in infrastructure projects, and particularly public transit projects. Any such reductions would ultimately be counterproductive, undermining the job creation, economic development, and the demonstrated return on investment these transformational infrastructure projects provide for communities nationwide.

Public transportation has seen an increasing demand in recent years with Americans demonstrating a strong desire to live and work in walkable communities that offer transportation choices. According to the American Public Transportation Association (APTA), in 2014, Americans took 10.8 billion trips on public transportation, representing a 58-year high. This reflects a recognition of the personal benefits public transit affords, including shorter commutes, saved money on costs associated with automobiles, and easier access to job opportunities.

The perceived value of these benefits is reflected in increased property values near transit stations. A study prepared in coordination with the National Association of Realtors concluded that home values performed 42 percent

better on average if they were located near public transportation with high-frequency service.

Further, public transit provides significant economic growth for surrounding communities. APTA estimates that every \$1 invested in public transportation generates approximately \$4 in economic returns. We can easily find examples of this return on investment in communities across the country. For instance, the Dallas Area Rapid Transit system has contributed to an economic boom in North Texas, with more than \$7 billion in economic impact from new or planned construction within a quarter mile of rail stations.

Recognizing these benefits, my district has been adamantly supporting the expansion and recapitalization of the commuter train system in Northwest Indiana, known as the South Shore Rail Line.

I have always believed that Northwest Indiana is the best place in the world to live, work, visit, and raise a family. Unfortunately, families have not been moving to or staying in Northwest Indiana. From 1970 to 2015, the number of school age children in Northwest Indiana has dropped by over 74,000 children. Further, the population of Lake County, Indiana, has decreased by 10 percent, and the median income, adjusted for inflation, has decreased by 12.5 percent.

The opposite is true for Lake County, Illinois. Both Lake Counties are on Lake Michigan and adjacent to Chicago. Yet in Illinois, the population of Lake County has increased by 83.9 percent, and the median income, adjusted for inflation, has increased by 17.7 percent.

Part of the reason for this discrepancy is that young people want to be a part of the economic vibrancy of Chicago, but do not want to drive the commute from Northwest Indiana. In Illinois, there are over 400 miles of commuter rail that emanate from the Chicago Loop. In Indiana, there are barely 35 miles.

Investing in the South Shore Rail Line will connect my constituents to Chicago's \$500 billion economy and nearly four million jobs. It will also allow us to begin to draw Chicago's economic vibrancy to our region as we attract not

only new residents, but also new businesses that are seeking locations that offer quality educational, recreational, and transportation opportunities for their employees and their families.

Understanding these economic opportunities, 16 communities in Indiana's First Congressional District have come together to dedicate a portion of their local economic development tax revenue towards the expansion of the South Shore Rail Line in Northwest Indiana. Vice President Pence, in his role as Governor of Indiana, signed legislation into law providing for dedicated state funding to support this endeavor. These nonfederal dollars will match every federal dollar provided, multiplying the positive effects of the federal investment before we even begin to enumerate the economic development benefits to the region.

I am proud of the progress that our region has made to invest in our commuter rail system. But the successful extension and recapitalization of the South Shore Rail Line and associated economic benefits in Northwest Indiana, along with other projects in communities throughout our country, depend on the availability of strong federal funding levels to support transit projects. I encourage you to keep these real world examples in mind as you continue to craft a fiscal blueprint for the upcoming Fiscal Year.

Thank you for your time.

Chairman BLACK. Does any member seek time for questions?

Thank you, Mr. Visclosky, for coming and testifying before the committee.

We are now going to take a brief recess so that Members can go to the floor and vote, but we will reconvene immediately after votes. The committee stands in recess.

[Recess.]

Mr. ARRINGTON [presiding]. This hearing will come to order. We will now continue with our next witness panel.

I would like to recognize Representative Vicky Hartzler from Missouri. Thank you for your time today. The committee has received your written statement. It will be a part of the formal hearing record. You have 5 minutes. Please leave room for questions in that 5 minutes to deliver your oral remarks.

You may begin, Mrs. Hartzler, when you are ready.

STATEMENT OF THE HON. VICKY HARTZLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI

Mrs. HARTZLER. Thank you so much, Mr. Chairman, and members of the Budget Committee.

I sit before you today as a fellow Member who sat in those chairs just the last two Congresses. Four years ago, I asked for a waiver to sit on the Budget Committee in addition to the Armed Services and Agriculture Committees because I believe so deeply what I am here to share with you today. So thank you for allowing me to be here.

Recent reports have indicated that the Trump administration intends to submit a budget with a defense top line of \$603 billion for fiscal year 2018. And while I applaud the President's intention to increase our military funding with a quote, "\$54 billion increase," this assertion does not tell the whole story.

The \$603 billion number is actually only an increase from the sequestration levels that have wreaked havoc on our military for the past 7 years. It is only a 3-percent increase from the President Obama administration's proposal in the Future Years Defense Program, or FYDP, and \$58 billion less than Secretary Gates' budget for what we really need. We need more.

And I did bring some slides too for you to look at. So you can see where on here the Trump budget proposal is compared to the green line, which was the Gates budget before we had the Budget Control Act that had passed. So you can see it is behind what was projected to be needed years ago.

Our military today is facing a severe crisis. We expect our men and women in uniform and the equipment they deploy to be able to decisively win a current conflict and posture our forces so another enemy doesn't even think that they can challenge the United States if they tried. Yet this ability is in jeopardy. According to the vice chief of staff of the Air Force, less than 50 percent of the Air Force's fighter and bomber force are able to fight and decisively win a highly contested fight against a near peer, such as Russia or China. In fact, an engine literally fell off a B-52 bomber while training in North Dakota recently. And here is a picture of President Eisenhower with a B-52, which is when it was first built. So you can see it is a very old aircraft.

According to the vice chief of staff of the Army, of the 58 brigade combat teams that our Nation depends on to deploy overseas and defend our freedoms we comfortably enjoy here, only three could be called upon to fight tonight. Based on current readiness levels, the Army can only accomplish defense requirements at a high military risk.

As General Allyn stated in his testimony last month before the Armed Services Committee, if we continue down this path, the end result, quote, “is excessive casualties, both to innocent civilians and to our forces.” We cannot allow this to happen.

According to the vice chief of naval operations, two-thirds, 67 percent, of our Navy’s strike fighters, the planes that are launching the entirety of the Navy’s attacks against ISIS, cannot fly—67 percent. And, sadly, in 2015, the Marine Corps aviation deaths hit a 5-year high, as aircraft failed or pilots lacked adequate training hours. This is unacceptable.

Regardless of your budgetary priorities, I call on each of you to recognize that it is our responsibility in Congress to provide support for our men and women in uniform while they selflessly serve our Nation.

House Armed Services Committee Chairman Thornberry and Senate Armed Services Committee Chairman McCain have both laid out what the Department of Defense needs to begin buying back the readiness that has left our force hollow. Our military needs \$640 billion to begin the restoration of its forces that the American people expect and need in today’s world. If we do not meet the budget of \$640 billion for the Department of Defense, we will be shortchanging our military in capabilities they need to fulfill their mission. We will impose too great a risk in air dominance, naval presence, ship recovery, facilities maintenance, ground forces, medical readiness, nuclear deterrent requirements, national security, space defense, ballistic missile defense, and cyber capabilities. Each of these requirements is crucial to our national security, and it would not be met.

Our men and women in the military must stand ready to and actively fight a resurgent Russia, an emergent China, an unstable North Korea, an unpredictable Iran, and widespread violent extremism. The demand for our forces has never been so high, and our readiness has never been so low. It is within our power to reverse this.

I ask you to work with me and others on the Armed Services Committee to give our servicemen and -women the resources they need to build our military and keep our Nation safe. Thank you.

[The prepared statement of Vicky Hartzler follows:]

Rep. Vicky Hartzler | Budget Committee Members Day Testimony | 3.2.17

Members of the Budget Committee, I sit before you today as a proud Member who sat in those chairs through the last two Congresses. Four years ago, I asked for the waiver to sit on the Budget Committee in addition to the Armed Services and Agriculture Committees because I believe so deeply in what I'm here to tell you today.

I was honored to serve alongside you as you lay out a blueprint for a budget that balances while also getting our priorities right as a nation. Thank you for allowing me to be here again today.

Recent reports have indicated that the Trump Administration intends to submit a budget with a defense topline of \$603 billion dollars for Fiscal Year 2018. While I applaud the President's intention to increase our military funding with a quote "\$54 billion dollar increase," this assertion does not tell the whole story.

The \$603 billion number is actually only an increase from the sequestration limits that have wreaked havoc on our military for the past seven years. The \$603 billion number is NOT an increase over what we are spending on national defense this year - \$619 billion, an amount many view as inadequate to meet the needs we are facing today. Let me repeat: \$603 billion is actually less than the defense topline for this past year, and it is only a three percent increase from what President Obama's Administration proposed in the Future Years Defense Program, or FYDP. We need more.

Our military today is facing a severe crisis. We expect our men and women in uniform, and the equipment they deploy, to be able to decisively win a current conflict and posture our forces so another enemy doesn't even think they could challenge the United States if they tried.

Yet this ability is in jeopardy:

- According to the Vice Chief of Staff of the Air Force, less than 50% of the Air Force's fighter and bomber force are able to fight and decisively win a highly contested fight against a near peer such as Russia or China. In fact, an engine literally fell off a B-52 bomber while training in North Dakota recently.

- According to the Vice Chief of Staff of the Army, of the fifty eight Brigade Combat Teams that our nation depends on to deploy overseas and defend out freedoms we comfortably enjoy here, only three could be called upon to fight tonight. Based on current readiness levels, the Army can only accomplish defense requirements at a high military risk. As General Allyn stated in his testimony last month before the Armed Services Committee, if we continue down this path, “The end result is excessive casualties, both to innocent civilians and to our forces.” We cannot allow this to happen.
- According to the Vice Chief of Naval Operations, two thirds – sixty seven percent – of our Navy’s strike fighters, the planes that are launching the entirety of the Navy’s attacks against ISIS, cannot fly. Sixty-seven percent.
- And, sadly, in 2015, the Marine Corps aviation deaths hit a five-year high as aircraft failed or pilots lacked adequate training hours. This is unacceptable.

Regardless of your budgetary priorities, I call on each of you to recognize that it is OUR responsibility in Congress to provide support for our men and women in uniform while they selflessly serve our nation.

House Armed Services Committee Chairman Thornberry and Senate Armed Services Committee Chairman McCain have both laid out what the Department of Defense needs to begin “buying back” the readiness that has left our force hollow. Our military needs \$640 billion dollars to begin the restoration of its forces that the American people expect and need in today’s world.

If we do not meet the budget of \$640 billion for the Department of Defense, we will be short-changing our military in capabilities they need to fulfill their mission. We will impose too great of risk in air dominance, naval presence, ship recovery, facilities maintenance, ground forces, medical readiness, nuclear deterrent requirements, national security space defense, ballistic missile defense, and cyber capabilities. Each of these requirements crucial to our national security would not be met.

Our men and women in the military must stand ready to and actively fight a resurgent Russia, an emergent China, an unstable North Korea, an unpredictable

Iran, and widespread violent extremism. The demand for our forces has never been so high, and our readiness has never been so low.

It is within our power to reverse this. I ask you to work with me and others on the Armed Services Committee to give our servicemen and women the resources they need to rebuild our military and keep our nation safe.

Thank you.

Mr. ARRINGTON. Thank you, Representative Hartzler.

I would like to now just move on to the next 5-minute presentation. So I appreciate your remarks.

I want to recognize our next presenter, and that is Representative Bill Posey, Bill Posey from Florida.

Mr. Posey, you have 5 minutes, and any questions would have to be reserved in that 5-minute timeframe. Please.

STATEMENT OF THE HON. BILL POSEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. POSEY. Thank you, Mr. Chairman, and members for the opportunity to appear before you today. I thank you for the very difficult but important task that this committee does for our Nation.

As you set budget priorities for fiscal year 2018 and beyond, I ask for your continued support for our Nation's space program. And please know I also support your commitment to preserve Social Security and Medicare and to safeguard our coastal estuaries. These issues do not just impact my district; they touch us all. They are fundamentally a question of leadership. Hopefully, the United States will continue to lead the world in space and protect our environment for the next generation.

American dominance in space is no longer a given. The Russians and the Chinese both have increasing capabilities and ambitions in space, and ceding this ultimate military high ground to any other Nation is unacceptable.

In addition to public investments, the immense size and power of the American private sector is increasingly emerging as the vanguard of U.S. space leadership. We need to continue to empower and unleash the awesome potential of the U.S. economy with a regulatory framework that will take the bureaucratic shackles off our innovative private sector space industry partners.

Public investments in the ever-expanding space economy are paid back many times over as new technology and engineering breakthroughs are made here on Earth. These technologies and capabilities are being created by American companies, employing an American high-tech workforce, and driving the American economy into the 21st century.

We are told Social Security Board of Trustees estimates that, under current law, Social Security is projected to be unable to fulfill paying benefits beginning in 2034. It is imperative that we address this looming crisis now so that this safety net of earned benefits is available to fulfill the promises we have made to our seniors.

Likewise, we are advised that the Medicare trust fund will be completely exhausted and unavailable to seniors within a decade. This vital program needs to be safeguarded and protected to preserve the quality and availability of health services for our seniors, as you know.

Thank you for understanding we must also be good stewards of the ecology and economic well-being of our coastal areas. Many estuaries of national significance are in immediate need of attention, including the Indian River Lagoon. We are making progress in this area, but more needs to be done. Last year's bipartisan reauthorization of the National Estuary Program implemented a new competitive grant competition to get much-needed funding to those es-

tuaries with the most urgent needs. Hopefully, this new opportunity can be fully funded so its benefits can be immediately realized.

I thank you for your consideration as the committee crafts its fiscal year 2018 budget resolution and thank you for your time and the opportunity to appear before you today. I would be delighted to answer any questions with my remaining time.

[The prepared statement of Bill Posey follows:]

**Testimony of
The Honorable Bill Posey (FL-08)
Before the
House Committee on Budget
March 2, 2017**

Mr. Chairman, Ranking member and Members of the Committee, thank you for the opportunity to come before you today. Thank you, also, for the very difficult, yet important work that this Committee does for our nation.

As you set budget priorities for Fiscal Year (FY) 2018 and beyond, I ask for your continued support for our nation's space programs, to our commitment to preserve Social Security and Medicare, and to safeguard our coastal estuaries.

These issues do not just impact Florida's 8th district. They touch us all. And they are fundamentally a question of leadership. Will the United States continue to lead the world in the space arena, honor commitments to our seniors, and protect our environment for the next generation and beyond? And, will we achieve these goals in an innovative, efficient, and fiscally responsible manner?

American dominance in space is no longer a given. The Russians and Chinese both have increasing capabilities and ambitions in space,

and ceding this ultimate military high ground to any nation is unacceptable.

In addition to public investments, the immense size and power of the American private sector is increasingly emerging as the vanguard of U.S. space leadership. We need to continue to empower and unleash the awesome potential of the U.S. economy with a regulatory framework that will take the bureaucratic shackles off our innovative private sector space industry partners.

Public investments in the burgeoning space economy are paid back many times over as new technological and engineering breakthroughs are made here on earth, and these are technologies and capabilities that are being created by American companies, employing an American high-tech workforce, and driving the American economy into the 21st century.

Our recently departed friend and colleague Senator John Glenn, the first American to orbit the earth, said, “The most important thing we can do is inspire young minds and to advance the kind of science, math and technology education that will... take us to the next phase of space travel.”

American space exploration is fulfilling Senator Glenn’s vision of inspiring the next generation. A refocused NASA, with sites set high on a mission to Mars and with an aim towards establishing a lasting American presence on the moon will invigorate and inspire the entire

nation, including the next generation of Science, Technology, Engineering, and Math leaders.

We also need to honor the commitments we have made to our seniors, and to ensure that Medicare and Social Security is preserved and made solvent for those at or near retirement.

The Social Security Board of Trustees estimates that under current law Social Security is projected to be unable to pay full benefits beginning in 2034. It is imperative that we address this looming crisis now so that this safely net of earned benefits is available to fulfill the promises we have made to our seniors.

Likewise, the Medicare Trust Fund will be completely exhausted and unavailable to seniors within a decade. This vital program needs to be safeguarded and protected to preserve the quality and availability of health services for our seniors.

We must also be good stewards of the ecology and economic well-being of our coastal areas. Many estuaries of national significance are in immediate need of attention, including the Indian River Lagoon in my district of coastal Florida.

We are making progress in this area, but more needs to be done. Last year's bi-partisan reauthorization of the National Estuary Program implemented a new competitive grant competition to get much-needed funding to those estuaries with the most urgent needs. This new

opportunity needs to be fully funded so its benefits can be immediately realized.

I ask that these issues receive your careful consideration as the committee crafts the FY18 budget resolution. Thank you for your time and the opportunity to testify today.

Sincerely,

Bill Posey
Member of Congress

Mr. ARRINGTON. Thank you, Mr. Posey.

We have some time remaining. So I would just ask my colleagues if they have any questions.

No questions.

We appreciate your time and your remarks.

Mr. POSEY. Thank you.

Mr. ARRINGTON. So now let's move on to our next witness, and that is Representative McGovern.

I will turn it over to you now for 5 minutes.

STATEMENT OF THE HON. JIM MCGOVERN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. MCGOVERN. Thank you, Mr. Chairman. And I will summarize my statement here.

Mr. Chairman, hunger and food insecurity is still a problem in the United States of America. Despite the fact that we are the richest country in the history of the world, 42.2 million Americans lived in food-insecure households, including more than 13 million children and 5 million seniors.

Hunger is a political condition. We can solve this problem if we had the political will. Unfortunately, up to this point, we haven't demonstrated that. The Supplemental Nutrition Program, known as SNAP, is our Nation's best chance to alleviate hunger across our country in both urban and rural areas. In fact, food insecurity rates among rural households are generally higher than urban households. About two-thirds of those who receive SNAP are children, seniors, or the disabled. Of those who can work, a majority do work, especially families with children. And the SNAP benefit is already meager at \$1.40 per person per meal.

Now, during the 114th Congress, the House Agriculture Committee undertook a thorough review of SNAP. Eighteen hearings, 60 experts. And what we learned from experts, both conservative and liberal, is that SNAP benefits should not be cut and that the current benefit is inadequate. We learned that SNAP does not discourage work and that case management and job training programs can be successful in helping to move people out of poverty, but those efforts require a well-funded multiyear commitment.

The bottom line is, we learned that SNAP works. What we did not hear from experts, as some have suggested, is the need to completely overhaul SNAP. In particular, efforts to convert SNAP into a block grant program would be catastrophic. Quite simply, block-granting SNAP would wreck our hunger safety net. It would result in billions of dollars in cuts, would force States to reduce benefits or kick hungry people out of the program because of a hard cap on funding. The fact is that block grants are simply budget cuts in disguise.

I would also like to highlight that the most recent projections from the Congressional Budget Office estimate that the 2014 farm bill will save about \$104 billion over 10 years, with over \$92 billion in projected savings coming from SNAP. Now, these savings have been achieved as enrollment in SNAP continues to decline from its post-recession peak.

But let me caution the committee, however, that some of the caseload decline is attributable to the return of the 3-month time

limit in 20 States for nondisabled childless adults who are working less than 20 hours a week. This time limit has resulted in over a million people losing their benefits in 2016 alone, including many veterans, by the way. And they are losing these benefits, not because they are not hungry, but because of the arbitrary time limits.

Lastly, we have heard a lot about national security here. I would argue to this committee that we need to expand the definition of national security to mean more than just the number of weapons we have in our arsenal. National security should mean the quality of life for our citizens. It should mean jobs. It should mean shelter, and it should mean access to food. And slashing nondefense discretionary funding, I worry that the focus will be on programs that benefit the most vulnerable. That does not serve our national security.

In closing, my message to the committee is the same as it was last year, and it is simple: Do not balance the budget on the backs of America's poor and struggling working families. SNAP is a program that works as intended. We shouldn't change its entitlement structure. We shouldn't cut it. And we shouldn't make it more difficult for our constituents to access food assistance when they need it. If we want to strengthen the program, we should consider ways, quite frankly, to increase the SNAP benefit to an update in its formula. Recent research confirms that just a \$30 increase in monthly SNAP benefits for households leads to healthier eating and lower rates of food insecurity. That, I think we can agree, is a worthy goal.

And, with that, I thank you for the time. And if anyone has any questions, I am happy to answer them.

[The prepared statement of Jim McGovern follows:]

Written Statement of Representatives James P. McGovern (MA-02)
Testimony before the House Budget Committee
March 2, 2017

Chairman Black, Ranking Member Yarmuth, and Members of the Budget Committee – thank you for allowing me to testify before you today.

Madam Chair, I'm here today to advocate for federal programs that help our most vulnerable constituents, and to ensure they are remembered as this Committee works to craft a Fiscal Year 2018 Budget Resolution.

Our budget is a moral document. We shouldn't just tell people what we value – we should show them. In the richest country in the world, I find it unconscionable that children all across our country will go to bed hungry tonight – that Veterans will return home from duty and wonder where their next meal is coming from – that seniors will have to decide between their next dose of medicine or their next dinner.

In 2015, 42.2 million Americans lived in food-insecure households, including more than 13 million children and more than 5 million seniors. Madam Chair, we will end hunger in the United States someday. We have the power and the resources. What we lack right now is the political will.

Hunger is a political condition. And – for whatever reason – it hasn't been a priority of Congress.

The Supplemental Nutrition Assistance Program, or SNAP, is our nation's best chance to alleviate hunger across our country – in both urban and rural areas. In fact, food insecurity rates among rural households are generally higher than urban households. About two-thirds of those who receive SNAP are children, seniors or the disabled. Of those who can work, the majority do, especially among families with children. And the SNAP benefit is already meager at \$1.40 per person, per meal.

During the 114th Congress, the House Agriculture Committee undertook a thorough review of SNAP. As Ranking Member of the Nutrition Subcommittee, I participated in each of the 18 hearings we held.

Over 30 hours, the committee heard from 60 experts and learned that SNAP as it is currently structured is a vital tool for helping to alleviate hunger in our communities.

We learned from experts – conservative and liberal – that SNAP benefits should not be cut, and that current benefits are inadequate. We learned that SNAP does not discourage work, and that case management and job training programs can be successful in helping to move people out of poverty, but those efforts require a well-funded, multi-year commitment.

The bottom line, Madam Chair, is we learned that SNAP works. What we did not hear from our experts, Madam Chair – as some have suggested – is a need to completely overhaul SNAP.

In particular, efforts to convert SNAP into a block grant would be catastrophic. Quite simply – block granting SNAP would wreck our hunger safety net. It would likely result in billions of dollars in cuts, and would force states to reduce benefits or kick hungry people out of the program because of a hard cap on funding.

The fact is, Madam Chair, that block grants are simply budget cuts in disguise. Kicking our vulnerable seniors and children off of SNAP won't get people out of poverty, and it certainly won't help them find well-paying jobs. In fact, Madam Chair, all it will really do is make them hungrier!

I'd also like to highlight that the most recent projections from the Congressional Budget Office estimate the 2014 Farm Bill will save about **\$104 billion** over 10 years, with **over \$92 billion** in projected savings coming from SNAP.

These savings have been achieved as enrollment in SNAP continues to decline from its post-recession peak. Let me caution the Committee, however, that some of the caseload decline is attributable to the return of the three-month time limit in 20 states for non-disabled childless adults who are working less than 20 hours a week. This time limit has resulted in over a million people losing SNAP benefits in 2016 alone – not because they're not hungry, but because of arbitrary time limits.

Lastly, Madam Chair, I would like to talk about national security. I have grave concerns about President Trump's proposal to increase defense spending by \$54 Billion dollars by slashing non-defense discretionary funding. That cut – an 11 percent reduction in funding – will likely hit our social safety net programs hardest.

Our definition of national security needs to mean more than just the nuclear weapons in our arsenal – it should also mean that all of our neighbors have enough to eat.

In closing, my message to this Committee is the same as it was last year and it is simple – do not balance our budget on the backs of America's poor and struggling working families.

SNAP is a program that works as intended, Madam Chair. We shouldn't change its entitlement structure, we shouldn't cut it, and we shouldn't make it more difficult for our constituents to access food assistance when they need it.

If we want to strengthen the program, we should consider ways to increase SNAP benefits through an update to its formula. Recent research confirms that just a \$30 increase in monthly SNAP benefits for households leads to healthier eating and lower rates of food insecurity. That, I think we can agree, Madam Chair, is a worthy goal.

Thank you for inviting me to testify before you today.

Mr. ARRINGTON. Thank you, Representative McGovern.

And now I am going to defer to our ranking member, Ms. Jayapal.

Ms. JAYAPAL. Thank you, Mr. Chair.

And thank you so much for your testimony. Incredibly important program that lifts up people across the country.

I know you had a lot of experts at your committee. You have mentioned a couple of things that they said they wanted to improve. Can you talk about some of the improvements to the program. Multiyear records you say, 3-month time limit, increase in the benefit. But do you have others?

Mr. MCGOVERN. Yes. I mean, some of us have argued about increasing the benefit so that people would have the ability to make healthier options and not have to rely on food banks as much. We have talked about the success of many incentive programs that have allowed people with SNAP dollars to go into farmers markets or supermarkets and be able to purchase more in terms of healthy, nutritious food because of an incentive program.

We talked about, you know, how we manage the individuals' cases more comprehensively. So it is not just about how we provide people access to food but how we get them counseling and job training and kind of the wraparound services that will help them kind of transition off the program. It is a great idea. The problem is, you know, that requires expanding government and expanding programs, which I am not sure this Congress has the stomach to do.

But the bottom line is that there is something wrong when there are 42 million people in this country who are hungry and food insecure. As a Member of Congress, I am ashamed of that fact, and I think it has to become a bigger priority. Nobody in this country should go hungry.

Ms. JAYAPAL. Thank you, Representative.

Mr. ARRINGTON. Thank you, Mr. McGovern. We appreciate your remarks.

Let's now move on to our next witness. I want to recognize Mr. David Cicilline from Rhode Island.

Representative Cicilline, you have 5 minutes.

STATEMENT OF THE HON. DAVID CICILLINE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF RHODE ISLAND

Mr. CICILLINE. Thank you, Mr. Chairman, and distinguished members of the Budget Committee for convening this hearing today and for providing me with the opportunity to testify.

As this committee continues to consider the current resolution on the budget for fiscal year 2018, I would like to use this time to highlight areas in which robust Federal funding will help create jobs and ensure that our Nation's workforce is competitive in the 21st century economy.

But first I want to address reports that President Trump plans to cut \$10.5 trillion over the next 10 years from the Federal budget. These proposed cuts are extremely troubling and would likely have devastating effects on the American economy. And we have seen the adverse effects of implementing deep cuts in hiring freezes on Federal agencies in the past.

The head of the Government Accountability Office has said that, when GAO reviewed the efficacy of past hiring freezes, they found that there was little savings or added efficiency and that many unintended consequences can arise. The proposed draconian cuts to nonmilitary spending are a step in the wrong direction. I urge the committee to reject these cuts so that the agencies and programs have the necessary and adequate funding to continue to serve the American people.

We have to invest in American jobs and the American people. As you know, in July 2014, Congress passed the Workforce Innovation and Opportunity Act, which authorized critical workforce development programs, such as Job Corps and YouthBuild, that provide a combination of educational and training services to prepare individuals to enter the workforce and help them improve their prospects through job search assistance, career counseling, occupational skill training, classroom training, and on-the-job training. I hope that the committee will recognize that these proven high-impact programs deserve to be funded at a level that allows them to expand their reach and put more Americans back to work.

It is also critical that our Federal budget prioritize ways to ensure that all children have access to a high-quality education. By ensuring that students have access to critical education programs at every level, we help ensure that they obtain the skills that they need to compete in the 21st century economy. In addition to providing students with skills in reading and mathematics, we should also ensure that we are helping students obtain critical training skills as well as social and career-ready skills. This can be accomplished, in part, through quality after-school programming. The 21st Century Community Learning Centers Program represents a dedicated funding stream for these types of afterschool programs. 21st Century Community Learning Centers were reauthorized under the Every Student Succeeds Act, and they help provide valuable skills, while also ensuring that low-income students have a place to go after school where they remain engaged, build stronger relationships with their peers, expand on what they have learned during the school day. Students who participate in these programs also exhibit fewer instances of drug use, violence, and teen pregnancy. These centers help promote family stability by giving working families the security of knowing that their children are in good hands after school ends. This is an issue that has bipartisan support. Last year, I was proud to work with my colleague, Congressman Lou Barletta, in urging the Appropriations Committee to ensure critical funding for the 21st Century Community Learning Centers.

We also must ensure that students who want to are able to obtain a higher education. However, in the last three decades, the cost of higher education has risen by nearly 400 percent, resulting in more than a trillion dollars in outstanding student loan debt. It is unconscionable that taking on an insurmountable amount of debt is often a prerequisite for obtaining a college degree. We need to make sure that the cost never serves as an impediment to higher education.

The Federal Pell Grant Program is one program that has helped to ensure that cost is not a roadblock to education for nearly 45

years. Senator Claiborne Pell from my home state of Rhode Island, who led the effort in Congress to expand financial aid for at-need college students through the Higher Education Act, and his efforts have helped ensure that more than 8 million low-income students receive financial aid to pay for tuition, books, and room and board each year. For many students, Pell grants are the only avenue available for them to pay for a college degree. And we need to ensure that this avenue remains open and, in fact, open for more young people.

I thank my colleagues for your ongoing commitment to supporting working families and students and look forward to continuing to work with you to ensure that these programs that continue to deliver results for our constituents will be reflected in the budget you will ultimately present to the Congress.

And, with that, I yield.

[The prepared statement of David Cicilline follows:]

Congressman David N. Cicilline (RI-01)
Committee on the Budget Testimony
March 2, 2017

Thank you Chairwoman Black and Ranking Member Yarmouth for convening this hearing today.

As the Committee continues to consider the Concurrent Resolution on the Budget for Fiscal Year 2018, I would like to use this time to highlight areas in which robust federal funding will help create jobs and ensure that our nation's workforce is competitive in the 21st century economy.

But first I want to address reports that President Trump plans to cut \$10.5 trillion over 10 years from the federal budget. These proposed cuts are extremely troubling and could have devastating effects on the American economy. And we have seen the adverse effects of implementing deep cuts and hiring freezes on federal agencies in the past. The head of the Government Accountability

2

Office has said that when GAO reviewed the efficacy of past hiring freezes, they found that there was little savings or added efficiency, and that many unintended consequences can arise. The proposed draconian cuts to non-military spending are a step in the wrong direction. I urge the Committee to reject these cuts so that agencies and programs have the necessary and adequate funding to continue to serve the American people.

We have to invest in American jobs and the American people. As you know, in July, 2014, Congress passed the Workforce Innovation and Opportunity Act, which authorized critical workforce development programs, such as Job Corps and YouthBuild, that provide a combination of educational and training services to prepare individuals to enter the workforce and help them improve their prospects through job search assistance, career counseling, occupational skill training, classroom training, and on-the-job training. I hope that the Committee will recognize that these proven, high-impact programs deserve to be funded at

3

a level that allows them to expand their reach and put more Americans back to work.

It is also critical that our federal budget prioritize ways to ensure that all children have access to a high quality education. By ensuring that students have access to critical education programs at every level, we help ensure that they obtain the skills that they need to compete in a 21st century economy. In addition to providing students with skills in reading and mathematics, we should also ensure that we are helping students obtain critical thinking skills, as well as social and career ready skills.

This can be accomplished in part through quality afterschool programming. The 21st Century Community Learning Centers Program represents a dedicated funding stream for these types of afterschool programs. 21st Century Community learning Centers were reauthorized under the Every Student Succeeds Act, and they help provide valuable skills, while also ensuring that low

4

income students have a place to go after school where they remain engaged, build stronger relationships with their peers, expand on what they learn during the school day. Students who participate in these programs also exhibit fewer instances of drug use, violence, and teen pregnancy. These centers help promote family stability by giving working families the security of knowing that their children are in good hands after school ends. This is an issue that has bipartisan support. Last year, I was proud to work with my colleague, Congressman Lou Barletta, in urging the Appropriations Committee to ensure critical funding needs are met for 21st Century Community Learning Centers.

We must also ensure that students who want to are able to obtain a higher education. However, in the last three decades, the cost of higher education has risen by nearly 400 percent, resulting in more than a trillion dollars in outstanding student loan debt. It is unconscionable that taking on an insurmountable amount of debt is often a prerequisite for obtaining a college degree. We

5

need to make sure that cost never serves as an impediment to higher education.

The Federal Pell Grant Program is one program that has helped to ensure that cost is not a roadblock to education for nearly 45 years. Senator Claiborne Pell from my home state of Rhode Island led the effort in Congress to expand financial aid for at-need college students through the Higher Education Act, and his efforts have helped ensure that more than eight million low income students receive financial aid to pay for tuition, books, and room and board each year. For many of students, Pell Grants are the only avenue available for them to pay for a college degree. We need to ensure that this avenue remains open.

I thank my colleagues for their ongoing commitment to supporting working families and students and I look forward to working with you to ensure that these programs continue to deliver for our constituents in 2018 and beyond.

Mr. ARRINGTON. Thank you, Representative Cicilline.

I will ask my colleagues if they have any questions. Please.

Ms. DELBENE. Thank you, Mr. Cicilline. You talked about Pell grants, and I know one of the issues that has come up is availability year round. Can you speak to the need to make sure that is available?

Mr. CICILLINE. Yes. I mean, I think there have been a number of proposals to ensure that Pell grants are available year round for summer learning but also that they be more generous so they can actually begin to meet the current needs of the cost of higher education.

And so I think there is no better investment that we make as a country than investing in the education of our young people. It is the single best way to ensure future prosperity for the individual and for our economy and for our country. And I think that whatever this committee can do to make sure that that is available year round and in a more robust number will come back manyfold to benefit the American people.

Mr. ARRINGTON. Thank you, Mr. Cicilline, for your remarks and your time.

Mr. CICILLINE. Thank you, Mr. Chair.

Mr. ARRINGTON. Now I would like to introduce our next guest, Representative Mark Walker from the great State of North Carolina.

Mr. Walker, 5 minutes.

STATEMENT OF THE HON. MARK WALKER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH CAROLINA

Mr. WALKER. Thank you, Chairman Arrington and Vice Ranking Member Jayapal.

I appreciate the opportunity to testify today. Recent reports from the Congressional Budget Office and the Government Accountability Office paint a dismal future. Without changes to the Federal budget, we are on a path to fiscal crisis with spending, deficits, and debt continuing to balloon out of control. I don't believe that we can in good conscience neglect the stunning reality and pass on these burdens to our children, our grandchildren, and, of course, future generations.

It is with these realities in mind that the Republican Study Committee's Steering Committee adopted the following official position on January 24, 2017, of course, of this year: The fiscal year 2018 budget resolution must reach balance within the 10-year window by reducing the size and scope of government and without tax increases and remain in balance thereafter in order to save important programs like Social Security and Medicare. Further, House Committees should take steps to produce legislation to implement a budget within the 115th Congress.

I understand that balancing the budget is a significant challenge. I think we all do here in Washington. But it is a challenge that we as Congress must tackle head-on and without reservation. To put it simply, the Federal Government has a spending problem that must be addressed. That is not a talking point; that is reality.

According to the CBO's most recent Budget and Economic Outlook, annual outlays are projected to top \$4 trillion for this time for

the first time in fiscal year 2018. Over the next decade, both spending and revenues will continue increasing above their historical norms, with the growth in spending outpacing the growth in revenues. This growth in spending will drive today's \$20 trillion national debt to more than \$30 trillion by fiscal year 2027.

A budget is more than just a spreadsheet of numbers. It is important to understand that the choices we will make in this budget and the consequences that follow from it have real, tangible effects on the people that we all represent. Trillion dollar deficits here in Washington and broken entitlement programs mean lower wages, less opportunity, and crippling uncertainty for all Americans and especially for those most in need of a handout. The Congressional Budget Office says that continuing the status quo will reduce economic growth, further shrink the labor force, and risk a fiscal crisis that would result in fewer jobs and lower wages for the American people.

Under the current path, the major safety net programs will be insolvent, causing indiscriminate cuts to our most vulnerable citizens. The Disability Insurance trust fund will be depleted in 2023. The Medicare hospital insurance fund will be depleted by 2025. And Social Security trust fund will be depleted by 2035.

So we have a choice: we can kick the can down the road yet again or act to stave off a pending fiscal crisis and protect the American people. That is why we have to act now. Some will ignore the writing on the wall and pretend the problem doesn't exist. Still others will propose ideas that would exacerbate the problem. Instead, we need to act boldly and return to the principles of limited government and free markets that made us the most prosperous and free people in the history of the world.

The Committee for a Responsible Federal Budget estimates that balancing the budget by fiscal year 2027 will require \$8.2 trillion in deficit reduction. Last year, the RSC's proposed fiscal year 2017 budget would have reduced spending by \$8.6 trillion over that 10-year budget window while including policies that improve fiscal health on both Social Security and Medicare. I hope today the Budget Committee will continue to look to RSC's budget proposals for policy ideas as you begin drafting the fiscal year 2018 budget.

In closing, the RSC will once again this year produce a budget alternative, thanks to our task force led by Representative Tom McClintock, a senior member of this committee. While the RSC budget will be offered as an amendment in the nature of a substitute to the Budget Committee's budget, please know that we review it as a complementary, not competing, proposal.

The purpose of the RSC budget is to detail the solutions championed by our members with the expectation that the ideas first espoused in RSC's budgets will over time be incorporated into the House budgets and passed into law. Please know that I and the members of the Republican Study Committee stand ready to work with you to pass a responsible, balanced budget resolution this year.

Thank you. I yield back.

[The prepared statement of Mark Walker follows.]

Budget Committee Members Day
Rep. Mark Walker - Statement for the Record
March 2, 2017

Chairwoman Black and Ranking Member Yarmuth, thank you for the opportunity to testify today.

Recent reports from the Congressional Budget Office (CBO) and the Government Accountability Office (GAO) paint a dismal future. Without changes to the federal budget, we are on a path to fiscal crisis with spending, deficits and debt continuing to balloon out of control. We cannot in good conscience neglect this stunning reality and pass on these heavy burdens to our children, grandchildren and future generations,

It is with these realities in mind that the Republican Study Committee's (RSC) Steering Committee adopted the following official position on January 24, 2017:

“The FY18 Budget Resolution must reach balance within the ten-year window by reducing the size and scope of government and without tax increases, and remain in balance thereafter in order to save important programs like Social Security and Medicare. Further, House Committees should take steps to produce legislation to implement that budget within the 115th Congress.”

I understand that balancing the budget is a significant challenge, but it is a challenge that we as a Congress must tackle head on and without reservation.

To put it simply, the Federal Government has a spending problem that must be addressed.

According to the CBO's most recent Budget and Economic Outlook, annual outlays are projected to top \$4 trillion for the first time in FY 2018. Over the next decade, both spending and revenues will continue increasing above their historical norms, with the growth in spending outpacing the growth in revenues. This growth in spending will drive today's \$20 trillion National Debt to more than \$30 trillion by FY 2027.

A budget is more than a spreadsheet of numbers. It is important that we understand that the choices we will make in this budget – and the consequences that follow from it - have real, tangible effects on the people we represent. Trillion dollar deficits here in Washington and broken entitlement programs mean lower wages, less opportunity, and crippling uncertainty for all Americans, and especially for those most in need of a hand up.

CBO says that continuing the status quo will reduce economic growth, further shrink the labor force, and risk a fiscal crisis that would result in fewer jobs and lower wages for the American people.

Under the current path, the major safety net programs will be insolvent, causing indiscriminate cuts to our most vulnerable citizens: The Disability Insurance Trust Fund will be depleted in 2023, the Medicare Hospital Insurance Trust Fund will be depleted in 2025, and the Social Security Trust Fund will be depleted in 2035.

We face a choice – kick the can down the road yet again or act to stave a pending fiscal crisis and protect the American people. Some will ignore the writing on the wall and pretend the problem does not exist. Still others will propose ideas that would exacerbate the problem. Instead, we need to act boldly and return to the principles of limited government and free markets that made us the most prosperous and free people in the history of the world.

The Committee for a Responsible Federal Budget estimates that balancing the budget by FY 2027 will require \$8.2 trillion in deficit reduction. Last year, the RSC's proposed FY 2017 budget would have reduced spending by \$8.6 trillion over the ten-year budget window, while including policies to improve the fiscal health of Social Security and Medicare. I hope the Budget Committee will look to the RSC's budget proposal for policy ideas as you begin drafting the FY 2018 budget.

This year, the RSC will once again produce a budget alternative thanks to our task force led by Representative Tom McClintock, a senior member of this Committee. While the RSC budget will be offered as an amendment in the nature of a substitute to the Budget Committee's budget, please know that we view it as a complementary, not a competing, proposal. The purpose of the RSC budget is to detail the solutions championed by our members with the expectation that the ideas first espoused in RSC budgets will, over time, be incorporated into the House budgets and passed into law. Please know that I and the members of the RSC stand ready to work with you to pass a responsible, balanced budget resolution this year.

Mr. ARRINGTON. Thank you, Representative Walker.

We have got some time. Does anybody have any questions?

I just want to say thank you. I am in agreement. So many things, challenges we face as a country. We have got a lot of ideas. What our country needs and what our people expect is courage. There is no greater opportunity to show that courage than in fiscal reform. Thank you for presenting that, Mr. Walker.

And now we are going to go on to our next panelist. And I would like to recognize the gentleman from South Carolina, Mr. Joe Wilson, for 5 minutes.

**STATEMENT OF THE HON. JOE WILSON, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF SOUTH CAROLINA**

Mr. WILSON. Mr. Chairman and committee members, I want to thank you for the opportunity to meet with you today.

First of all, I would like to congratulate Chairwoman Diane Black for being named chairman of the Budget Committee and thank her for her leadership on this committee.

As we face difficult economic times, I appreciate the dedicated efforts of the chairwoman, ranking members, and members of the committee.

I am grateful to represent the Second Congressional District of South Carolina, a diverse and thriving district on the I-20 corridor that is home to a few of our Nation's most critical national security and environmental cleanup missions: Fort Jackson in the Midlands and the Department of Energy's Savannah River Site in the Aiken-Barnwell area. These unique missions contribute to our State and Nation in countless tangible ways. Each of these installations provide unique services to our country and requires our support.

Fort Jackson is a critical part of our national security and military readiness. As the largest Initial Entry Training Center for the U.S. Army, Fort Jackson's primary mission is to train thousands of disciplined, motivated servicemembers, training 53 percent of the Army's basic training personnel and 56 percent of the women entering the Army each year. At a time when our Nation faces critical threats around the world, from ISIL, from North Korea to Iran, the mission at Fort Jackson has never been more vital to achieving peace through strength.

Additionally, Fort Jackson supports other critical missions, including the U.S. Army Soldier Support Institute, the Army Chaplain Center, the National Center for Credibility Assessment, and the Army's Drill Sergeant School. The impact of the base positively impacts the surrounding community as well as employing nearly 3,500 civilians and providing services for 46,000 retirees and military family members.

A little more than an hour down the I-20 corridor from Fort Jackson is the Department of Energy's Savannah River Site in the Aiken-Barnwell community. This site is a national asset, responsible for supporting our nuclear weapons, missions, and conducting cutting-edge research.

The Savannah River Site is home to the Mixed Oxide Fuel Fabrication Facility, MOX, a critical component of our national security and environmental cleanup mission. Currently 70 percent completed, when finished, the MOX facility will be able to take weap-

ons-grade plutonium and reprocess it into green fuel, a more secure and sustainable option than potentially placing South Carolina and Georgia as a plutonium dumping ground. It is imperative that we continue funding this vital mission for our Nation's nuclear security mission.

In addition to MOX, the Savannah River Site is home to many other vital Department of Energy nuclear security environmental cleanup missions. Last year, the site celebrated a milestone, completing construction of the Salt Waste Processing Facility, which, along with the Defense Waste Processing Facility, will greatly enhance the speed and efficiency of the remediation of high-level waste.

Other critical facilities include H-Canyon, the Nation's only production-scale nuclear separations plant, and both K and L areas, which safely store nuclear materials.

Additionally, the Savannah River Site conducts critical research through the Savannah River National Laboratory. The laboratory supports our Nation's ability to produce tritium, to monitor and detect capabilities for nuclear nonproliferation and nuclear forensics. It also enhances technologies for a nuclear cleanup mission at SRS and around the country.

I urge you to continue your support to the unique missions at Fort Jackson and the Savannah River Site that keep American families safe.

Finally, as chairman of the House Armed Services Subcommittee on Readiness, I urge the chairwoman and committee to support a level of funding that will adequately provide for the military and provide for our national defense. The first priority of the Federal Government is to provide for the common defense, and I echo the calls of House Armed Services Chairman Mac Thornberry and Senate Armed Services Committee Chairman John McCain in calling for the \$640 billion to ensure that our servicemembers are trained, equipped, and resourced to complete their mission.

Thank you, and I can't believe I ended this quickly. Are there any questions?

[The prepared statement of Joe Wilson follows:]

**Budget Committee Testimony
Congressman Joe Wilson (SC-02)
March 2, 2017**

I am grateful for the opportunity to meet with you today. First, I would like to congratulate Chairwoman Diane Black for being named chair of the Budget Committee and thank her for her leadership of this Committee. As we face difficult economic times, I appreciate the dedicated efforts of the Chairwoman, Ranking Member, and Members of the Committee.

I am grateful to represent the Second Congressional District of South Carolina, a diverse and thriving district on the I-20 corridor, that is home to a few of our nation's most critical national security and environmental cleanup missions—Fort Jackson in the Midlands and the Department of Energy's Savannah River Site in the Aiken-Barnwell area. These unique missions contribute to our state and nation in countless, tangible ways. Each of these installations provides unique services to our country and requires our support.

Fort Jackson is critical part of our national security and military readiness. As the largest Initial Entry Training Center for the U.S. Army Fort Jackson's primary mission is to train thousands of disciplined, motivated service members –training **38 percent** of the Army's Basic Combat Training load and **54 percent** of the women entering the Army each year. At a time when our nation faces critical threats around the world, from ISIL to North Korea and Iran, the mission at Fort Jackson has never been more vital to achieving peace through strength.

Additionally, Fort Jackson supports other critical missions, including the U.S. Army Soldier Support Institute, the Army Chaplaincy Center, the National Center for Credibility Assessment, and the Army's Drill Sergeant School. The impact of the base positively impacts the surrounding community as well, employing nearly **3,500 civilians** and providing services for **46,000 retirees** and their family members.

**Budget Committee Testimony
Congressman Joe Wilson (SC-02)
March 2, 2017**

A little more than an hour down the I-20 corridor from Fort Jackson is the Department of Energy's Savannah River Site in the Aiken-Barnwell community. This site is a national asset, responsible for supporting our nuclear weapons missions and conducting cutting edge research.

The Savannah River Site is home to the Mixed Oxide Fuel Fabrication Facility (MOX), a critical component of our national security and environmental clean-up mission. Currently 70 percent completed, when finished, the MOX facility will be able to take weapons-grade plutonium and reprocess it into a green fuel—a more secure and sustainable option than potentially placing SC as a plutonium dumping ground. It is imperative that we continue funding this vital mission for our nation's nuclear weapon's mission.

In addition to MOX, the Savannah River Site is home to many other vital Department of Energy nuclear security and environmental cleanup missions. Last year, the Site celebrated a milestone, completing construction of the Salt Waste Processing facility which, along with the Defense Waste Processing Facility, will greatly enhance the speed and efficiency of the remediation of high level waste. Other critical facilities include H-Canyon, the nation's only production scale nuclear chemical separations plant, and both K and L areas, which safely store nuclear materials. All of the missions at the Savannah River site are vital to bolstering our national nuclear capability and safe environmental stewardship.

Additionally, the Savannah River Site conducts critical research through the Savannah River National Laboratory (SRNL). The Laboratory supports our nation's ability to produce tritium, and to monitor and detect capabilities for nuclear non-proliferation and nuclear forensics. It also enhances technologies for the nuclear clean-up mission at SRS and around the country, including ways to safely store and transport high-level radioactive waste.

**Budget Committee Testimony
Congressman Joe Wilson (SC-02)
March 2, 2017**

I respect and appreciate the difficult choices this Committee must make in the coming days and weeks. As you begin the Fiscal Year 2018 budgetary process, I ask that you consider the men and women involved in the critical national security missions being carried out at Fort Jackson as well as the Savannah River Site. These individuals are dedicated to their country and putting service before self.

I urge you to continue your support for the unique missions at Fort Jackson and the Savannah River Site that keep American families safe.

Finally, as Chairman of the House Armed Services Subcommittee on Readiness, I urge the Chairwoman and the Committee to support a level of funding that will adequately provide for our military and provide for the national defense. The first priority of the federal government is to provide for the common defense, and I echo the calls of House Armed Services Chairman Mac Thornberry and Senate Armed Services Chairman John McCain in calling for \$640 billion to ensure that our service members are trained, equipped, and resourced to complete their mission.

Thank you.

Mr. ARRINGTON. Thank you, Mr. Wilson.

I ask the ranking member, Ms. DelBene, if she has any questions or comments.

Thank you, Mr. Wilson.

Mr. WILSON. I am grateful for your service, and I am honored to be here. Thank you very much.

Mr. ARRINGTON. Thank you for your time and remarks. Now I would now like to recognize our next panelist, Mr. Trent Franks from the great State of Arizona. Mr. Franks.

STATEMENT OF THE HON. TRENT FRANKS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Mr. FRANKS. Well, first, may I thank you, Chairman Arrington and Ranking Member DelBene, for the opportunity to add my voice to those of many others concerned about the crisis facing our military.

Mr. Chairman, our guardian class has consistently set before us the devastation that sequestration has wrought upon our military and the doubt that it has cast upon our ability to defeat existing and emerging threats, let alone deter them.

For my part, I am here today to alert you to the dangerous state of our Nation's strategic capabilities and what the Obama years have done to our ability to deter and defeat the deadliest weapons known to humanity.

Under President Obama, the Kim dynasty in North Korea evolved from an eccentric regional problem with nuclear weapons into an extremely dangerous nuclear threat to the United States. And we are now very close to seeing them master the physics required to range the entire continental United States with their missile technology.

Barrack Obama's defense policies also placed Iran, the world's largest financier and enabler of terrorism, on track to gain a nuclear weapons capability. And unlike the Soviet threat, nuclear Jihad, Mr. Chairman, cannot be deterred by fear of retaliation. It is an existential threat to the peace and security of the entire human family.

And while the Obama administration debated whether or not we should develop and maintain a missile defense capability against such threats, our near-peer adversaries, who never had such qualms, were working tirelessly to exploit weaknesses in our missile defense architecture.

Mr. Chairman and members of the committee, effective missile defense is not only the last line of defense against a launched nuclear missile, it is our first line of defense against proliferation because it devalues such weapons as offensive military assets in the hands of our adversaries.

However, the shameful reality is that, under President Obama, our near-peer adversaries developed their capabilities while ours atrophied. And while we drastically cut funding to the Missile Defense Agency, as is illustrated in the handouts that you have, China and Russia were rapidly developing and testing high-speed maneuvering weapons, including hypersonic glide vehicles recently, which are specifically designed to exploit the gaps and seams in

our missile defense architecture existing at the moment and currently defeating the systems we have in place.

These new weapons are capable of traveling more than a mile per second and fly at flat trajectory to prevent our missile defense systems from tracking them. The threat has outpaced us, and we must invest the appropriate resources to defend against the new threats or lose our ability to deter potential adversaries.

Moreover, as our near-peers find ways to defeat our current defensive capabilities, our strategic nuclear deterrent has fallen into desperate need of modernization. We currently spend about \$25 billion a year on our nuclear arsenal. Well, that is about 5 percent of the DOD budget, which itself is only about 17 percent of our total budget. And what that means is, for less than one-tenth of 1 percent of our gross domestic product that is spent on nuclear deterrent, we have prevented World War III for 70 years.

So, to be successful, Mr. Chairman, a deterrent must be effective, reliable, and credible. And I would just say, in order to revitalize our military, to maintain a nuclear deterrent which is effective, reliable and credible, and to build a missile defense architecture capable of meeting identified emerging threats, we require a defense budget top line of \$640 billion. The \$603 billion top line visits a modest 3-percent increase over Mr. Obama's projected fiscal year 2018 defense budget of \$584 billion. And if we intend to solve our readiness crisis, a budget of this size, it will force us to underfund our key capabilities, such as nuclear arsenal and deterrent, defending national security space assets and ballistic missile defense, just to name a few. If we are to make America safe again, a 3-percent increase will not suffice.

So, in conclusion, Mr. Chairman, may I just say to all of us here that the first purpose of any government or its leaders is to protect the lives and security of its people, and the failure of this responsibility renders all others meaningless.

Ronald Reagan once said to us that you and I have a rendezvous with destiny. We can preserve this the last best hope of mankind on Earth for our children, or we can sentence them to take that very last step into 1,000 years of darkness. If we do fail, at least let our children and our children's children say of us that we justified our brief moment here. We did all that could be done. May history judge that this Congress was one that did all that could be done to protect the innocent in our own generation and to further ensure that American generations yet unborn will continue to walk in the sun light of freedom.

Thank you, Mr. Chairman.

[The prepared statement of Trent Franks follows:]

Rep. Trent Franks Members' Day 2017 Testimony

I would first like to thank Chairman Black and Ranking Member VanHollen for the opportunity to lend my voice to the chorus of Members concerned about the crisis facing our military.

Mutual self-defense is the reason governments are instituted among men, and it is the responsibility of this body – first and foremost – to ensure we meet our obligation to protect the natural rights of our citizens.

Our nation's guardian class has consistently set before us the devastation Sequestration has wrought upon our military, casting into doubt our ability to defeat existing and emerging threats, let alone deter them.

For my part, I am here today to tell you about the sorry state of our nation's strategic capabilities, and what the Obama years have done to our ability to deter and defeat the deadliest weapons known to humanity.

Ever since primordial man took up arms in anger against his fellow human beings, every offensive capability was met, in time, with a corresponding defensive capability which made the other obsolete.

Armor was worn to counter the club, sword, and spear. Shield formations protected against volleys of arrows. Mobile marauders found themselves stymied when they encountered fortified burghs rather than undefended villages. The aristocratic knights of Europe met their match against defensive

Rep. Trent Franks Members' Day 2017 Testimony

squares of pike and harquebus. Static defensive formations of infantry stopped Napoleon, Lee, and the *Bundeswehr* in their tracks. Tanks were created to end the stalemate in the trenches, and the maneuver warfare introduced in WWII was developed to circumvent such a stalemate from occurring in the first place, and guerilla fighters developed ways to avoid confronting modern militaries entirely.

Yet in the face of the most dangerous weapons ever created – nuclear warheads borne by an intercontinental ballistic missile capable of traversing thousands of miles with apocalyptic accuracy – there was suddenly a demand we debate whether or not we should develop a defense against this existential threat.

After years of back-and-forth, the United States finally began assembling a missile defense architecture capable of shooting down ballistic missiles. We have succeeded in creating a missile defense system capable of defeating a “limited” ballistic missile threat. This self-imposed limitation was intentional as we did not *wish* to anger Russia – of course, if wishes were horses, beggars would ride.

As we debated the merits of protecting ourselves from a nuclear holocaust, our near-peer adversaries – who never had any such qualms – were working tirelessly to exploit weaknesses in our missile defense architecture.

Rep. Trent Franks Members' Day 2017 Testimony

The horrifying reality is, under President Obama, our near-peer adversaries expanded their capabilities while ours ossified.

The Bush Administration's planned investments in the Missile Defense Agency were intended to increase from \$9.3 billion in FY09 to \$9.4, \$9.5, \$9.6, and \$9.8 billion in FY10, 11, 12, and 13, respectively.

While we drastically cut funding to the MDA, China and Russia are rapidly developing and test-flying High-Speed Maneuvering Weapons (HSMWs) which are specifically designed to exploit the "gaps" and "seams" in our existing missile defense architecture, and defeating the systems we currently have in place. These new weapons are capable of traveling at up to Mach 5, 1 mile per *second*, and fly at a flat (non-ballistic) trajectory which will prevent our missile defense systems from tracking them. The threat has out-paced us and we must invest the appropriate resources to defend against the new threats or lose our ability to deter potential adversaries.

Even more pressing is the imminent threat posed by North Korea. Under President Obama, the Kim Dynasty evolved from an eccentric regional problem with nuclear weapons into an existential threat to the United States, as they are very close to mastering the physics required to target the continental U.S. In addition to their ongoing success at developing their ICBM program, they have demonstrated the ability to launch ballistic missiles from a submarine. They have clearly received helped

Rep. Trent Franks Members' Day 2017 Testimony

from an outside power, and certainly represent the greatest short-term threat to our national security.

Even as our near-peers find ways to defeat our defensive capabilities, our nuclear strategic deterrent is in desperate need of modernization. We currently spend about \$25 billion per year on our nuclear arsenal, or 5% of the DOD budget which itself is only 17% of our total federal budget. For less than .1% of our GDP, we have prevented WWII for 70 years. To be effective, a deterrent must be effective, reliable, and credible. We on the Armed Services Committee have received dozens of testimonies the past several years about the importance of maintaining and modernizing our nuclear

All this is to say: in order to rebuild our military – to maintain a nuclear deterrent which is effective, reliable, and credible and to build a missile defense architecture capable of meeting all emerging threats – we require a defense budget topline of \$640 Billion. The \$603 Billion topline, a modest **3% increase** above Obama's projected FY18 defense budget of \$584 Billion, will force us to underfund key capabilities such as Nuclear Arsenal and Deterrent, Defending National Security Space Assets, Ballistic Missile Defense if we intend solve our readiness crisis. The Reagan build-up increased defense spending by 17.3%, 17.7%, and 12.9% in 1981, 1982, and 1983 respectively. If we are to Make America Safe Again, a 3% increase will simply not suffice.

Mr. ARRINGTON. Thank you, Representative Franks, for your remarks.

And I don't see any other panelists.

I would ask my colleagues if they have any final remarks before we conclude our committee hearing.

Okay.

This completes the committee's business for today. I would like to thank all Members who shared their views before the Budget Committee. This committee stands adjourned.

[The information follows:]

The following statements were submitted for the Record.

[The prepared statement of Mr. Kildee follows:]

REP. KILDEE TESTIMONY FOR HOUSE BUDGET COMMITTEE

Good morning, Madame Chairwoman, Mr. Ranking Member, and members of the Committee. I appreciate the opportunity to testify here today on what I believe should be our nation's priorities in our budget.

A budget is a statement of our nation's values. I believe we should be making investments in policies that grow our economy and create good-paying jobs, protect public health, and provide more opportunity and economic security for working families.

Yet earlier this week, we saw the President push for huge increases to military spending by \$54 billion in the next fiscal year. This is on top of the approximately \$600 billion that we already spend on defense. And sadly, this additional military spending comes on the back of drastic cuts to domestic programs and agencies like the Environmental Protection Agency and the National Institutes of Health.

According to the Center on Budget and Policy Priorities, our current non-defense discretionary spending for next year is already projected to hit the lowest point since 1962. The proposal by the White House would push that number even lower, below 3 percent of our gross domestic product.

Spending less than 3 percent of GDP on our domestic programs that provide support for public education, job training, medical research, nutritional assistance and so much more, frankly is unacceptable.

Congress already passed the harmful, across-the-board sequestration cuts that imposed deep cuts in our discretionary programs. But the President, in putting forth a budget proposal that requires additional deep cuts to discretionary spending, is being reckless.

Medical research could be especially in jeopardy. While I am thankful that Congress passed the 21st Century Cures Act last year, medical research is vital for all of us as a nation to continue pushing scientific knowledge and technology. It is also incredibly personal to many Americans, including my family, who have medical conditions that could be potentially cured by research.

Like an estimated 400,000 other Americans, my wife has multiple sclerosis, a neurological disease currently with no cure. Like millions of other Americans, my daughter, Katy, has Type 1 Diabetes. While we have research that allows for the management of the disease, we still do not have a cure.

Imagine if we were to invest in medical research to find cures for diseases like MS, or diabetes, or cancer. Cutting domestic programs like the NIH and other medical research is reckless, wrong and would set us back as a country. Under President Trump, the NIH may face a cut of \$4 billion dollars, more than 10 percent of its annual budget.

With our nation's budget, there are other impacts to public health outside of medical research. The President has proposed severe cuts planned for the agency charged with protecting our air and water—the EPA. Cutting billions of dollars from the EPA is dangerous and would gut the agency focused on preventing the next Flint water crisis.

Make no mistake, while the people of my hometown of Flint are strong and resilient, the community is still recovering from this crisis. It has been almost three years and people are still unable to drink water from their tap, an incredibly frustrating statistic in the richest country on earth. The impacts from what this community has suffered will be felt for a long time, with an entire generation exposed to high levels of lead. We can't leave these kids behind—or other communities that rely on the EPA to ensure clean air and water.

We can—and should—make smart investments as a nation, including investments in infrastructure, education, public health and nutritional programs.

The budget proposal issued by the President is not the responsible federal budget that my constituents expect and deserve.

Thank you again for the chance to testify here today.

[The prepared statement of Mr. Connolly follows:]

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2018, COMMITTEE ON THE BUDGET, REP. GERALD E. CONNOLLY (D-VA)

Chairman Black and Ranking Member Yarmuth, I previously served on the Budget Committee, and I want to thank you for the opportunity to return to the Committee to testify on Fiscal Year 2018 budget priorities.

I come from local government where we passed bipartisan, balanced budgets each of the 14 years I served on the Fairfax County Board of Supervisors. While budgets are certainly values-based documents, they do not have to represent just one set of values. They can be inclusive, and should represent the diversity of the people they will ultimately affect. I regret to note that the Republican budget resolution that came before the House was neither balanced nor bipartisan. Despite leveling relentless criticism against President Obama for fiscal mismanagement while he was actually decreasing the deficit, the first budget of the new Republican unified government would increase the national debt by \$9.5 trillion over the next ten years. Life comes at you fast, as does the reality of governing. It is my hope that in the spirit of pragmatic governing—the kind demanded at the local level of government—we can coalesce around a set of shared priorities that keep this country both safe and strong.

I opposed the Republican budget resolution because it was not a serious document, it targeted American families and their healthcare, and it did not even feign the pretense of responsible budgeting or policymaking. Likewise, President Trump's forthcoming budget has been reported to have such mindless and draconian cuts that many Republicans have already declared it dead.

That being said, I would like to use my time before the Committee, as I have in the past, to lay out a few priorities I believe should be included in the FY2018 budget.

Our first shared priority should be ending the deep and indiscriminate cuts of sequestration for both defense and domestic spending. Don't just take my word for it. Listen to the representatives of the Veterans of Foreign Wars who have spent the week visiting Members' Capitol Hill offices to deliver the message that sequestration "is the most significant readiness and national security threat of the 21st century."

I would note that the VFW—in outlining its number one priority—does not differentiate between domestic and defense spending. Domestic and defense investments are complementary, and there are myriad examples of the relationship between the two creating a return on investment for the American taxpayer. A strong education system provides our military with its next generation of leaders. My district routinely sends more students to the U.S. military academies than any other Congressional district, in part, because Northern Virginia has a superb public education system. It was President Dwight D. Eisenhower, the former Supreme Commander of Allied Forces in Europe during WWII, whose vision of a National System of Interstate and Defense Highways gave us what we know today as the Interstate Highway System. The internet and GPS began as military research projects that now have nearly ubiquitous commercial applications. We must invest in both defense and domestic priorities and reject the Faustian bargain that would fund one and not the other to the ultimate detriment of both.

The alternative we seek is one that appreciates the power of government investments to both spur growth and guard from costly triage spending when the bills come due for our neglected funding priorities.

We can start by investing in the federal workforce that will carry out this mission. In recent years, no other group in our country has been demonized, demoralized, and asked to sacrifice more for the sake of deficit reduction than our federal workforce. All told, federal employees have contributed \$182 billion to deficit reduction over the last six years. The reinstatement of the Armageddon Rule, the hiring freeze, and gag orders that inhibit whistleblowers constitute a downright hostile agenda towards federal workers. When my colleagues use federal employees as both a piggybank and a punching bag, they are undermining the very thing they purport to champion; efficient and effective government.

That is why I have reintroduced the FAIR Act (H.R. 757), which would provide federal employees with a 3.2 percent wage adjustment, restore years of lost wage

increases, and which represents the difference between last year's 5.3 percent request and the Obama Administration's 2.1 percent increase.

We must remember that the hard working men and women of the federal workforce—85 percent of whom are based outside of Washington D.C.—are our friends and neighbors. They are providing essential government services in every community across America, whether it is on the front lines of national security, caring for our nation's seniors and veterans, or guiding families through our national parks.

I would also ask that the Budget Committee be mindful of the obligation the federal government has to the providing funding for and ensuring the functionality of the Washington D.C. Metrorail system. This includes the federal government's annual \$150 million commitment to the Washington Metropolitan Area Transit Authority (Metrorail). The federal government must pay its fair share. Since 40% of rush-hour riders are federal employees and the 16 million annual visitors to the nation's capital rely on Metrorail, the federal government has a unique responsibility to help fund the operation of this vital transportation system.

There are in fact investments we can make now that will save money, and potentially lives, in the long run. I recently joined every Democratic Member of the House Foreign Affairs Committee in writing to the Budget Committee arguing on behalf of a robust International Affairs budget. And once again, you do not have to take my word for it. More than 120 retired generals and admirals recently wrote a letter to Congress on this matter. They wrote, "the State Department, USAID, Millennium Challenge Corporation, Peace Corps and other development agencies are critical to preventing conflict and reducing the need to put our men and women in uniform in harm's way." We cannot starve our foreign aid and diplomacy missions and expect that increased defense spending alone will keep America safe.

I want to thank the Chairman and Ranking Member for hosting Members' Day. Budgets can be values-based documents without being ideological manifestos, and I would hope that the burden of governing fosters a sense of pragmatism about the value of government investment.

[The prepared statement of Mr. Calvert follows:]

COMMITTEE ON THE BUDGET: MEMBER'S DAY HEARING, STATEMENT BY REP. KEN CALVERT

Chairman Black: As we have seen, the United States is facing an extraordinarily difficult fiscal situation driven by soaring government expenditures, continued weakness of the economy and years of unchecked government spending that has left us facing a national debt of almost \$20 trillion. Republicans must do whatever we can to reduce unchecked and inappropriate spending and I believe we have an exciting opportunity ahead of us to submit a fiscally responsible federal budget to the American people.

If we are to maintain the budget caps, then my primary concern is how to be a defense hawk and a deficit hawk. While I support ending the defense sequester, I also realize that we must operate according to current law. In a proactive attempt to address these difficult budgetary challenges, I introduced the Rebalance for an Effective Defense Uniformed and Civilian Employees (REDUCE) Act, H.R. 295. The current ratio of active duty military personnel vs. civilian personnel is out of balance. From 2001 to 2014, the active duty military has shrunk by four percent while the number of civilian defense employees grew by 15 percent. Under the Obama Administration, the Department of Defense followed through on plans to drastically cut active duty end strength—cuts that compromised readiness and assumed more risk. Meanwhile the Department of Defense civilian workforce remained virtually untouched. It is time for the Pentagon to make permanent reductions in a thoughtful manner that will result in a more efficient civilian workforce.

H.R. 295 would reduce our defense civilian workforce by 15% by FY 2028 through the flexibility of attrition as well as giving more weight to performance in a Reduction in Force. The legislation also mandates that the reductions occur over a five year period and gives the Secretary of Defense authority to incentivize early retirements. Ultimately, H.R. 295 would generate an estimated \$125 billion in savings over five years that would be redirected back into the Department for modernization, readiness, and acquisition. To that end, I request that the Fiscal Year 2018 (FY18) Budget reflect these reforms and the need to rebalance the DOD civilian workforce.

Furthermore, as Chairman of the Interior and Environment Appropriations Subcommittee, I have seen firsthand the result of the current and unsustainable state of emergency wildfire funding. In the face of disaster, agencies such as the United

States Forest Service are forced to divert funding from critical accounts such as fire prevention and non fire accounts to pay for fire suppression.

For this reason, I support the principles outlined in Representative Michael Simpson's legislation H.R. 167, the Wildfire Disaster Funding Act, of the 114th Congress. The version to be reintroduced in the 115th Congress is cost-neutral legislation that would fund wildfire suppression so catastrophic wildfires would be eligible for the disaster spending cap adjustment, just like hurricanes, floods, and similar natural disasters. As a former small business owner, I can attest that reliable budget numbers are essential in accurately and effectively planning for emergencies. The current state of wildfire funding and detrimental fire borrowing simply does not allow for this, leaving unhealthy forests that are more susceptible to expensive catastrophic wildfires. I support science-based funding for wildfires and the FY18 Budget should include a wildfire funding fix.

Chairman Black, I am confident that the Republican majority in Congress can take these bolder approaches to achieve the ultimate goal of balancing our budget over time while finding ways to reform government spending in order to help America's global competitiveness and lay the foundation for economic growth.

[The prepared statement of Mr. Simpson follows:]

TESTIMONY FOR MEMBER DAY HEARING, REP. MIKE SIMPSON

Thank you for giving me the opportunity to talk with you today about an extremely important issue.

Like many of my Western colleagues, I have seen the impacts of catastrophic wildfires first hand as they rage across my district each summer, threatening the lives and property of my constituents. I have seen where catastrophic fires have scorched the land so badly that nothing will grow. I have also seen where preventative measures—like hazardous fuels removal, timber harvesting, and grazing in areas susceptible to fire—have protected resources, property, and lives from fires that would have been much worse without them. Effective forest management can prevent a routine fire that is manageable and easy to control from becoming a catastrophic one that costs millions to contain and years to recover from.

Hazardous fuels, like dry undergrowth and foliage that is extremely susceptible to fire, can cause fires to burn hotter, spread more quickly, and climb up to the top of the trees, making it much more difficult to control. Removing these fuels is a key tool for preventing catastrophic wildfires. I have seen areas where a fire destroyed everything in its path only to stop short at an area where brush and undergrowth had been removed.

Containing catastrophic fires costs us millions, even billions of dollars each year. Typically, only 1–2% of the fires we fight each year are considered catastrophic. Yet we spend a disproportionate amount of money trying to get them under control. For example, last year just 10 fires cost more than \$300 million. So it makes good budget sense to spend some money preventing catastrophic wildfires before they escalate rather than spending millions to fight them once they are out of control.

Unfortunately, the way we currently budget for wildfire doesn't make sense. Today most of the funding we provide for hazardous fuels removal never makes it to the ground. When wildfire suppression costs exceed the agencies' fire budget, the agencies are forced to borrow from other accounts, like hazardous fuels reduction, to pay for fire suppression. There is no guarantee that Congress will make those accounts whole by the end of the fiscal year. Even if we do, that funding comes to the agencies far too late for it to do any good.

Robbing non-fire accounts to pay for fire suppression means that the Forest Service has fewer resources available for forest management, so fires get worse and suppression costs end up devouring the agency's budget. The way we currently budget for fire has created a devastating cycle of fire borrowing that is costing taxpayers and destroying our forests.

Fire borrowing was intended to be an extraordinary measure, but agencies routinely have had to rob other budgets to pay for fire suppression.

Recent fire seasons have cost taxpayers upwards of one billion dollars. Those costs will only go up unless we take action to end this destructive cycle of fire borrowing. That is why Representative Schrader and I plan to reintroduce the Wildfire Disaster Funding Act. This legislation enjoyed broad bipartisan support in the 113th and 114th Congress. It was cosponsored by 150 Members of Congress and supported by a broad coalition of over 300 organizations, ranging from the Wilderness Society to the NRA.

This bill recognizes that catastrophic wildfires are major natural disasters, like hurricanes and floods, and would budget for them accordingly. Routine wildland

firefighting costs would continue to be funded through the normal appropriations process, while catastrophic fires would be eligible for disaster funding when the fiscal year suppression accounts are exhausted. This approach would allow the Forest Service and DOI to avoid borrowing money from prevention accounts which only exacerbates the wildfire problem for future years.

It's important to note that we are already spending this money—we already fully fund wildfire suppression each year. But fire borrowing is such an inefficient practice that we are only spending more money each year to fight bigger fires. We are doing nothing to manage forests in such a way to prevent fires that rage out of control and cost millions to contain.

There are a number of steps that we need to take to address forest health and management issues, but fixing the wildfire suppression budget must be the first one. Until we address this issue, anything we do to increase management activities in our forests, like hazardous fuels removal, timber harvest, conservation, or trail maintenance, will continue to get lost in fire transfers. Fixing the wildfire budget is the critical first step in making our forests healthier and, ultimately, reducing the cost of wildfires in the future.

We must do something to end fire borrowing. It is destroying our forests, it is costing taxpayers billions of dollars, and, quite frankly, as funding intended for one purpose is siphoned off for another, it is taking away Congress's ability to determine how appropriated dollars are spent. I look forward to working with you to find the best way to address this issue, and I appreciate you giving me the opportunity to testify today.

[The prepared statement of Mr. Turner follows:]

CONGRESSMAN MICHAEL R. TURNER (OH-10), WRITTEN STATEMENT

Chairman Black, Ranking Member Yarmuth, and distinguished members of the House Committee on Budget, thank you for allowing me to offer my statements today.

The Administration has indicated plans to submit a budget request of \$603 billion for national defense base requirements. While I commend President Trump's initial efforts to rebuild our military, this proposal will not address the critical needs of our military and as a consequence will not allow the successful execution of its strategic objectives. The proposed \$603 billion only represents a mere 3.2 percent increase compared to the Fiscal Year 2018 funding levels projected in President Obama's last budget request.

The Budget Control Act (BCA) placed a tremendous burden on our national defense and military capabilities. The BCA's devastating budget cuts have allowed our military's capabilities to atrophy, our force size to shrink, and as a result we are assuming too much risk in our military preparedness to fight and win against near-peer and peer competitors. In its review of the 2014 Quadrennial Defense Review (QDR), the bipartisan National Defense Panel strongly advocated for a funding baseline consistent with then-Secretary of Defense Robert Gates' budget request for FY2012. In FY2018 Secretary Gates' projected a topline amount of \$661 billion for national defense. President Trump's request would be \$58 billion short of that number.

With the onset of sequestration, 2011 is the last time the Department was able to engage in an honest and strategic assessment of global threats and the necessary capabilities to effectively deter those threats.

The Armed Services Committee, under the leadership of Chairman Thornberry, was tasked with identifying critical capability gaps as well as the resources needed to fund national defense and begin addressing these critical shortfalls. The committee assessed that \$640 billion was the bare minimum necessary to even begin the process of rebuilding our military and reversing the damaging cuts that have led to serious readiness challenges throughout the military services.

The Department of Defense defines readiness as "the ability of military forces to fight and meet the demands of assigned missions." The Armed Services Committee has heard numerous testimonies from senior military leadership on readiness shortfalls and how they are assuming too much risk in training and operations. Recently, General Daniel Allyn, Vice Chief of Staff of the Army, stated "our Army requires modernized equipment to win decisively, but today we are outraged, outgunned and outdated". His statements, disconcertingly similar to other service Chiefs and Vice Chiefs, point out that we are "assuming risk and mortgaging our future readiness." General Joseph Dunford, Chairman of the Joint Chiefs of Staff, when speaking on critical munition shortfalls stated that "our current global inven-

tories are insufficient for theater missile defense, standoff, and air-to-air munitions needs”.

The U.S. currently faces one of the most complex security environments in recent history and our military is continually being asked to do more with less. The restoration of our national defense must be our top priority. Continuing down the path of budget driven defense strategies rather than capability driven defense strategies places too great a burden on our men and women in uniform and severely impacts our ability to defend our interests at home and abroad. Reversing this damaging trend in national security and military readiness will not be accomplished in one year, but as you form your budget submission I urge you to support a national defense base of \$640 billion which is what’s required to begin the process of rebuilding our military.

[Whereupon, at 12:03 p.m., the committee was adjourned.]